

## Our Latest Industry Insights

Energy and the Environment

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### **California Narrows the Right of Insureds to Independent Counsel**

**By:** Aaron P. Allan

On March 21, 2017 the Supreme Court issued an opinion that abrogated the equitable defense of laches, for unreasonable and prejudicial delay in filing suit, in patent cases. *SCA Hygiene Prod. Aktiebolag v. First Quality Baby Prod., LLC*, No. 15-927, 2017 WL 1050978 (U.S. Mar. 21, 2017). In that case, Appellant SCA Hygiene argued that the Supreme Court's 2014 *Petrella* decision, which conclusively eliminated laches as a defense in copyright cases, also mandated the elimination of laches as a defense to patent infringement. The Supreme Court agreed, reversing the Federal Circuit's holding of unenforceability due to laches, and remanding for trial on infringement and Appellee First Quality's equitable estoppel defense.

**TAGS:** California Civil Code Section 2860, California Court of Appeal, cumis counsel, environment, independent counsel, insurance