United States District Court,
N.D. California.

NOBELL, INC,
Plaintiff.
v.
SHARPER IMAGE CORP,
Defendant.

No. C-89-1133-DLJ

April 17, 1992.

Order on Motion for Reconsideration or Certification of Appeal June 12, 1992.

Irving M. Weiner, I. Weiner & Associates, Novi, Mich., for plaintiff Nobell, Inc.

Neil A. Smith, Limbach & Limbach, San Francisco, Cal., for defendant Sharper Image Corp.

ORDER

JENSEN**, District Judge.**

Plaintiff has brought a motion for summary judgment on the issue of patent infringement. At the hearing held April 15, 1992, plaintiff was represented by Irving Weiner and defendant was represented by Neil Smith. For the reasons given at the hearing and laid out below, plaintiff's motion is DENIED.

BACKGROUND

This is a patent case concerning a device that looks like a duck, quacks like a duck, and functions as a telephone. Plaintiff Nobell, Inc. (Nobell) holds United States Patent No. 4,707,855 (the '855 patent), which concerns

a telephone signalling device comprising signaling means for providing audio and/or visual signals in response to electrical signals in a telephone line, and a telephone signalling circuit which is electrically connected to the signaling means, and to the telephone line for selectively activating and deactivating the signaling means in response to the electrical signals. The signaling device is extrinsic from the telephone.

'855 Patent, Summary of Invention, col. 1. In laypersons' terms, this is a device shaped like an animal or toy which includes a telephone, and which makes a noise or has parts that move or light up when the telephone receives an incoming call. The invention is not a telephone *per se* but a device which signals an incoming call by a means other than emitting a ringing noise. A crucial element of the claims in the '855 patent is that the "telephone signaling device [is] extrinsic from its associated telephone"; *see* '855 Patent, Claims 1, 4, 13; all of the other claims in the patent appear to be dependent on claims which include this element.

Defendant Sharper Image, Inc. (Sharper Image) has marketed several types of novelty telephones similar to that described in the 1855 patent. The device in question, the "Quacky IV Fone," is shaped like a mallard duck decoy and quacks insistently when an incoming call is received. Although Sharper Image now states that it no longer sells the Quacky IV Fone, the device was once a popular item for sale.

In 1989, Nobell brought this action against Sharper Image and Nu Vations, Inc. FN1 In this action, Nobell alleged that the Quacky IV Fone literally infringed the claims in the '855 patent. Sharper Image counterclaimed that the '855 patent is invalid because it was anticipated by prior art and because it was obvious.

In August 1990, the Court granted a motion for summary judgment brought by Sharper Image. This motion made two arguments. First, it argued that the patent was invalid. The Court denied this part of the motion. Second, Sharper Image argued that it did not infringe the 1855 patent because its quacking device was not "extrinsic" to the telephone; in other words, the telephone would not function if the quacking device was not functioning. The Court agreed with defendant on this argument and held that the Quacky IV Fone fell outside the scope of the patent's claim that the noise-making device must be extrinsic. This was based on a finding that the quacking device was necessary for the telephone to function:

At the hearing, however, counsel for defendant Sharper Image demonstrated to the Court that the signaling device that the "QUACKY IV FONE" beak is integral to the telephone portion of the device.

August 10, 1992 order, at 8. As one of the critical claims of the '855 patent was that the signalling device is extrinsic, the Court held that the Quacky IV Fone did not literally infringe the patent.

The Federal Circuit vacated and remanded the Court's order in a November 27, 1991 decision. In its decision, the Federal Circuit found that the Court had misinterpreted the scope of the claims in the '855 patent, especially the element that the "telephone signaling device [is] extrinsic from the associated telephone." The opinion states in part that

[The District Court's] interpretation of "extrinsic" suggests that the signalling device or circuit of the claimed invention is separate from the telephone's "integral sounding device." The specification does not indicate that the signalling device or circuit is separate from the telephone's integral sounding device. In fact, the specification states that the integral sounding device may be turned on or off when operating the claimed invention, so that an instrument that makes a quacking noise instead of a ring may well infringe .... an extrinsic telephone signalling device or circuit refers to a device or circuit which is both separate from *and in addition* to the normal operating components of its associated telephone.... In comparing the accused device to the claims of the '855 patent which recite an extrinsic telephone signalling circuit or device, the district court should analyze whether the accused device includes a circuit or device which is separate from and in addition to the normal operating components of its associated telephone. This does not mean that the circuit or device must be external to the telephone, *but rather that the circuit or device be an extra feature which is not required by the telephone to perform its normal operating functions*.

