



## Federal Circuit Review

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### Doctrine of Equivalents: What Constitutes a Disclosed but not Claimed Equivalent?

In *Sandisk Corp. v. Kingston Technology Co., Inc.*, Appeal No. 2011-1346, the Federal Circuit affirmed-in-part, vacated-in-part, and remanded the district court's claim construction and summary judgment of noninfringement.

SanDisk sued Kingston for infringement of five patents related to flash memory technology. Following claim construction, the district court granted Kingston's motion for summary judgment of noninfringement with respect to several of the asserted claims. SanDisk appealed.

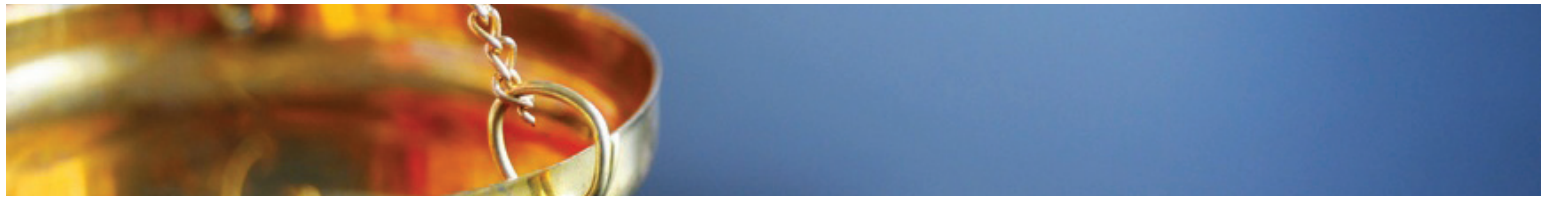
As an initial matter, the Federal Circuit determined that it did not have jurisdiction over the construction of terms appearing only in claims that SanDisk voluntarily withdrew. Because the claims were withdrawn prior to Kingston's summary judgment motion, these claims were not encompassed in the district court's final judgment.

The district court construed the phrase "at least a user data portion and an overhead portion" as being limited to a single user data portion and a single overhead portion based on the claim's subsequent use of definite articles ("the user data portion" and "said overhead portion"). The Federal Circuit reversed, noting that use of "a" and "an," as well as the phrase "at least," supported an open-ended construction, as did a dependent claim that limited the independent claim to a single user data portion and a single overhead portion. Because the dependent claim added only that limitation, the doctrine of claim differentiation was at its strongest.

The Federal Circuit reversed the district court's judgment of non-infringement of two claims under the doctrine of equivalents based on the disclosure-dedication rule. With respect to the first of these claims, the Federal Circuit noted that, although a person of ordinary skill might have been able to use the disclosure to implement an unclaimed equivalent, this is not the same as actually disclosing the equivalent as an alternative to a claim limitation. Regarding the second claim, the Federal Circuit held that, while the specification incorporated another patent by reference, it did not provide notice to one of ordinary skill that the incorporated patent contains subject matter that is an alternative to the claimed limitation.

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## When “Each” Means “Every”: Apple Loses a Round in Its Ongoing Battle with Samsung

In *Apple Inc. v. Samsung Electronics Co., Ltd.*, Appeal No. 2012-1507, the Federal Circuit reversed and remanded the district court’s order of a preliminary injunction.

Apple sued Samsung, alleging that Samsung’s Galaxy Nexus smartphone infringes eight Apple patents. Apple filed a motion for a preliminary injunction to enjoin the sales of the Galaxy Nexus which the district court granted based on a patent directed to a unified search feature.

The Federal Circuit reversed and remanded. The court noted that a likelihood of irreparable harm to the patentee cannot be shown based on sales lost to the alleged infringer unless the infringing feature drives consumer demand for the accused product. Here, no evidence supported a finding of a nexus between consumer demand for the Galaxy Nexus and its allegedly infringing feature.

Regarding likelihood of success, the court analyzed a claim reciting an apparatus “comprising: ... a plurality of heuristic modules ... wherein: each heuristic module ... employs a different, predetermined heuristic algorithm...” The court rejected the district court’s construction, which permitted some heuristic modules to share a heuristic algorithm so long as a plurality of modules had unique algorithms. Instead, the court held that despite the use of “comprising,” the claim expressly requires every heuristic module in the apparatus to have a different heuristic algorithm, and excludes the addition of other modules that share a heuristic algorithm.

## Capturing Advances in Technology Under the Doctrine of Equivalents

In *Energy Transportation Group, Inc. v. William Dement Holding A/S*, Appeal No. 2011-1487, the Federal Circuit affirmed both the district court’s denial of a new trial on infringement of the ‘850 patent, and its grant of JMOL of non-infringement of the ‘749 patent.

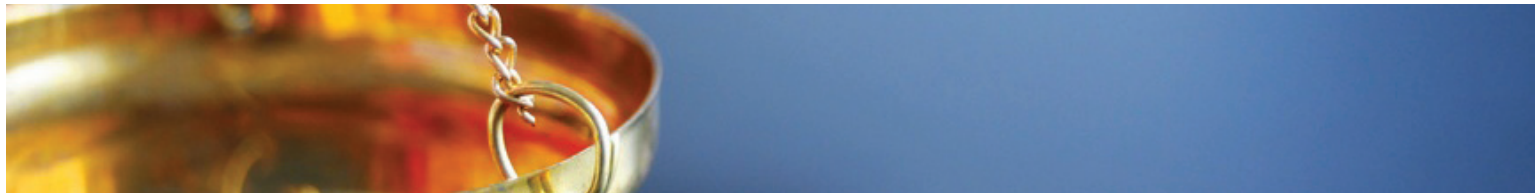
ETG’s asserted patents (the ‘850 and ‘749 patents) relate to reducing acoustic feedback in a programmable digital hearing aid. A jury found both patents infringed under the doctrine of equivalents. The district court denied motions for JMOL of invalidity and non-infringement for the ‘850 patent, but granted JMOL of non-infringement of the ‘749 based on prosecution history estoppel.

