United States District Court,
E.D. Pennsylvania.

MOLL,
v.
NORTHERN TELECOM, INC.

Jan. 3, 1996.

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MEMORANDUM

NEWCOMER**, District Judge.**

I. Introduction

In the present opinion, this Court must resolve three issues. The first is raised in plaintiff Edward Moll's Motion to Reconsider and Vacate the Court Order Entered on December 12, 1995 Granting, in Part Partial Summary Judgment of Claim Interpretation, and defendant Northern Telecom's response thereto. Second, this Court must interpret the claims of the patent that have not yet been interpreted. To aid in this interpretation, this Court will utilize briefs submitted by the parties following a December 18, 1995 hearing on the issue of claim interpretation. Finally, this Court must address Northern Telecom's Motion for Summary Judgment of Noninfringement, and Moll's response thereto. For reasons that will be explained *infra,* this Court will rule as follows:

1. Deny Moll's Motion to Reconsider and Vacate.

2. Grant partial summary judgment in favor of Northern Telecom as to the remaining two issues of claim interpretation.

3. Grant summary judgment in favor of Northern Telecom on the issue of noninfringement.

II. Background

This Court is charged with the responsibility of interpreting the claims of the patent-in-suit (the '192 patent). FN1 In October 1995, defendant Northern Telecom filed a motion for partial summary judgment on the issue of claim interpretation. In its motion, Northern Telecom requested that this Court accept eight proposed interpretations of Claims 1 and 8 of the '192 patent. Plaintiff Edward Moll filed an opposition brief to the motion. On December 8, 1995, this Court issued an Order accepting six of Northern Telecom's eight proposed interpretations. As to Northern Telecom's remaining two requests, this Court scheduled a hearing, pursuant to the Federal Circuit's instructions in Markman v. Westview Instruments, Inc, 52 F.3d 967 (Fed. Cir.) (en banc), *cert. granted,* 116 S,.Ct. 50 (1995), in order to obtain the assistance of technical expert witnesses before ruling on the remaining two requests. The two questions to be answered following the *Markman* hearing were the following:

1. Do claims 1 and 8 cover storage systems only and not real-time transmission systems?

2. Does the storage system lie outside the system having the elements of Claim 1 and outside of any receiver connected to such storage means via a transmission line?

The *Markman* hearing took place on December 18, 1995. At the hearing, plaintiff-inventor Edward Moll testified as an expert witness on his own behalf. John Neil Birch, Ph.D., testified as an expert on behalf of Northern Telecom.

Shortly after the hearing, Moll filed a Motion to Reconsider and Vacate the Court Order Entered on December 12, 1995. FN2 Northern Telecom has since filed an opposition brief to Moll's motion. In his Motion to Reconsider and Vacate, Moll claims that this Court erred in granting two of Northern Telecom's requested interpretations. For the reasons discussed *infra,* this Court will deny Moll's motion.

Second, as specified in the December 8, 1995 Order, this Court will issue a ruling on Northern Telecom's remaining two requested interpretations. After listening to the testimony of the expert witnesses and the arguments of counsel, and after reviewing the exhibits and briefs submitted by the parties, this Court will grant Northern Telecom's proposed interpretations.

Finally, because these rulings lead to the conclusion that Northern Telecom's accused device does not infringe the '192 patent, this Court will grant Northern Telecom's Motion for Summary Judgment of Noninfringement.

III. Discussion

A. Moll's Motion to Reconsider and Vacate

This Court will deny Moll's Motion to Reconsider and Vacate. The purpose of a motion for reconsideration is to correct manifest errors of law or fact or to present newly discovered evidence. Harsco Corp. v.

Zlotnicki, 779 F.2d 906, 909 (3d Cir. 1985) (setting forth the standard for a motion for reconsideration), *cert. denied,* 476 U.S. 1171 (1986). Here, Moll contends that this Court erred in determining (1) that the start of pause code must be inserted after the end of the pause, and (2) that the '192 patent requires insertion of a separate code representing the duration of the pause.