Nobell, Inc. v. Sharper Image Corp., Slip op. at 5-6, 8 (Nov. 27, 1991) (second emphasis added). Based on this interpretation of the claims of the 1855 patent, the Federal Circuit ordered this Court to reconsider the

case.

Nobell now brings a motion for partial summary judgment. Basing its motion on the Federal Circuit's interpretation of the claims of the patent, plaintiff argues that there is no genuine dispute of material fact that the Quacky IV Fone literally infringes the 1855 patent. Specifically, it argues that the new interpretation of "extrinsic" necessarily includes defendant's device.

Sharper Image responds that even under the Federal Circuit's interpretation of the term "extrinsic," the Quacky IV Fone does not infringe because its quacking noise device is necessary for the telephone to operate. In addition, defendant argues that the Court cannot decide the issue of infringement before the issue of patent validity is resolved, therefore making partial summary judgment inappropriate.

ANALYSIS

A. Summary Judgment Standard

Rule 56, which governs motions for summary judgment, states that summary judgment may be granted when "the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the party is entitled to a judgment as a matter of law." Fed.R.Civ.P. 56(e). The Court has the authority to grant summary judgment on specific issues and need not adjudicate all of the claims in the case. *See* Fed.R.Civ.P. 56(a) (motion brought by claimant). This is general rule is equally true in patent cases, where the Court may enter summary judgment on infringement issues alone even though patent validity issues remain in the case. *See* SRI Int'l v. Matsushita Elec. Corp. of America, 775 F.2d 1107, 1116 (Fed. Cir.1985) (*en banc*) ("[S]ummary judgment under Rule 56 ... is entirely appropriate in a patent as in any other case .... "); *see also iSyntex* Pharmaceuticals Int'l, Ltd. v. K-Line Pharmaceuticals, Ltd., 905 F.2d 1525, 1525-26 (Fed. Cir.1990) (noting that summary judgment entered on infringement issues but that trial held on validity issues); Moxness Products, Inc. v. Xomed, Inc., 891 F.2d 890, 891-92 (Fed. Cir.1989) (same); Fromson v. Citiplate, Inc., 886 F.2d 1300, 1301 (Fed. Cir.1989) (same).

In a motion for summary judgment, "[i]f the party moving for summary judgment meets its initial burden of identifying for the court those portions of the materials on file that it believes demonstrates the absence of any genuine issues of material fact," the burden of production then shifts so that "the nonmoving party must set forth, by affidavit or as otherwise provided in Rule 56, ' *specific* facts showing that there is a genuine issue for trial.' " T.W. Electric Service, Inc. v. Pacific Elec. Contractors Ass'n, 809 F.2d 626, 630 (9th Cir.1987) (citing Celotex Corp. v. Catrett, 106 S.Ct. 2548, 2553 (1983); Kaiser Cement Corp. v. Fischbach & Moore, Inc., 793 F.2d 1100, 1103-04 (9th Cir.), *cert. denied,* 107 S.Ct. 435 (1986)) (emphasis in original).

When judging the evidence at the summary judgment stage, the Court does not make credibility determinations or weigh conflicting evidence, and is required to draw all inferences in a light most favorable to the nonmoving party. T.W. Electric, 809 F.2d at 630-31 (citing Matsushita Elec. Indus. Co. v. Zenith Radio Corp., 106 S.Ct. 1348, 1356 (1986)); Ting v. United States, 927 F.2d 1504, 1509 (9th Cir.1991). The standard for judging a motion for summary judgment is the same standard used to judge a motion for a directed verdict: "whether the evidence presents a sufficient disagreement to require submission to a jury or whether it is so one-sided that one party must prevail as a matter of law." Anderson v. Liberty Lobby, Inc., 106 S.Ct. 2505? 2512 (1986).

In meeting their burdens of proof, each party must come forward with admissable evidence. Fed.R.Civ.P.

