Thomas | Kayden

THOMAS, KAYDEN, HORSTEMEYER & RISLEY, LLP

Recent IP Decisions – October 2010

Scott Horstemeyer
Thomas Hildebrandt

Intellectual Property Lawyers

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Fujitsu Ltd. v. Netgear, Inc. (Fed. Cir. 2010)
- Proving infringement by standards compliance
- Contributory infringement when feature disabled by default

In re Chippendales USA, Inc. (Fed. Cir. 2010)
- Inherent distinctiveness of trade dress

Green Edge Enterprises v. Rubber Mulch (Fed. Cir. 2010)
- Best mode

American Medical Systems v. Biolitec (Fed. Cir. 2010)
- Preambles as claim limitations

Laryngeal Mask Co. v. Ambu (Fed. Cir. 2010)
- Claim construction

Fujitsu Ltd. and LG Electronics, Inc. and US Philips Corp. v. Netgear, Inc. (Fed. Cir. 2010)

Background

- Netgear sued for infringement of patents in licensing pool related to two standards:
  - IEEE 802.11 (2007)
  - Wi-Fi Alliance Wireless Multi-Media Specification 1.1
- District Court granted summary judgment of non-infringement to Netgear

‘952 Patent

- Relates to fragmentation of data packets
- Philips alleges contributory and induced infringement for products that only fragment messages and for products that only defragment messages
- However, fragmentation is disabled by default in Netgear’s products, so the District Court required evidence of direct infringement by users turning on the fragmentation function
- Notice letters sent to Netgear were not sufficient to establish knowledge and intent elements of contributory and induced infringement

Contributory Infringement

Here, the patentee must establish

1. Direct infringement
2. The accused infringer had knowledge of the direct infringement
3. The component had no substantial noninfringing uses
4. The component is a material part of the invention

Direct Infringement – Use of Standards

- District Court relied on the WMM specification rather than the accused products in assessing infringement
- Netgear argues for rule precluding use of industry standards in assessing infringement
  - Text of a standard may not be specific enough to ensure that all possible implementations infringe
  - Many standard sections are optional and users may never activate a potentially infringing feature
  - Companies less likely to comply with standards if a patent owner can argue that all compliant products infringe

Direct Infringement – Use of Standards

- Philips argues for the use of standards
  - More efficient to assess based on industry standards
  - Alleviates the need for highly technical fact finding

Direct Infringement – Use of Standards

- Holding: A district court may rely on an industry standard in analyzing infringement
- If the reach of the claims includes any device that practices a standard, this can be sufficient for infringement
- The claims should be compared to the accused product, but if the accused product practices the standard, it is the same as comparing the claims to a standard (Dynacore)
- Sometimes the standard will not be specific enough, sometimes portions are optional; not sufficient for infringement in those cases

Direct Infringement

- Here, fragmentation is an optional feature; Philips must show that customers actually use the infringing features
- Evidence presented
  - User manuals, the 802.11 standard, customer service records showing when tech support advised customers to enable fragmentation
- Holding: Only the customer service records present genuine issue of material fact as to direct infringement

Knowledge

- District Court held knowledge element not established
  - Relied on patent marking statute; letters from licensing pool not sufficient
- Holding: There are genuine issues of material fact regarding knowledge
  - Disagree with Philips' claim that it need only show that Netgear knew of the patent and of the relevant acts but not whether these acts constituted infringement

Substantial Noninfringing Uses

- Netgear argues that in the fragmentation threshold tool, more than 40% of value settings are noninfringing because they result in no fragmentation
- Philips argues that the fragmentation tool is a separate and distinct tool and has no uses other than the infringing method
- Agree with Philips – similar to i4i v. Microsoft (XML editor within Word)
  - Analyze contributory infringement with respect to the separable feature, not the entire product
  - Here, the product is infringing when activated

Material Part of the Invention

- District Court: because the claims included only fragmenting steps, products that only defragment could not infringe
- Philips argues that defragmenting products are useful only for infringement
- Court agrees that products that only defragment messages cannot constitute a material part of the invention
- Conclusion – Summary judgment of no contributory infringement is reversed for products with customer service records as evidence of direct infringement
- Also, summary judgment of no induced infringement reversed due to factual issues of notice

