

Sheppard Mullin Secures \$100 Million Damages Award for SecurityPoint Holdings, Inc

Historic Award Is One of The Largest Patent Infringement Awards of its Kind

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A Sheppard Mullin trial team led by partners Brad Graveline and Laura Burson obtained one of the largest patent infringement damages awards against the United States for client, SecurityPoint Holdings, Inc (SecurityPoint).

On October 22, 2021, the United States Court of Federal Claims released an opinion awarding SecurityPoint more than \$100 million in damages for the United States' unauthorized use of SecurityPoint's U.S. Patent No. 6,888,460, which claims a method of moving and processing trays with carts in security screening checkpoints at all Cat X and Cat I airports in the United States. In addition, the Court held that SecurityPoint is also entitled to delay damages and additional damages for the United States' continuing infringement of the patent after the close of fact discovery. The parties agree that these additional damages will be at least another \$30 million, making this one of the largest, if not the largest, damages award ever against the United States.^[1]

In its opinion, the Court held that SecurityPoint "carried its burden of proving that its patented method became the default means used by TSA for screening passengers at security checkpoints at all Cat X and Cat I airports." The Court also held that SecurityPoint "has established entitlement to a running royalty based on \$0.02 per passenger."

Sheppard Mullin partner Brad Graveline, co-lead counsel for SecurityPoint, stated, "We are pleased with the Court's opinion and the historic result. We expect the judgment to be the largest patent infringement damages award of its kind against the Government."

Sheppard Mullin partner Laura Burson, co-lead counsel for SecurityPoint, added, "We are particularly gratified that, after 10 years of litigation, the Court recognized the government's widespread infringement and the value of SecurityPoint's patent."

The Sheppard Mullin trial team also included Don Pelto, Rebecca Mackin, Kazim Naqvi, Tom Carr, Stephanie Limbaugh, Dori Dellisanti and Ann Castro.

SecurityPoint's press release is available [here](#).

The ruling of the D.C. District of the U.S. Court of Federal Claims is available [here](#) and the Court's status report is available [here](#).

[1] The next largest damages award we have identified is \$114 Million. See *Hughes Aircraft Co. v. U.S.*, 31 Fed. Cl. 481 (1994).

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Practice Areas

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