

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION**

PHILIP MORRIS PRODUCTS S.A.

Plaintiff,

v.

R.J. REYNOLDS VAPOR COMPANY

Defendant.

Case No. 1:20-cv-00393-LMB-TCB

**JOINT STIPULATION FOR PREJUDGMENT INTEREST, POST-JUDGMENT
INTEREST, AND SUPPLEMENTAL DAMAGES**

Philip Morris Products S.A. (“Philip Morris”) and Defendant R.J. Reynolds Vapor Co. (“Reynolds”), by and through their respective counsel, jointly stipulate and agree as follows:

1. On June 15, 2022, the jury returned a verdict finding that (i) the Solo G2 infringed claims 1, 11, and 13 of the ’911 patent and (ii) the Alto infringed claims 1 and 4 of the ’265 patent. The jury awarded Philip Morris damages for past infringement through December 31, 2021 in the amount of \$8,000,000 for the ’265 patent and \$2,759,755 for the ’911 patent. Dkt. 1361.

2. For the ’265 patent, the jury’s damages award was a running royalty for past infringement from August 1, 2018 through December 31, 2021, and did not include prejudgment interest, post-judgment interest, or damages after January 1, 2022. Dkt. 1361 at 1-2.

3. For the ’911 patent, the jury’s damages award was a running royalty for past infringement from October 23, 2018 through December 31, 2021, and did not include prejudgment interest, post-judgment interest, or damages after January 1, 2022. Dkt. 1361 at 1-4.

4. The Court entered judgment on June 15, 2022 pursuant to Fed. R. Civ. P. 58. Dkt. 1362.

5. By July 27, 2022, Reynolds will produce sales data sufficient to show net sales for the Solo G2 and Alto from at least January 1, 2022 to June 15, 2022.

6. For the ’265 patent, Reynolds agrees to incorporate a running royalty of 0.6% on accused net sales of the Alto cartridges only (including 14.2% of any complete kit net sales, which were attributed to cartridge net sales) from January 1, 2022 to June 15, 2022 as part of the judgment (“Supplemental ’265 Damages”).

7. For the ’911 patent, Reynolds agrees to incorporate a running royalty of 2% on accused net sales of the Solo G2 cartridges only (but not including any portion of sales of complete

kits) from January 1, 2022 to June 15, 2022 as part of the judgment (“Supplemental ’911 Damages”).

8. Reynolds agrees to incorporate prejudgment interest at the prime rate, compounded quarterly, from the dates of first infringement (i.e., August 1, 2018 for the ’265 patent and October 23, 2018 for the ’911 patent) through entry of judgment (June 15, 2022) as part of the judgment. Specifically, Reynolds agrees to prejudgment interest for the aforementioned time periods in the amount of (1) \$386,173 for the ’265 patent and (2) \$249,986 for the ’911 patent.

9. Reynolds agrees that post-judgment interest will be calculated as set forth in 28 U.S.C. § 1961.

10. The foregoing is subject to Reynolds’s post-trial motions and appeal of the judgment.

Dated: June 28, 2022

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on this 28th day of June, 2022, a true and correct copy of the foregoing was served using the Court's CM/ECF system, with electronic notification of such filing to all counsel of record.

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