Limitation on Damages

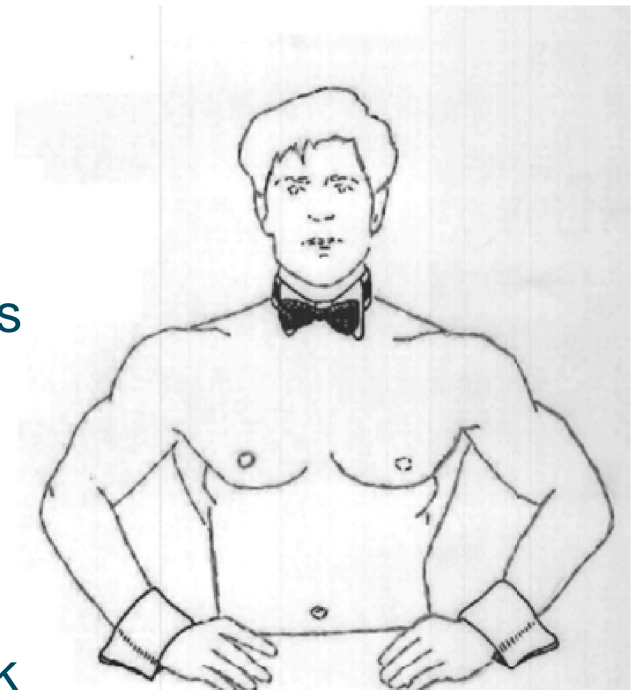
- District Court held that Philips practiced claims of the ‘952 patent and failed to mark its products
  - Philips did not provide notice to Netgear before filing the instant case
  - Letters from licensing pool did not constitute adequate notice; patent expired before filing this action
- However, the notice provisions of the patent marking statute do not apply to method claims

‘642 Patent

- System for reducing power consumption in mobile devices that access wireless networks
- “An intermittent power-on type mobile station for shifting to a power-on state synchronously with a received timing of a beacon interval”
  - District court construed “synchronously” to mean “at the same time”
  - Proper construction is “just before or at the same time” based on timing diagrams in the specification

In re Chippendales USA, Inc. *(Fed. Cir. 2010)*

Background



- “Cuffs & Collar” costume used since 1979
- Nov. 2000 – App. to register trade dress
- Although evidence of both acquired and inherent distinctiveness, only acquired was considered
  - Could not challenge examiner’s decision
- Registration granted
- 2005 – Second app. to register same mark as inherently distinctive
- 2007 – Examiner refused to register as not being inherently distinctive; TTAB affirmed

Background

- TTAB concluded:
  - Costume was common design, not unique or unusual
  - Inspired by the Playboy bunny suit
  - “A refinement of an existing form of ornamentation for the particular class of services”

Trade Dress

- Trade dress encompasses the design and appearance of the product and its packaging
- Trade dress can be inherently distinctive (*Two Pesos v. Taco Cabana*)
- The costume here constitutes trade dress because it is part of the "packaging" of the product, which is "[a]dult entertainment services, namely exotic dancing for women"

Trade Dress – *Seabrook* factors

1. Whether it was a common basic shape or design
2. Whether it was not unique or unusual in the particular field
3. Whether it was a mere refinement of a commonly adopted and well known form of ornamentation for a particular class of goods viewed by the public as a dress or ornamentation for the goods
4. Whether it was capable of creating a commercial impression distinct from the accompanying words

Can another registration be pursued?

- Yes - Potential collateral consequences can result from the form of registration
- Differences in the enforcement context
  - Tests for likelihood of confusion include strength of the mark as a factor
  - Whether a mark is inherently distinctive may affect the scope of protection in an infringement proceeding

When is inherent distinctiveness measured?

- At the time of registration
  - Accepted practice at PTO
- Judging at the time of first use would be unfair
  - A term may lose its distinguishing characteristics over time
  - Unfair to delay an application and then benefit from having distinctiveness measured from the time of first use

Applying *Seabrook* factors

Holding: TTAB correctly held that the mark is not inherently distinctive, but erred in suggesting that any costume in the adult entertainment industry would lack inherent distinctiveness

- Simply because the industry involves revealing and provocative costumes does not mean that there cannot be any such costume that is inherently distinctive

Applying *Seabrook* factors

- First factor: No showing that the Cuffs & Collar dress is common
- Second factor: N/A
- Third factor: Mere refinement of the Playboy bunny costume; substantial evidence that the mark is not inherently distinctive
  - Evidence that male/female markets are different is unpersuasive

Green Edge Enterprises, LLC v. Rubber Mulch Etc., LLC (Fed. Cir. 2010)

Background

- Green Edge owns ‘514 patent, which claims a synthetic mulch that is colored with a water based acrylic colorant
- Specification states that the colorant can be selected from a variety of different coloring systems, as long as the colorant is available in at least earth tone colors, readily adheres to rubber, and does not wash off the rubber when contacted by water
- The most preferred colorants are water based acrylic systems such as the colorant systems sold under the name ‘VISICHROME’ by Futura Coatings, Inc. of Hazlewood, Mo.
- Claim 3: The synthetic mulch of claim 1 wherein said colorant is a water based acrylic called VISICHROME

