

**UNITED STATES COURT OF APPEALS  
FOR THE FEDERAL CIRCUIT**

IN RE VARIAN MEDICAL SYSTEMS, INC.,

*Petitioner.*

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ON PETITION FOR A WRIT OF MANDAMUS TO THE UNITED STATES  
DISTRICT COURT FOR THE WESTERN DISTRICT OF PENNSYLVANIA IN  
CASE NO. 2:08-CV-01307, JUDGE ARTHUR J. SCHWAB

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**EMERGENCY MOTION FOR TEMPORARY STAY OF A JURY TRIAL  
PENDING RESOLUTION OF A MANDAMUS PETITION**

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Pursuant to Federal Rules of Appellate Procedure 8 and 27, and Federal Circuit Rule 8, Petitioner/Defendant Varian Medical Systems, Inc. (“Varian”) moves this Court for a temporary stay of the jury trial set to commence on January 23, 2012.<sup>1</sup> As described in a mandamus petition also filed today, the district court is denying Varian its Seventh Amendment right to have a jury resolve the facts underlying its defense of patent invalidity. Although a jury trial is set for January 23, 2012, the trial is limited to the question of whether Varian willfully infringed a

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<sup>1</sup> To grant a stay, the Court must balance several factors, including the likelihood of success on the merits, the possibility of irreparable injury, whether other parties will be substantially injured should a stay be issued and whether the public interest requires issuance of the stay. *Hilton v. Braunskill*, 481 U.S. 770, 776 (1987).

“valid” patent. Varian is not permitted to argue that the patent is invalid. As the petition also explains, the law of this Court is clear that a writ of mandamus should issue to protect Varian’s right to a jury. Because Varian is likely to succeed on the merits of its mandamus petition and delay harms no one, this Court should issue a temporary stay to consider the mandamus petition and any response and reply ordered by the Court.

1. Accused of patent infringement by plaintiff the University of Pittsburgh of the Commonwealth System of Higher Education (“Pitt”), Varian has argued, among other things, that the asserted patent (U.S. Patent No. 5,727,554 (“554 Patent”)) is invalid.

2. On December 21, 2011, without prior notice to the parties or any form of trial scheduling conference, the district court scheduled a trial on only “willful infringement,” and explicitly refused to allow Varian to present evidence or argue to the jury that the Pitt patent is invalid.

3. Despite Varian’s numerous objections and a request to certify the question to this Court, the district court refuses to continue the trial to allow for presentation of, and decision on, Varian’s invalidity defenses. Instead, on January 11, 2012, the court scheduled *another* jury trial this one on “damages,” to commence on February 21, 2012.

4. Varian's mandamus petition establishes that it will likely succeed on the merits. This Court has held that a defendant is entitled to have a jury resolve the question of patent invalidity. See *In re Lawrence B. Lockwood*, 50 F.3d 966 (Fed. Cir. 1995), *vacated by* 515 U.S. 1182 (1995);<sup>2</sup> *In re SGS-Thomson Microelectronics*, 1995 U.S. App. LEXIS 10017, \*2-4 (Fed. Cir. 1995). This Court has also held that a mandamus petition is the appropriate mechanism to seek review of the denial of the right to a jury. *Id.* Here, Varian is being forced to face jury trials on both willful infringement and damages – both of which can be found only if the patent is not invalid – without being allowed to try its invalidity defenses. The court has refused to schedule an invalidity trial. To the contrary, the court has left open the possibility that the jury's willfulness verdict may constitute a dispositive determination of the patent invalidity issue.

5. All the other stay factors either support issuance of a temporary stay or are neutral. In the absence of a stay, Varian alone will suffer irreparable harm. Without this Court's intervention, Varian will be forced to face two trials where it will not be permitted to try its invalidity defenses. The plaintiff has demanded over \$63 million in damages and a finding of willfulness by the jury in this case (a

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<sup>2</sup> *Tegal Corp. v. Tokyo Electron Am., Inc.*, 257 F.3d 1331, 1339 n.5 (Fed. Cir. 2001) (“Although no longer binding, we find [*Lockwood's*] reasoning pertinent”); *In Re Technology Licensing Corp.*, 423 F.3d 1286, 1289 n.1 (Fed. Cir. 2005) (“We have continued to rely on the ‘relevant and detailed analysis’ in *Lockwood.*”)

jury instructed to assume the patent is “valid”) would result in treble damages. Moreover, the district court has suggested that the results of the trials could be binding on the question of the patent’s validity even though no jury will have ever considered the question. In contrast, Pitt would not suffer any harm if a temporary stay is entered because it is not in the business of developing products. A stay would have no impact on Pitt’s operations. The public has no particular interest in the outcome of this dispute over royalties from the sale of a medical device.

