

Arlington Wins \$1.4M In Fees In Patent Row With Bridgeport

By Kurt Orzeck

Law360, Los Angeles (June 28, 2016, 7:57 PM ET) -- A Pennsylvania federal judge on Tuesday granted nearly \$1.4 million in attorneys' fees and costs to Arlington Industries Inc. in its long-running litigation accusing Bridgeport Fittings Inc. of selling electrical connectors that allegedly infringed an Arlington patent.

U.S. District Judge A. Richard Caputo granted approximately \$1.15 million in attorneys' fees and \$225,000 in costs to Arlington's attorneys, who had sought a total award of roughly \$1.77 million for proceedings in the court and the Federal Circuit.

Arlington and Bridgeport years ago reached a settlement that blocked the latter company from selling certain electrical connectors and their imitations, according to court papers. The Pennsylvania court later found Bridgeport in contempt for violating the agreement by selling redesigned connectors, and the Federal Circuit upheld that decision.

Arlington was previously awarded approximately \$1.53 million in fees allegedly incurred in enforcing the injunction. Bridgeport lost its Federal Circuit appeal of that award, after which Arlington filed a supplemental fee petition for the additional proceedings.

Judge Caputo on Tuesday said Arlington hadn't sufficiently argued that it was owed a higher hourly rate because the Federal Circuit requires "special expertise" that local counsel couldn't provide. However, he rejected many of Bridgeport's arguments that Arlington's fees on appeal were excessive, noting that the defendant had caused "irreparable harm to Arlington's reputation and goodwill."

"If you think that talk is cheap, try hiring a lawyer," the decision said. "Although the author behind this quote is unknown, the principle behind it is well-known to both parties here."

The suit stems back to 2002, when Pennsylvania-based Arlington sued Bridgeport for allegedly infringing on its patent for a method for connecting cables to a junction box using "electrical fittings," according to court papers.

The parties eventually settled in 2004, with Bridgeport signing a statement asserting that Arlington's patent was valid and infringed by its Speed-Snap electrical connector products. The deal also prohibited Bridgeport from selling certain Speed-Snap products or their "colorable imitations," court documents said.

However, Bridgeport then redesigned its connectors and began selling them under the Whipper-Snap brand, and Arlington filed a contempt motion in 2012 asserting that the new connectors violated the 2004 agreement, according to court filings.

The district court found that the new connectors were not more than colorably different from the old ones, and entered a contempt order against Bridgeport that forbade the company from selling its new accused products, court papers said.

On appeal, Bridgeport argued that the new injunction had broadened the scope of the old one and that the Federal Circuit therefore had jurisdiction over the appeal, as the court may consider interlocutory orders if they change an injunction.

But the Federal Circuit didn't buy that argument, finding in July 2014 that the agreement from 10 years prior had enjoined Bridgeport from making "any colorable imitations" that infringed on the first claim of the patent-in-suit, which the 2013 injunction also did.

Arlington sought approximately \$958,000 in attorneys' fees allegedly incurred on two Federal Circuit appeals and roughly \$584,000 in fees from post-trial proceedings before the Pennsylvania court.

Bridgeport argued that the time billed by plaintiffs' counsel was excessive. Judge Caputo said that, while he found merit to some of those objections, Arlington's requested amount for the two Federal Circuit appeals was less than half the amount of what a single patent appeal can cost.

"Additionally, far from being a trivial case in which the outcome would not affect the company at large, this was a bet-the-company case for Arlington, where the monetary value alone as of 2013 was approximately \$15 to \$20 million," the judge ruled. "It is not unreasonable that Arlington's counsel would expend the time that they did on such a bet-the-company type of case like this one."

Arlington President Tom Stark said in a statement provided to Law360 on Tuesday that it is very pleased with the additional award of attorneys' fees and costs.

"[Judge Caputo overruled] Bridgeport's baseless objections, and acknowledg[ed] 'the excellent work [of our attorneys] in this case,' " Stark said. "We hope these sanctions will deter Bridgeport from any future infringement of our IP rights."

Attorneys for Bridgeport didn't immediately respond to requests for comment late Tuesday.

Meanwhile, Arlington also has a current pending motion to show cause why Bridgeport is not in contempt for an allegedly new violation.

Arlington is represented by Kathryn L. Clune, Ali H.K. Tehrani and Jacob Z. Zambrzycki of Crowell & Moring LLP and Robert J. Tribeck and Amanda J. Lavis of Rhoads & Sinon LLP.

Bridgeport is represented by Alan M. Anderson, L. Reagan Florence and Matthew R. Palen of Alan Anderson Law Firm LLC and Robert N. Gawlas Jr. of Rosenn Jenkins & Greenwald LLP.

The case is Arlington Industries Inc. v. Bridgeport Fittings Inc., case number 3:02-cv-00134, in the U.S. District Court for the Middle District of Pennsylvania.

--Additional reporting by Allissa Wickham. Editing by Philip Shea.