Background

- Visichrome did not exist
  - Was in fact a colorant numbered “24009”
- Green Edge asserted that it had believed the colorant system to be called Visichrome based on a letter from Futura’s VP
  - At trial, the VP couldn’t remember why he called it Visichrome
- District Court granted summary judgment of invalidity for failure to disclose the best mode
  - Green Edge concealed the best mode by disclosing a misleading, non-existent name instead of the number

Arguments

- Green Edge
  - Didn’t know composition of colorant; only knew the product name and the code number
  - No evidence that the patentees intended to conceal anything
  - When it approached another manufacturer about supplying colorants, that manufacturer found no undue experimentation

Arguments

- Rubber Mulch
  - The inventors believed that only colorant 24009 would perform the required functions
  - Best mode can be violated without a subjective intent to conceal
  - Proof of a manufacturer's ability to practice the claimed invention is not sufficient to show satisfaction of best mode requirement
  - All claims fail best mode requirement because they all recite a colorant

Best Mode Requirement

35 U.S.C. 112, para. 1:

The specification shall set forth the best mode contemplated by the inventor of carrying out his invention

Inventors may not receive the benefit of the right to exclude while at the same time concealing from the public preferred embodiments of their inventions.

Best Mode Requirement

1. Whether, at the time of application, the inventor possessed a best mode of practicing the claimed invention
   - Subjective: focuses on inventor’s personal preferences as of filing date
2. If the inventor has a subjective preference for one mode, whether the inventor concealed the preferred mode
   - Objective: depends on the scope of the claimed invention and the level of skill in the relevant art

Analysis

Green Edge clearly had a best mode

An inventor using a proprietary product must at a minimum provide supplier/trade name information

The disclosure might have been specific enough to enable a POSITA to make the claimed product using Futura’s 24009 product

Even though VP of Futura couldn’t remember why he used Visichrome, at the time of filing in Oct. ‘97, someone contacting Futura to obtain Visichrome would have received response similar to the July ’97 letter

Analysis

The Visichrome colorant appeared to be a specific formulation that could be made in a variety of different colors

- But a person contacting Futura could have requested the earth tone colors described in the patent

Holding:

Therefore, there exists a genuine issue of material fact that precludes summary judgment

American Medical Systems, Inc.

and Laserscope

v.

Biolitec, Inc.

(Fed. Cir. 2010)

Background

- '764 patent:
  - Treatment for benign prostatic hyperplasia (BPH) involving vaporization of prostate tissue
  - Prior art treatments had problems due in part to their use of longer wavelengths of laser radiation, such as 2100 or 1064 nm
  - However, laser radiation at 532 nm has good results
  - But prior art techniques even using 532 nm wavelength were inefficient and caused significant residual coagulation

Background

- Inventors determined that the use of high volumetric power density would result in increased vaporization efficiency while minimizing residual coagulation
- Claim 31
  - A method for photoselective vaporization of tissue, comprising:
    - delivering laser radiation to a treatment area on the tissue, the laser radiation having a wave-length and having irradiance in the treatment area sufficient to cause vaporization of a substantially greater volume of tissue than a volume of residual coagulated tissue caused by the laser radiation, wherein the delivered laser radiation has an average irradiance in the treatment area greater than 10 kiloWatts/cm2 in a spot size at least 0.05 mm2.

Background

- Most of the independent claims do not specify wavelength range
  - Some dependent claims give range “from about 650 to about 200 nm”
  - Other independent claims also include this range
- Biolitec sued for infringement
  - Accused product uses radiation at 980 nm wavelength

Disputed Preamble

"A method for photoselective vaporization of tissue"

- Plaintiffs: Preamble simply describes invention as a whole
- District Court: Repeated use of the the phrase "photoselective vaporization" in the specification and claims indicates a fundamental characteristic of the invention, albeit not its central innovative feature
  - Patent criticized prior art wavelength ranges
  - Defendant granted summary judgment of non-infringement

Analysis

- Whether to treat a preamble term as a claim limitation is determined on the facts of each case in light of the claim as a whole and the invention described in the patent
- Generally, the preamble does not limit the claims
- Nonetheless, the preamble may be construed as limiting if it recites essential structure or steps, or if it is necessary to give life, meaning, and vitality to the claim
- Not limiting when the claim body describes structurally complete invention
- Not limiting if merely duplicative of the limitations in the claim body
- Not limiting if it merely gives a descriptive name to the limitations in the claim body

