Centripetal Networks Awarded $2.6B-$3.2B Verdict with Banner Witcoff-Drafted Patents

In what appears to be the largest patent verdict in U.S. history, longtime client Centripetal Networks, Inc., obtained a verdict ranging in value from $2.6 billion to $3.2 billion in litigation against Cisco Systems, Inc., for infringing four patents drafted and prosecuted by Banner Witcoff.

On Oct. 5, a Virginia federal judge ruled that Cisco willfully infringed four of Centripetal's patents covering network security technologies, including packet filters and operationalized cyber-threat intelligence. The verdict came in a 178-page opinion that followed a month-long bench trial held over Zoom before Judge Henry C. Morgan Jr. in the U.S. District Court for the Eastern District of Virginia.

In his decision, Judge Morgan found that Cisco infringed Centripetal's patents and failed to prove that the patents were invalid. He awarded Centripetal $755.8 million in past damages and nearly tripled that amount to $1.9 billion based on his finding that the infringement was "willful and egregious." The judge also ordered Cisco to pay a 10% royalty on sales of some of its products for three years, and 5% for the following three years.

Initial industry reporting focused on the $1.9 billion past damages number and noted the existence of the royalty award. However, Judge Morgan's award of royalties includes guaranteed minimum and maximum amounts over the six years, raising the value of the verdict to at least $2.6 billion and up to $3.2 billion.

Banner Witcoff did not represent Centripetal in the trial, but has worked with Centripetal since 2010 to assist Centripetal in developing an industry leading intellectual property portfolio. This included drafting and prosecuting the four patents found to be both valid and infringed in this case. The Banner Witcoff team that represents Centripetal is led by Bradley Wright and Scott M. Kelly, and includes Kirk Sigmon, Christian LaForgia, and Anna King.

"Without the protection of a patent an emerging company could never take on big important challenges like these," said Steven Rogers, CEO of Centripetal Networks, after the decision.

"Banner Witcoff was the first partner we turned to when we set out to invent the next generation of cyber security" said Jonathan Rogers, COO of Centripetal Networks. "Even when there was no reason to believe in what we wanted to do, they were there. Brad, Scott,

and the rest of the team at Banner Witcoff stood by us as trusted advisors. We have continued to innovate and build the best intelligence driven security systems on the market, and Banner Witcoff has helped us protect our innovation at every step of the way."

Strong technology is important for any patent assertion, and carefully drafted patents can assist innovators in realizing the value of their inventions through licensing and litigation. Many of the firm's attorneys have contributed to the ABA's Drafting Patents for Litigation and Licensing handbook (Wayne Porter, ed.), including Bradley Wright (past ed., contributing author) and Scott M. Kelly (contributing author). A new Fourth Edition is forthcoming, offering additional insight on pitfalls and best practices to maximize the value of the legal protection for your inventions.

The judgment – a testament to the strength and importance of well-written patents — has been covered by a number of publications, including Bloomberg and Law360, among many others. The case is Centripetal Networks, Inc. v. Cisco Systems, Inc. , Case No. 2:18-cv-00094 (E.D. Va., Order dated October 5, 2020).

Patent prosecution was the impetus for Banner Witcoff's founding in 1920, and it remains one of the cornerstones of our firm. To learn more about our team of seasoned attorneys and their capabilities in this space, click here.

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