After reviewing Moll's Motion to Reconsider, which merely reiterates many of the same arguments made in Moll's Opposition to Northern Telecom's Motion for Partial Summary Judgment of Claim Interpretation, this Court is not persuaded that the earlier interpretations were erroneous. As stated in the December 8, 1995 opinion, the *language* of the claims is binding and is the sole measure of the "metes and bounds" of the invention. Autogiro Co. of America v. United States, 384 F.2d 391, 396-97 (Ct. Cl. 1967); Kemode Mfg. Co. v. United States, 347 F.2d 315 (Ct. Cl. 1965). Courts can neither broaden nor narrow the claims to give the patentee something different from what he or she had set forth. *Id*. Therefore, while the specification and prosecution history must be used as aids in interpretation, the plain language of the claims governs when there is no indication that the inventor intended to give the word a special meaning. Jonsson v. The Stanley Works, 903 F.2d 812 (Fed. Cir. 1990). As reasoned in greater detail in pages 20 - 22 of the December 8, 1995 opinion, the only logical reading of the language in the claim is that the start of pause code is inserted after the end of the pause. Therefore, despite Moll's arguments at the hearing to the contrary, this Court finds that the start of pause code must be inserted after the end of the pause. Accordingly, this Court will not vacate the December 8, 1995 opinion.

B. This Court Will Grant the Two Remaining Proposed Interpretations Set Forth in Northern Telecom's Motion for Partial Summary Judgment of Claim Interpretation.

This Court scheduled the December 18, 1995 *Markman* hearing in order to resolve the following two questions:

1. Do Claims 1 and 8 cover storage systems only and not real-time transmission systems?

2. Does the storage system lies outside the system having the elements of Claim 1 and outside of any receiver connected to such storage means via a transmission line?

As discussed above, Moll spent much of the hearing attempting to prove to this Court that this Court's earlier interpretation of the claims was erroneous. However, because this Court has found Moll's arguments in this regard to be unpersuasive, the December 8, 1995 Order remains in full force and effect. FN3

Taking as fixed, therefore, the interpretations that (1) the start of pause code is inserted after the end of the pause, and (2) the encoding means inserts a separate code representing the duration of the pause, this Court must answer the two questions posed above This Court answers both questions in the affirmative.

1. The Claims of the '192 Patent Cover Storage Systems Only and Not Real-Time Transmission Systems.

The '192 patent does not cover real-time transmission systems. The testimony of both expert witnesses supports this conclusion. First, expert witness/inventor Moll testified at the *Markman* hearing that the patent as previously interpreted, and reaffirmed in the present opinion, does not cover real-time transmission systems:

THE COURT: In the event that this Court should rule that Claim 1 must be interpreted that the start-of-a-pause code is inserted after the end of the pause, is it your position that the 192 patent would still cover real

time transmission systems? Do you understand my question all right first?

THE WITNESS: Yes. The system wouldn't work if you put the -- if you put the --

THE COURT: Well, I'll deal with simple, direct responses, if you don't mind, for this purpose. And that calls for a yes or no or I don't know.

THE WITNESS: So, your question was if it's a real time -- if it's -- the pause --

THE COURT: Let me repeat it so I'm sure you have it straight. If this Court should rule that Claim 1 must be interpreted at [sic] the start-of-pause code is inserted after the end of the pause, is it your position that the 192 patent would still cover real time transmission systems?

THE WITNESS: NO.

THE COURT: All right, then I needn't ask you the next question is [sic] what is your basis for that conclusion. But that obviates -- that answer obviates the need to do that.

Hearing Tr. page 241, line 13 - page 242, line 8. Second, Dr. Birch, Northern Telecom's expert, offered the same answer on direct examination:

Q. And in a system in which all that coded information is inserted at the end of the pause can that be a real-time transmission system?

A. No, it cannot.

Hearing Tr. page 150, lines 3-6. Therefore, as there is no dispute that the claims as interpreted do not cover real-time transmission systems, this Court will grant Northern Telecom's requested interpretation on this point.

2. The storage system lies outside the system having the elements of Claim 1 and outside of any receiver connected to such storage means via a transmission line.

