

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

RAI STRATEGIC HOLDINGS, INC. AND R.J.  
REYNOLDS VAPOR COMPANY

Plaintiffs and Counterclaim  
Defendants,

v.

ALTRIA CLIENT SERVICES LLC; PHILIP  
MORRIS USA, INC.; and PHILIP MORRIS  
PRODUCTS S.A.

Defendants and Counterclaim  
Plaintiffs.

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

**PHILIP MORRIS PRODUCTS S.A.'S MEMORANDUM IN SUPPORT OF MOTION  
FOR LEAVE TO AMEND COUNTERCLAIMS TO ADD INJUNCTIVE RELIEF**

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## I. INTRODUCTION

Defendant Philip Morris Products S.A. (“PMP”) moves for leave to amend its counterclaims to include the additional remedy of permanent injunctive relief for its patent infringement claims (Dkt. 198).

The standard for amending the pleadings under Rule 15 is readily met here, where PMP seeks, not to add new claims, but only to include an additional theory of recovery relating to the claims already pled. PMP brings this motion in good faith shortly after the Court lifted the stay on PMP’s asserted patents. The proposed amendment “is not prejudicial [inasmuch as] it merely adds an additional theory of recovery to the facts already pled.” *Atl. Bulk Carrier Corp. v. Milan Express Co., Inc.*, No. 3:10cv103, 2010 WL 2929612, at \*4 (E.D. Va. July 23, 2010), citing *Laber v. Harvey*, 438 F.3d 404, 427 (4th Cir. 2006). Nor will the amendment affect any case deadlines, as discovery is ongoing, and a trial date has not been set. Lastly, the proposed amendment is not futile, because the Court is able to grant the requested injunctive relief for infringement of PMP’s asserted patents.

## II. FACTUAL BACKGROUND

On April 9, 2020, Plaintiffs filed their Complaint alleging infringement of six patents. Dkt. 1. The Court stayed proceedings as to three of the patents pursuant to 28 U.S.C. § 1659, because Plaintiffs also asserted those patents in the ITC. Dkt. 27. Plaintiffs thereafter amended their complaint to drop one remaining patent, leaving only two of Plaintiffs’ patents going forward in this Court. Dkt. 52.

On June 29, 2020, Defendant PMP filed an answer and counterclaims that Plaintiffs infringed three of PMP’s patents (“PMP’s asserted patents”). Dkt. 40. PMP’s prayer for relief requested an award of damages under 35 U.S.C. § 284, attorneys’ fees under 35 U.S.C. § 285,

costs and expenses, and any additional relief as the Court deems just and reasonable. *See* Dkt 40 at 44-45. PMP's prayer for relief did not expressly reference injunctive relief.

In October 2020, PMP, along with Altria Client Services LLC and Philip Morris USA, Inc. (together, "Defendants"), filed a motion for leave to amend their counterclaims, to add an inequitable conduct defense and counterclaim against one of Plaintiffs' asserted patents, add additional facts to support their defense of unclean hands against another of Plaintiffs' asserted patents, and add counterclaims that Plaintiffs willfully infringe three of the Counterclaim Patents. Dkt. 115. The Court granted Defendants' motion for leave to amend (Dkt. 179), and Defendants thereafter filed their amended answer and counterclaims on October 19, 2020. Dkts. 193, 198.

In November 2020, Defendants moved to stay Plaintiffs' claims on Plaintiffs' two asserted patents, pending PTAB review of those patents. Dkt. 370. On December 4, 2020, the Court granted Defendants' motion to stay the case on Plaintiffs' remaining two asserted patents, and further stayed the remainder of the case, including Defendants' counterclaims, in view of the ongoing COVID-19 pandemic and the potential impact of that pandemic on existing case schedules in the District in the absence of a vaccination. Dkts. 426, 432; Dkt. 444 at 6:9-24, 7:14-23.

In February 2020, Defendants moved to lift the stay on Defendants' counterclaims, following the PTAB's institution of post-grant review of one of Plaintiffs' asserted patents and the pending rehearing of a second asserted patent. Dkt. 447. On February 16, 2021, the Court granted Defendant's motion to lift the stay on Defendants' counterclaims. Dkt. 456. On February 19, the Court entered a modified scheduling order, setting deadlines for the remainder of the case, including setting the close of discovery for April 12, 2021. Dkt. 461. A pretrial conference has been set for April 16, 2021. Dkt. 445. No trial date has yet been set.

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