56(e). Conclusory, speculative testimony in affidavits and moving papers is insufficient to raise genuine issues of fact and defeat summary judgment. *See* SRI Int'l, 775 F.2d at 1116; Falls Riverway Realty, Inc. v. Niagara Falls, 754 F.2d 49 (2nd Cir.1985); Thornhill Publishing Co. v. GTE Corp., 594 F.2d 730, 738 (9th Cir.1979). Hearsay statements found in affidavits are inadmissable. *See, e.g.,* Fong v. American Airlines, Inc., 626 F.2d 759, 762-63 (9th Cir.1980). Defendants must ultimately persuade the Court in opposing summary judgment that there is a sufficient factual dispute to necessitate a trial.

B. Analysis

1. Patent Validity and Summary Judgment on Infringement Issues

To start with, the patent infringement issue can be resolved now at summary judgment even though the patent validity issue needs to be resolved at trial. There is no legal requirement that resolution of patent infringement issues be reserved for trial simply because there are factual disputes regarding the validity of the patent. *See, e.g.,* Syntex Pharmaceuticals, 905 F.2d at 1525-26.

Sharper Image's argument that the Court should resolve the validity issues before it resolves infringement issues also presupposes that this Court has the authority to interpret the scope of the '855 patent. The Federal Circuit panel ruled that a patent's claims can be determined as a matter of law, and their opinion interpreted the claims in the 1855 patent. *See Nobell v. Sharper Image,* Slip op. at 5-6 (Fed. Cir., Nov. 27, 1991) ("Extrinsic telephone signalling device refers to a device or circuit which is both separate from and in addition to the normal operating components of its associated telephone."). Thus, even if the validity analysis would help define the scope of the claims in the 1855 patent, the Court is already bound by the Federal Circuit's interpretation.

2. Comparison of the Claims in the 1855 Patent and the Quacky IV Fone

As the Court can decide whether there is a genuine issue of material fact on the issue of patent infringement alone, the Court must compare the claims in the 1855 patent and design of the Quacky IV Fone. The analysis must examine each claim in the patent, and each element within the claims, to see whether any of the claims are infringed by defendant's design. *See* Corning Glass Works v. Sumitomo Elec. USA, Inc., 868 F.2d 1251, 1258 (Fed. Cir.1989).

Plaintiff has presented evidence that defendant has infringed every element of every claim in the '855 patent. *See* Neil Affidavit. Defendant presents evidence on only one element: the requirement that the telephone signaling device and the telephone signaling circuit be "extrinsic from its associated telephone." FN2 Therefore, the only question to be decided is whether the signaling device and signaling circuit in the Quacky IV Fone is extrinsic from its associated telephone. As the other claims in the patent are apparently dependent on the element that the device and circuit be extrinsic, this issue is pivotal.

The '855 patent specification and the Federal Circuit opinion define the meanings of telephone signaling device and telephone signaling circuit. A telephone signaling device is

preferably a toy figure, which includes mechanical, electrical, and aesthetic features. The mechanical features include sound-producing mechanisms and the electrical features include a telephone signalling circuit.

Nobell v. Sharper Image, Slip op. at 6 (Fed. Cir., Nov. 27, 1991). In other words, the signaling device is the

part of the telephone which indicates that there is an incoming call. Claims 4-13 of the patent set forth the specific attributes of the signaling device.

A telephone signaling circuit

comprises connecting means for connecting the circuit to the telephone line, a signal detecting portion for detecting ring-activating signals in the telephone line, for detecting if a receiving party has answered the phone, and for detecting if a calling party has hung up, and a driving portion for activating and deactivating the signaling means in response to detected signals. '855 Patent, col. 1, lines 35-42. In other words, the signaling circuit is the electrical connection between the telephone and the signaling device. *See also* col. 3, lines 17-21 (noting that the connection between the telephone and the telephone outlet "is through the telephone signaling circuit"). Claims 1-3 of the patent sets out the elements of the signaling circuit.