First, the language of claim 1 thwarts Moll's argument that the storage means may be either a part of the encoder (data register means) or the receiver. The storage means of claim 1 is written in means-plus-function format.FN4 35 U.S.C. s. 112, paragraph 6. Under s. 112, the description of a means is confined to structure in the specification corresponding to that means and any equivalents of that structure. In this case, the only structure corresponding to Moll's "storage means" that is disclosed in the specification is a "computer or storage device," (Column 2, lines 50-54) or "storage or a computer" (Column 5, lines 64-66). Because the specification does not disclose that another structure (e.g., the encoder or the receiver) may correspond to the storage means, this Court may not interpret the claim that way. First, the storage means may not be a part of the encoder (corresponding to data register 14) because Claim 1 includes a "means for transferring said encoded data from data register means to a storage means." If the data must be transferred from the data register to a storage means, then the storage means cannot be the same thing as the storage means. Second, the storage means also may not be a part of the receiver. Lines 29-33 of Column 11 of the specification state that the storage means may be eliminated if the invention is used to transmit, but not store, data. If this Court were to adopt Moll's interpretation, then lines 29-33 would have to be construed as

stating that the receiver may be eliminated from the system if the invention is used as a storage device only. This interpretation is nonsensical, as the receiver is an essential part of Moll's system. This Court will not adopt such an interpretation.

Second, the prosecution history supports an interpretation of claim 1 as requiring a separate storage means. In order to overcome a rejection due to the existence of prior art (the Reindl patent), Moll filed a Continuation in Part ("CIP") application. While the parent application described minimizing "storage or transmission" requirements, the CIP application focused on storage requirements (emphasis added). The CIP application was accompanied by a letter to the Examiner. Def. Hearing Ex. 3, page 44. In that letter, Moll's attorney attempted to distinguish Moll's invention from the invention claimed in the Reindl patent. The letter stated that Reindl's patent "does not and cannot utilize storage means for storing encoded data because he is required to produce his output at predetermined fixed frequency. Applicant discloses and claims such storage means." (emphasis added). Because Moll's patent attorney informed the Examiner of the separate storage means, Moll may not now argue that his invention does not require a separate storage means.

Finally, the testimony and exhibits offered at the hearing support an interpretation of the '192 patent as requiring a separate storage means. Dr. Birch testified at the hearing that a separate storage means is necessary to the '192 patent because, without a separate storage means, the two data register means (one in the transmitter of Fig. 1 and one in the receiver of Fig. 2) would not always process data synchronously. For example, if the encoder in the transmitter were processing a pause while the decoder in the receiver were reconstructing the speech, the result would be that the decoder would contain excess data, leading to confusion. Hearing Tr. page 140, line 17 - page 144, line 2.

C. Summary Judgment of Noninfringement in favor of Northern Telecom

Northern Telecom has moved for a summary judgment that the accused device, the Magellan Passport Voice Card, does not infringe the '192 patent. Because the parties agree that the Magellan Passport is a real-time transmission system, and because this Court has found that the '192 patent is not a real-time transmission system, this Court will grant summary judgment of noninfringement.

In order to determine a question of patent infringement, a district court must determine as a factual matter whether the properly construed claims encompass or "read on" the accused device. Vaupel Textilmaschinen v. Meccanica Euro Italia, 944 F.2d 870, 879 (Fed. Cir. 1991). Unlike issues of claim interpretation, which the Federal Circuit has declared to be issues of law, the question of infringement, whether literal or under the doctrine of equivalents, is a factual question. Hilton Davis Chem. Co. v. Warner-Jenkinson Co., 62 F.3d 1512, 1520 (Fed. Cir. 1995) (en banc) (citing Winans v. Denmead, 56 U.S. (15 How.) at 338, 12 L.Ed. 717)). However, as in all other types of cases, a court presiding over a patent infringement action must grant a motion for summary judgment if no genuine issue of material fact exists and the moving party is entitled to judgment as a matter of law. Hoganas AB v. Dresser Indus., Inc., 9 F.3d 948, 951-52 (Fed. Cit. 1994). The Federal Circuit has recently affirmed several summary judgments of noninfringement. *See* Colida v. Sony Corp., 70 F.3d 130 (Fed. Cir. 1995); Gentex Corp. v. Donnelly Corp., 69 F.3d 527 (Fed. Cir. 1995); Mark 1 Marketing Corp. v. R.R. Donnelly & Sons Co., 66 F.3d 285 (Fed. Cir. 1995); Southwall Technologies, Inc. v. Cardinal IG Co., 54 F.3d 1570 (Fed. Cir.), *cert. denied,* 116 S.Ct. 515 (1995); Rain Bird Sprinkler Mfg. Corp. v. Toro Co., 26 F.3d 141 (Fed. Cir. 1994).