The Federal Circuit affirmed denial of JMOL of non-infringement of the ‘850 patent because, while advances in technology had allowed the accused devices to relocate calculation and programming functions from an external controller to the hearing aid itself, the accused devices nonetheless perform the same function in substantially the same way with substantially the same result. However, with respect to the ‘749 patent, the court affirmed the grant of JMOL of non-infringement based on prosecution history estoppel because the plaintiffs had not overcome the presumption that a narrowing amendment was made to secure the patent.

## Is a “Height Adjustment Mechanism” a Definite Structure, or a Means-Plus-Function?

In *Flo Healthcare Solutions, LLC. v. Patent and Trademark Office*, Appeal No. 2011-1476, the Federal Circuit affirmed the rejection by the Board of Patent Appeals and Interferences of Flo’s reexamined patent claims as obvious, but corrected the Board’s analysis.

During reexamination of its patent related to mobile computer workstations, Flo argued that certain obviousness rejections were improper because the limitation “height adjustment mechanism” was a means-plus-function limitation which required a length-adjustable vertical beam not taught by the cited art. The Board agreed that the disputed claim limitation was a means-plus-function limitation, but affirmed the Examiner’s obviousness rejections because the limitation did not require a vertical beam.



The Federal Circuit affirmed, but clarified that the Board erred in its means-plus-function analysis. The Federal Circuit noted that when a limitation lacks the term ‘means,’ the presumption against the application of § 112 ¶ 6 is not rebutted if the limitation contains a term used in common parlance or by persons of skill in the art to designate a structure. Here, the specification and dictionary definitions indicated that Flo’s limitation had a reasonably well-understood meaning as a name for a structure, and therefore Flo did not rebut the presumption against the application of § 112 ¶ 6. Despite the Board’s erroneous means-plus-function analysis, the court affirmed the Board’s finding of obviousness because there was no evidence that the claims required a length-adjustable vertical beam as argued by Flo.

**Additional Views:** Judges Plager and Newman each provided additional views. Plager argued that there should be an *en banc* rehearing to clarify the standard of review applied to claim construction by the PTO – deference or *de novo* review. Newman argued that the “broadest reasonable interpretation” standard is an examination protocol, not a rule of law, and it does not give rise to a deferential standard of review by the court. Thus a *de novo* standard of review should be applied.

## **PTO Invalidity Ruling Stands Despite Prior Court Ruling of No Invalidity**

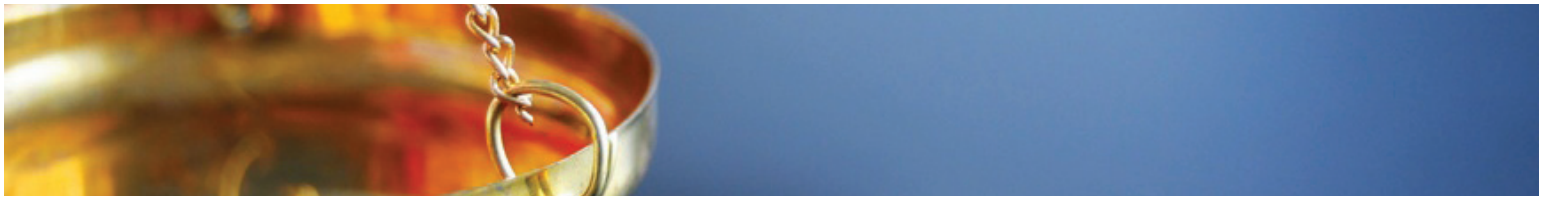
In *In Re Baxter International, Inc. [Order]*, Appeal No. 2011-1073, the Federal Circuit denied petitions for rehearing.

A competitor challenged the validity of certain claims of one of Baxter’s patents in district court and also requested reexamination of the patent. The Federal Circuit affirmed the district court’s holding that the claims were not invalid. After the Federal Circuit’s decision, the Board of Patent Appeals and Interferences (the “Board”) affirmed the reexamination examiner’s rejection of the same claims as obvious. Baxter appealed the Board’s decision to the Federal Circuit, which affirmed the Board because the obviousness rejections were supported by substantial evidence. Judge Newman dissented.

Baxter petitioned for panel rehearing and rehearing *en banc*, arguing that the panel’s decision essentially holds that a final judgment of the federal circuit, after trial and appeal, has no preclusive effect on administrative agency review. Baxter’s requests for rehearing were denied.

Judge O’Malley concurred in the denial, arguing that the panel opinion did not “endorse administrative nullification of a final judicial opinion.” Rather, Judge O’Malley reiterated the argument that no inconsistency exists between the district court’s ruling and the Board’s decision because different standards of proof for invalidity applied. Judge O’Malley further argued that reexamination findings cannot alter the binding effect of a prior judgment in a judicial proceeding, and accordingly the findings of the panel majority were consistent with the principles of *res judicata*.

Dissenting from the denial of the petition for rehearing, Judge Newman argued that reexamination may not be used to seek a redetermination of issues of fact and law that have been finally determined in judicial proceedings.



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