Both the device and the circuit must be "extrinsic from the associated telephone." '855 Patent, Claims 1, 4, and 13. The Federal Circuit interpreted this phrase to mean that "the circuit or device [must] be an extra feature which is not required by the telephone to perform its normal operating functions." FN3 *Nobell v. Sharper Image,* Slip op., at 8 (Fed. Cir., Nov. 27, 1991). The plain meaning of "normal operating function" of a telephone would be those functions necessary to use to telephone: the ability to learn that there is an incoming call, the ability to dial, and the ability to speak with another person over the telephone line. Accordingly, in order for a device to be "extrinsic to the associated telephone," it must be something that if removed would not prevent the telephone from signaling incoming calls, prevent a person from dialing, or prevent a person from speaking over the telephone line.FN4

Working from this interpretation of the '855 patent, the Court denies plaintiff's motion for summary judgment. The signaling device and the signaling circuit in the Quacky IV Fone will be examined separately, as they are described separately and are defined in separate claims.

Regarding the signaling *device,* plaintiff's affidavit from J.P. Neil only states that the Quacky IV Fone's signaling device is "not required by the telephone to perform its normal operating function." Neil Affidavit, para.para. 12D, 21B. Defendant's affidavit from Richard Spence states that if the Quacky IV Fone's signaling device-which produces the quacking noise-is disabled or disconnected, the telephone will not signal that there are incoming calls. Spence Affidavit, para.para. 6-7.

If the quacking device in the Quacky IV Fone is the only signalling device there is, then it is not "extrinsic," because disabling it would prevent the telephone from signaling incoming calls. There is at least a genuine issue of material fact whether removing the Quacky IV Fone's quacking device disables the associated telephone. Moreover, the only real evidence before the Court is the Spence affidavit, because the Neil affidavit does not provide specific facts and is conclusory on this issue.FN5 Accordingly, plaintiff's motion for summary judgment is DENIED as it relates to the signaling device. FN6

Analysis of the Quacky IV Fone's signaling *circuit* is similar. The Neil affidavit again only makes a conclusory statement that the Quacky IV Fone's signaling circuit is not necessary to the operation of the telephone, but does not explain how. *See* Neil Affidavit, para. 9E. The Spence affidavit appears to address the signaling circuit in the context of the Quacky IV Fone's signaling device. *See* Spence Affidavit, para.para. 6-11. As there is evidence on both sides, the Court cannot rule on the infringement issue as it relates to the signaling circuit.

CONCLUSION

For the foregoing reasons, the Court orders the following:

1. The Court DENIES plaintiff's motion for summary judgment as it relates to the infringement issues in the case because genuine issues of material fact exist.

2. The parties shall appear for a status conference on June 24, 1992 at 9:00 a.m. All other dates set at the April 15, 1992 hearing remain the same.

IT IS SO ORDERED.

ORDER ON MOTION FOR RECONSIDERATION OR CERTIFICATION OF APPEAL

On April 17, 1992, the Court denied plaintiff's Motion for summary judgment on its claims of patent infringement. Plaintiff now moves for reconsideration of that order or for certification of an interlocutory appeal. A hearing was on June 10, 1992, at which Irving Weiner appeared for plaintiff and Neil Smith appeared for defendant. Having considered the papers submitted and the arguments of counsel, the Court DENIES both motions.

A. Motion for Reconsideration

1. Legal Standard

The Court has the discretion to reconsider interlocutory orders at any time prior to final judgment. United States v. Jerry, 487 F.2d 600, 604-05 (3rd Cir.1973) (federal. courts retain common law plenary authority to reconsider interlocutory orders) (citing United States v. Benz, 51 S.Ct. 113 (1931), and Bucy v. Nevada Construction Co., 125 F.2d 213, 217 (9th Cir.1942)); Vaughn v. Regents of the University of California, 504 F.Supp. 1349, 1351 (E.D. Cal.1981); 11 Charles Wright & Arthur Miller, *Federal Practice and Procedure,* Civil s. 2852, at 145 (1973 & Supp.1992). Generally, the Court will grant a motion to reconsider only "to correct manifest errors of law or fact or (to allow a party] to present newly discovered evidence. Harsco Corp. v. Zlotnicki, 779 F.2d 906, 909 (3rd Cir.1985), *cert. denied,* 476 U.S. 1171 (1986). To succeed in a motion to reconsider, a party must set forth facts or law of a strongly convincing nature to induce the Court to reverse its prior decision. *See, e.g.,* Kern-Tulare Water District v. City of Bakersfield, 634 F.Supp. 656, 665 (E.D. Cal.1986), *reversed on other grounds,* 828 F.2d 514 (9th Cir.1987).

