CLIENT ALERTS & INSIGHTS

Insulet Corp. May Have to Choose Between $452 Million Jury Award or Permanently Blocking Competitor From Utilizing Its Trade Secrets

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After receiving a jury verdict awarding $452 million in damages against a rival company for misappropriation of trade secrets, the prevailing party, Insulet Corp., may have to choose between portions of the damages award or permanently blocking the rival company from continuing to sell its products based on the stolen technology.

In August 2023, Insulet, a medical device company, sued a rival company, EOFlow, for misappropriation of Insulet's trade secrets. On December 3, 2024, after a four-week trial in the District of Massachusetts, the jury returned a verdict in favor of Insulet finding that EOFlow misappropriated four of Insulet's trade secrets in creating its insulin patch pump. The jury awarded Insulet $170 million in compensatory damages and $282 million in exemplary or punitive damages, totaling $452 million.

Shortly after Insulet's victory, Insulet filed a motion to permanently stop EOFlow from selling the insulin patch pump that it created based on Insulet's proprietary technology. EOFlow challenged Insulet's request arguing that, if granted, the injunction would overlap with the damages awarded by the jury which, in part, compensate Insulet for EOFlow's future profits from its insulin patch product.

Recognizing that a company should not be able to continue to use and profit from stolen trade secrets, Chief U.S. District Judge F. Dennis Saylor IV concluded that some type of injunction would be required. Judge Saylor also concluded that Insulet could not receive both an injunction and keep the full jury award since the relief would overlap. Instead, Judge Saylor suggested Insulet choose whether it wants injunctive relief or the portion of the jury award that captures "unrealized value" from the trade secrets. With Judge Saylor's proposal as one option, he directed the parties to file new briefs with proposals on how to reconcile the competing interests.

The outcome of Insulet and EOFlow's post-trial remedy dispute could impact the interplay between monetary and injunctive relief in ongoing and future trade secret actions. Benesch attorneys will be watching the outcome of this dispute closely. If you have any questions, please reach out to:

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