In ruling on a motion for summary judgment of noninfringement, a court must consider two possible types of infringement: (1) literal infringement, and (2) infringement under the doctrine of equivalents.

1. There is No Literal Infringement

A device literally infringes a patent only if the accused device contains every limitation of the claim of the patent-in-suit. Southwall Technologies, Inc., 54 F.3d at 1575. If even one claim limitation is missing from the accused device, then no infringement exists as a matter of law. London v. Carson Pirie Scott & Co., 946 F.2d 1534, 1539 (Fed. Cir. 1991). The claims at issue in the '192 patent, Claims 1 and 8, are written in means-plus function format. In such a case, literal infringement exists only if the accused device contains, for each element, (1) structure that both performs the identical function required by the corresponding element in the patent-in-suit, and (2) structure that is the same as, or substantially equivalent to, the element in the patent's specification that performs that function. Intellical, Inc. v. Phonometrics, Inc., 952 F.2d 1384, 1388-89 (Fed. Cir. 1992) (citing Johnston v. IVAC Corp., 885 F.2d 1574, 1580 (Fed. Cir. 1989)). The plaintiff carries the burden of proving that the accused device includes each and every element of found in the claims of the patent-in-suit. Southwall Technologies, 54 F.3d at 1575. In the case of a dependent claim, that claim cannot be infringed unless every limitation of the independent claim upon which it depends is present in the accused device. Becton Dickenson & Co. v. C.R. Bard, Inc., 922 F.2d 792, 798 (Fed. Cir. 1990).

The Magellan Passport Voice Card does not literally infringe the claims of the '192 patent because, under the description provided by Northern Telecom and undisputed by Moll, the invention lacks structure to perform several of the functions of the elements of claims 1 and 8. First, in his deposition, Moll admitted that the Magellan Passport Voice Card inserts the equivalent of a "start of pause code," (referred to in the Magellan passport system as an "End of Burst" ("EOB") packet)) at the *beginning* of a pause. Moll Dep., attached to Northern Telecom's Motion as Ex. E, at 306. This is in contrast to the '192 patent, which inserts that code after the *end* of the pause. Second, as discussed above, the '192 patent requires a separate structure, such as a computer, which corresponds to a separate storage means. The Magellan Passport system does not. Third, the Voice Card does not literally infringe the claims of the '192 patent because, in contrast to Moll's system, the Magellan Passport operates on digital, rather than analog signals. In the December 8, 1995 Order, this Court determined that the '192 patent operates on analog input signals. There is no dispute that the Voice Card, however, operates solely on digital input signals. The Magellan Passport thus lacks structure corresponding to the analog-to-digital converter (A/D converter 12) disclosed in the '192 patent.

2. There is no infringement under the Doctrine of Equivalents.

Even in cases of no literal infringement, an accused device may infringe a patent under the doctrine of equivalents. The doctrine permits a finding of infringement only when the differences between the accused device and the claimed invention are "insubstantial" according to an objective standard. Hilton Davis Chem. Co., 62 F.3d at 1517. The "insubstantial differences" test refines the Federal Circuit's "function-way-result" test, which requires determining whether the accused device "performs substantially the same function in substantially the same way to achieve substantially the same result" as the patent-in-suit. Graver Tank & Mfg. Co. v. Linde Air Products, Co., 339 U.S. 605, 608 (1950); Atlanta Mooring Accessories, Inc. v. Saratoga Technologies, Inc., 33 F.3d 1362, 1366 (Fed. Cir. 1994).

As with literal infringement, the patentee bears the burden of proving that each element of the patent, or its substantial equivalent, exists in the accused device. Lemelson v. United States, 752 F.2d 1538, 1551 (Fed. Cir. 1985). "The doctrine of equivalents, by definition, involves going beyond any permissible interpretation of the claim language; i.e., it involves determining whether the accused product is 'equivalent' to what is

described by the claim language." Wilson Sporting Goods Co. v. David Geoffrey & Assoc., 904 F.2d 677, 684 (Fed. Cir. 1990).