Although the Court is not bound by the language of Federal Rule of Civil Procedure 60(b), which governs reconsideration of final orders, it may look to the standards developed under that rule when reconsidering an interlocutory order.

Under Rule 60(b), in order for evidence to be considered "new," it must meet three standards. First, it must be of such a character that it would change the outcome of the court's prior decision. Fernhoff v. Tahoe Regional Planning Agency, 622 F.Supp. 121, 122 (D.C. Nev.1985). Second, it must have been undiscovered at the time of court's decision. Third, it could not have been discovered through exercise of reasonable diligence by the moving party. Shiley, Inc. v. Bentley Laboratories, Inc., 115 F.R.D. 169, 170 (C.D. Cal.1987); *see* Fed.R.Civ.P. 60(b)(2). If the evidence was previously available, the motion fails as a matter of law. See Trentacosta v. Frontier Pacific Aircraft Industries, 813 F.2d 1553, 1557 n.4 (9th cir.1987).

In order for a party to demonstrate under Rule 60(b) that there was a clear error or a "manifest injustice," the moving party's arguments cannot be the same as those made earlier. *See* Backlund v. Barnhart, 778 F.2d 1386, 1388 (9th Cir.1985). If a party simply inadvertently failed to raise the arguments earlier, the arguments are deemed waived. See Fay Corp. v. Bat Holdings I, Inc., 651 F.Supp. 307, 308-09 (W.D. Wash.1987), *affirmed,* 896 F.2d 1227 (9th Cir.1990). The party moving for reconsideration on this ground has the burden of demonstrating to the Court that extraordinary circumstances are present. McConnell v. MEBA Medical & Benefits Plan, 759 F.2d 1401, 1407 (9th Cir.1985).

2. Analysis

In bringing this motion for reconsideration, plaintiff has not offered any new evidence or pointed to a change in controlling law. This motion is based solely on plaintiff's conviction that the Court was mistaken in its analysis of the 1855 patent's claims and their relation to the defendant's Quacky IV Fone. Accordingly, the Court must analyze this motion under the "clear error" standard and require that plaintiff not merely repeat its earlier arguments or bring 3 arguments that it inadvertantly failed to raise on the motion for summary judgment.

There is nothing in plaintiff's moving papers which demonstrates to the Court that it should reverse its decision made only seven weeks ago. First, plaintiff has yet to meet its evidentiary burdens for summary judgment. Counsel agreed at the hearing that the moving party has the initial burden of identifying those areas of the record in which it believes there is no genuine issue of material fact, and that the plaintiff has the burden of presenting evidence in support of its position on each issue on which it bears the burden of proof at trial. *See* Celotex Corp. v. Catrett, 106 S.Ct. 2548 2552 (1983) (regardless of who is the moving party, each party "must establish the existence of the elements essential to [its] case, and on which [it] will bear the burden of proof at trial"). Plaintiff must do more than just submit evidence; it must submit evidence which is of sufficient weight to meet its burden of proof. *See* Thornhill Publishing Co. v. General Telephone & Electronics Corp., 594 F.2d 730, 738 (9th Cir.1979).

Plaintiff did submit an affidavit by J.P. Neil, which "presented evidence that defendant has infringed every element of every claim in the '855 patent." April 17, 1992 Order, at 8. However, as the Court made very clear later in the order, the Neil affidavit is not sufficient by itself for plaintiff to prevail at summary judgment. *See* id. at 12-13 & n.5. it is based on unstated assumptions about the scope of the claims in the '855 patent, assumptions which were apparently rejected by the Court in its construction of those claims.FN1 Id. at 12 n.5. In addition, in its comparison of the Quacky IV Fone to the 1855 patent's requirement that signaling devices and circuits be "extrinsic," the affidavit is improperly conclusory. *See* SRI Int'l v. Matsushita Elec. Corp. of America, 775 F.2d 1107, 1116 (Fed. Cir.1985) (conclusory testimony in affidavits insufficient at summary judgment). The Court found that plaintiff had not carried its burden of proof at summary judgment in part because the Neil affidavit is suspect. As no new evidence has been presented by plaintiff in this motion, there is no reason to reconsider the denial of summary judgment.