Analysis

- Holding: Preamble is not limiting here
- Reject assertion that “photoselective” limits to a particular wavelength range
- Prosecution history does not indicate that “photoselective vaporization” was added to distinguish over prior art
  - Examiner’s primary reason for approval was the claims’ use of high power densities to vaporize tissue without causing significant residual tissue damage

Analysis

- “photoselective vaporization of tissue” doesn’t provide necessary antecedent basis for the term “the tissue”
  - Drafters did not rely on the preamble language to refine the scope of the claims
- “photoselective” does not embody an essential component of the invention
- Label for the overall invention
- Dyk’s dissent:
  - Better rule would be that all preambles are limiting
  - This is a CIP of an app. that did not use the term; claims amended to reduce wavelength range from 200-1000 nm

The Laryngeal Mask Co. Ltd.
v.
Ambu
(Fed. Cir. 2010)

Background

- Laryngeal mask airway devices, which are artificial airway devices used to deliver anesthetic gases during surgery and to establish unobstructed airways in patients in emergency situations
- Airway tube attached to a backplate, which is surrounded by an inflatable cuff
- Cuff is inflated to prevent gases from entering esophagus

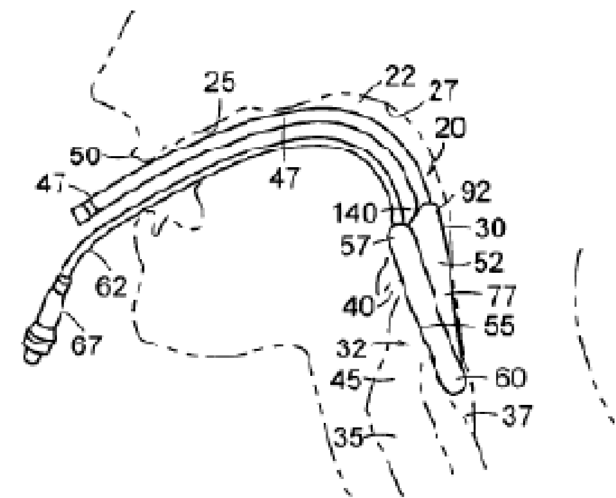


FIG. 2

Background

Pioneered by Dr. Archibald Brain, who is the inventor of the '100 patent

This patent seeks to minimize risk that the deflated cuff will fold over on itself by adding a reinforcing rib to stiffen the leading end of the device

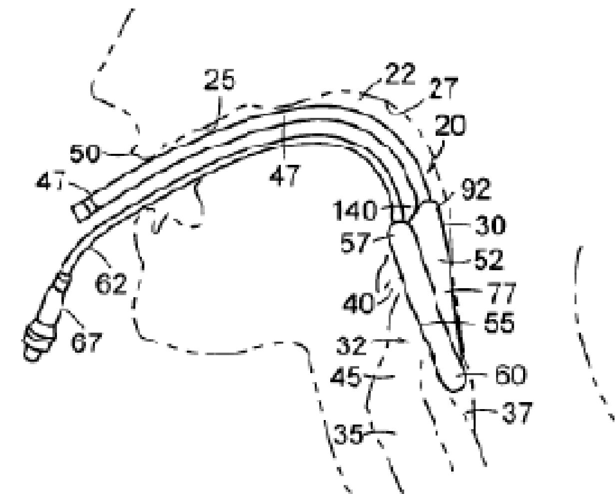


FIG. 2

Background

- LMA sues Ambu alleging infringement of the ‘100 patent
- District court construed “backplate” as including a tube joint
  - Ambu’s device doesn’t have a tube joint
  - Therefore, concluded no infringement
  - Also no infringement under doctrine of equivalents

Claim Construction – “backplate”

- LMA argues that the claims do not mention an airway tube, so they do not need to mention how it will attach to the backplate
  - Although the specification uses “tube joint,” not in the claims
  - During final phase of prosecution, LMA deleted “airway tube” and “tube joint” from the claims

Claim Construction – “backplate”

- Ambu argues that “backplate” is a technical term coined by Dr. Brain
  - Specification says that the backplate has an external tube joint
  - Every figure, embodiment, description of the backplate has a tube joint
  - By deleting the language from the claims, Ambu deleted clarifying language but not a limitation

Holding

- Close case, but in view of the claims, specification, and prosecution history, backplate is not limited
  - Only one place in specification where it states that the tube joint is part of the backplate
  - For patentee to be his own lexicographer, must use a special definition of the term that is clearly stated
  - Specification does not clearly indicate intent to give backplate a unique meaning different from its ordinary and customary meaning