6. Pursuant to Federal Rule of Appellate Procedure 8(2)(C), Varian gave notice of this motion to all parties by email on January 17, 2012.

\* \* \*

For these reasons, Petitioner respectfully requests that this Court temporarily stay the proceedings in the district court until resolution of the concurrently filed petition for a writ of mandamus.

Respectfully submitted,



Joseph Carnicella  
Robert Wagner  
PICADIO SNEATH MILLER &  
NORTON P.C.  
4710 U.S. Steel Tower  
600 Grant Street  
Pittsburgh, PA 15219  
Phone: (412) 288-4000  
Fax: (412) 288-2405

Mark S. Davies  
ORRICK, HERRINGTON &  
SUTCLIFFE LLP  
Columbia Center  
1152 15th Street, NW  
Washington, DC 20005  
Phone: (202) 339-8631  
Fax: (202) 339-8500

E. Joshua Rosenkranz  
ORRICK, HERRINGTON &  
SUTCLIFFE LLP  
51 West 52<sup>nd</sup> Street  
New York, NY 10103  
(212) 506-5380

*Counsel for Varian Medical  
Systems, Inc.*

January 17, 2012

## CERTIFICATE OF INTEREST

Pursuant to Federal Circuit Rule 47.4, counsel of record for Petitioner, Varian Medical Systems, Inc. certifies as follows:

1. The full name of every party represented by me is  
Varian Medical Systems, Inc.
2. The names of the real parties in interest represented by me are:  
Varian Medical Systems, Inc.
3. Varian Medical Systems, Inc. has no parent corporation and no publicly held company owns 10 percent or more of its stock.
4. The names of all law firms and the partners or associates that appeared for the parties represented by me in the trial court or are expected to appear in this Court are:

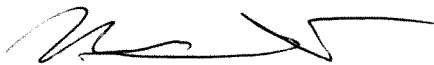
Mark S. Davies, E. Joshua Rosenkranz, William L. Anthony,  
Matthew H. Poppe, Zheng Liu, and M. Leah Somoano of  
Orrick, Herrington & Sutcliffe, LLP

Henry M. Sneath, Robert Wagner, and Joseph Carnicella of  
Picadio Sneath Miller & Norton P.C.

Joseph A. Greco of Beck, Ross, Bismonte & Finley, LLP

Dated: January 17, 2012

Respectfully submitted,



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Mark S. Davies  
*Attorney for Petitioner Varian Medical  
Systems, Inc.*

**CERTIFICATE OF SERVICE**

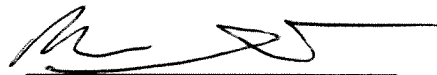
I hereby certify that on January 17, 2012, I caused an original and four true and correct copies of the EMERGENCY MOTION FOR TEMPORARY STAY OF A JURY TRIAL PENDING RESOLUTION OF A MANDAMUS PETITION to be served on the Clerk of the United States Court of Appeals for the Federal Circuit and I further certify that I caused the following individuals to be served with two true and correct copies of the foregoing via Federal Express.

**Trial Court Judge:**

The Honorable Arthur J. Schwab  
United States District Court for Western Pennsylvania  
700 Grant Street  
Pittsburgh, PA 15230  
Tel: (412) 208-7423  
Fax: (412) 208-7417

**Counsel for University of Pittsburgh of the Commonwealth System of Higher Education:**

William P. Quinn, Jr., Esq.  
Elizabeth Stroyd Windsor, Esq.  
Morgan, Lewis & Bockius  
1701 Market Street  
Philadelphia, PA 19103-2921  
Tel: (215) 963-5775  
Fax: (215) 963-5001



Mark S. Davies  
January 17, 2012

Miscellaneous Docket No. \_\_\_\_

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**ORDER**

Petitioner's Motion for Stay Pending Resolution of Mandamus Petition is GRANTED. It is hereby ORDERED that, pending resolution of the petition for a writ of mandamus, the district court vacate its orders scheduling trials for January 23, 2012, and February 21, 2012.

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JUDGE