Second, the Court did not err in its interpretation of the Federal Circuit's November 1991 decision. Although plaintiff would prefer to focus on certain dicta in that opinion, *see, e.g., Nobell v. Sharper Image,* Slip op., at 6 (Nov. 27, 1991) ("[A]n instrument that makes a quacking noise instead of a ring may well infringe."), the circuit clearly held that the term extrinsic "refers to a device or circuit which is both separate from *and in addition to* the normal operating components of its associated telephone." *Id.* (emphasis in original). The Federal Circuit did not make a "slip of the tongue" when it used this language: this was its holding. Plaintiff's argument that the Court misinterpreted the opinion therefore lacks merit.

In conclusion, plaintiff has not presented new evidence or pointed to a change in the controlling law. Instead, plaintiff has repeated arguments which were made and rejected earlier and has selectively ignored critical sections of the Court's April 17, 1992 order. Plaintiff's motion for reconsideration is DENIED.

B. Motion to Certify an Interlocutory Appeal

1. Legal Standard

It is a basic policy of the federal courts that appellate review should not be conducted until after entry of a final judgment. Coopers & Lybrand v. Livesay, 98 S.Ct. 2454, 2461 (1978); In re Cement Antitrust Litigation, 673 F.2d 1020, 1026 (9th Cir.1982), *aff'd sub nom.* Arizona v. Ash Grove Cement Co, 75 L.Ed.2d 425 (1983); Fukuda v. County of Los Angeles, 630 F.Supp. 228, 229 (C.D. Cal.1986); *see* 28 U.S.C. s. 1291.

The Interlocutory Appeals Act of 1958 makes an exception to this rule. The statute states that

When a district judge, in making in a civil action an order not otherwise appealable under this section, shall be of the opinion that such order involves a controlling question of law as to which there is substantial ground for difference of opinion, and that an immediate appeal from the order may materially advance the ultimate termination of the litigation, he shall so state in writing in such order. The Court of Appeals ... may thereupon ... permit an appeal. if an application is made within ten days....

28 U.S.C. s. 1292(b). This statute exists for those exceptional circumstances where considerations of judicial economy and fairness demand interlocutory review of an order. The party seeking certification of an interlocutory appeal has the burden to show the presence of those exceptional circumstances. Coopers & Lybrand, 98 S.Ct. at 2461; Fukuda, 630 F.Supp. at 229.

The Court cannot certify an appeal unless three factors are present. First, the issue to be certified must involve a controlling issue of law. As issue is "controlling" if "resolution of the issue on appeal could materially affect the outcome of litigation in the district court." Shurance v. Planning Control Int'l, Inc., 839 F.2d 1347, 1347-48 (9th Cir.1988); In re Cement Antitrust Litigation, 673 F.2d at 1026 (citing U.S. Rubber Co. v. Wright, 359 F.2d 784, 785 (9th Cir.1966)).

Second, there must be substantial ground for difference of opinion on that issue. A party's strong disagreement with the Court's ruling is not sufficient for there to be a "substantial ground for difference"; the proponent of an appeal must make some greater showing. Kern-Tulare Water District, 634 F.Supp. at 667.

Third, an interlocutory appeal must be likely to materially speed the termination of the litigation. This factor is linked to whether an issue of law is "controlling" in that the Court should consider whether a reversal by the Federal Circuit would obviate the need for a trial. In addition, in light of the legislative policy behind this statute that it only be used in exceptional circumstances, the Court should consider whether litigation in reliance on its order would be "protracted and expensive." In re Cement Antitrust Litigation, 673 F.2d at 1026; *see* 16 Wright & Miller, *Federal Practice and Procedure,* Civil s. 3930, at 163-66 (1977 & Supp.1992). If an interlocutory appeal would actually delay the conclusion of the litigation, the Court should not certify the appeal. *See* Shurance, 839 F.2d at 1348 (refusing to hear certified appeal in part because decision of Ninth Circuit might come after scheduled trial date).

2. Application

This is clearly not an exceptional circumstance justifying an interlocutory appeal. Plaintiff is correct that interpretation of the patent's claims is a controlling issue of law: the Court cannot determine the validity of the claims or whether the Quacky IV Fone infringes them unless the scope of the claims has been defined. However, the other two prerequisites have not been met in this case.

First, there is not a substantial ground for difference of opinion on the interpretation of the claims in the '855 patent. The Federal Circuit interpreted those claims in its November 1991 decision and clearly stated what interpretation should control the proceedings in this case. Plaintiff's counsel now argues that the Federal Circuit incorrectly interpreted the meaning of "extrinsic" in the '855 patent. Although as a philosophical matter plaintiff is entitled to disagree, the Federal Circuit's interpretation is binding on this Court as a matter of law. Plaintiff's differences with the Federal circuit are not substantial grounds for difference of opinion which would make an interlocutory appeal appropriate.

Second, an appeal would. not materially speed the ultimate conclusion of this litigation. Given the fact that the Federal Circuit only recently issued its opinion it is unlikely to reverse its interpretation of "extrinsic" in the '855 patent. Given the amount of time that was spent by the Federal Circuit on the last appeal, an interlocutory appeal at this juncture would only postpone a final resolution of the dispute between the parties. Accordingly, plaintiff's motion for an interlocutory appeal is DENIED.

C. Conclusion

For the reasons given above, the Court orders the following:

1. Plaintiff's motion for reconsideration is DENIED.

2. Plaintiff's motion for certification of an interlocutory appeal is DENIED.

3. The parties shall appear for a status conference on August 19, 1992 at 9:00 a.m. The status conference scheduled for June 24, 1992 is VACATED.

IT IS SO ORDERED.

FN1. Nu Vations made a device called the "Fido Fone." Nobell and Nu Vations settled their claims in August 1991.

FN2. Defendant does present some evidence on prior art, specifically the Festa patent. This evidence is not relevant to this notion on infringement issues.

FN3. Plaintiff's expert has apparently adopted this definition in his affidavit. *See* Neil Affidavit, para.para. 9E, 12D, 21B.

FN4. Plaintiff makes the completely unpersuasive argument that the ability to signal incoming calls is not a

"normal operating function" of a telephone. Although telephones that cannot ring do exist by the side of highways for stranded motorists to call for emergency assistance, all telephones used by average consumers have some means of signaling that there is an incoming call. There is no indication that the Quacky IV Fone was intended for use by anyone other than the average consumer. Despite plaintiff's suggestion, the Court would find it amusing, if not bizarre, to discover that CalTrans had purchased Quacky IV Fones for use along state highways.

FN5. Plaintiff appears confused as to what constitutes proper evidence at summary judgment. An affidavit is not conclusory when it identifies *specific facts* which support its conclusions. Although the Neil affidavit does go through every element of every claim in the '855 patent, on the "extrinsic" element it only states a conclusion that the Quacky IV Fone's signaling device is "not required by the telephone to perform its normal operating functions." Given the very specific facts given by defendant's expert-specifically, that the Quacky IV Fone will not signal incoming calls without the quacking device-the Court needs more specific information from plaintiff. Moreover, as plaintiff has taken the position that signaling incoming calls is not a "normal operating function," Mr. Neil may have assumed this and may actually agree with Mr. Spence that the quacker is the only signaling device available on the Quacky IV Fone.

FN6. Plaintiff asserts that Claim 12 has been infringed because it does include the "extrinsic" element and therefore is independent of the other claims in the patent. No arguments have been made specifically interpreting this claim and its relationship to the other claims in the '855 patent, and plaintiff has not presented any evidence showing that the Quacky IV Fone infringes Claim 12 in a way different than an alleged infringement of the other "extrinsic" claims in the patent. Accordingly, the Court will not enter summary judgment for plaintiff on this specific claim.

FN1. The Court infers this from plaintiff's repeated statements in its moving papers that the Court has misconstrued the 1855 patent and misinterpreted the Federal Circuit's opinion. *See, e.g.,* Plaintiff's Motion for Reconsideration, at 9-10. If Neil was working from plaintiff's allegedly correct interpretation, the Court's rejection of that interpretation raises questions about the continued relevance or weight of Neil's conclusions.

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