As a matter of law, the Magellan Passport does not infringe the '192 patent under the doctrine of equivalents. As the party moving for summary judgment of noninfringement, Northern Telecom carries the burden of demonstrating that no reasonable jury could find that the Magellan Passport system is substantially the same as the system described in the '192 patent. Northern Telecom has satisfied this burden by pointing out the substantial differences that exist between the two devices. The Magellan Passport system, by Moll's own admission is "a real-time transmission system." Pl. Memorandum in Opposition to Northern Telecom's Motion for Summary Judgment of Infringement at page 7. As discussed above, this Court has determined that the system covered by the '192 patent is not a real-time transmission system. In a real-time transmission system such as the Magellan Passport system, there is no need to detect the duration of pauses, encode the time length of pauses, or utilize a separate storage means. On the other hand, as discussed *supra* with regard to Northern Telecom's Motion for Partial Summary Judgment of Claim Interpretation, these elements are essential to the operation of the '192 patent. Second, unlike the '192 patent, the Magellan Passport system does not require or contain a mechanism to convert analog signals to digital signals. This difference is substantial because, while Moll's system detects pauses when the magnitude of the audio signal falls below a fixed predetermined threshold, the Magellan Voice Card's digital input signal enables it to constantly recalculate and readjust the level considered to be background. Def. Motion for Summary Judgment of Noninfringement at Ex. C. para. 4. In other words, the Magellan Voice Card does not operate using a fixed threshold to detect pauses.

Third, the two devices differ in their treatment of background noise. The system claimed in the '192 patent requires thousands of data bits to produce a sampling of actual background noise. *See* Moll Dep., Ex. E at 355. In contrast, the Magellan Voice Card, rather than utilizing actual background noise, determines an average level for background noise. By calculating a level rather than using a sampling of the actual background noise, the Magellan Voice Card requires only five data bits, rather than the thousands required by the '192 patent. In his deposition, Moll *admitted* that these different signals are not equivalent:

Q. Okay. In your mind, is the transmission of five bits representing a noise level equivalent to the transmission of thousands of bits representing a noise wave form?

A. No.

Id., lines 5-9.

Thus, Northern Telecom has pointed to facts in the record supporting its argument that no genuine issues of material fact exist. Therefore, the burden shifts to Moll to demonstrate the existence of material factual issues in order to avoid a grant of summary judgment in Northern Telecom's favor.

Moll has not satisfied this burden. In his opposition to Northern Telecom's Motion for Summary Judgment of Noninfringement, Moll presupposes that this Court would construe Claim 1 as requiring that the start of pause code be inserted at the start of the pause. All of Moll's arguments stem from this erroneous assumption, and he sets forth no remaining factual issues requiring a trial given that this Court has not deviated from its original interpretation of claim 1. Moll does not argue, for example, that a real-time transmission system is the substantial equivalent of a non-real-time transmission system. Instead, the entirety of Moll's brief is devoted to arguing about the placement of the start of pause code. If this case were

tried to a jury, this Court would be forced to grant judgment as a matter of law because Moll has not pointed to any evidence whatsoever that would support a finding that a real-time transmission system infringes a patent covering a non-real-time transmission system. Thus, because Moll has failed to carry his burden of establishing the existence of a genuine issue of material fact to be decided by a jury, this Court will grant summary judgment of noninfringement for Northern Telecom.

An appropriate Order follows.

ORDER

AND NOW, this 2nd day of January, 1996, upon consideration of plaintiff's Motion to Reconsider and Vacate the Court Order of December 12, 1995 Granting, in Part, Partial Summary Judgment of Claim Interpretation, and defendant Northern Telecom's response thereto, it is hereby ORDERED that said Motion is DENIED.

IT IS FURTHER ORDERED that the claims of the '192 are INTERPRETED as follows:

1. Claims 1 and 8 cover storage systems only and not real-time transmission systems.

2. The storage system lies outside the system having the elements of Claim 1 and outside of any receiver connected to such storage means via a transmission line.

IT IS FURTHER ORDERED that summary judgment of noninfringement is ENTERED IN FAVOR OF defendant Northern Telecom and AGAINST plaintiff Edward Moll. The only issue remaining for trial by jury, therefore, is defendant's counterclaim for declaratory judgment of invalidity. Cardinal Chemical Co. v. Morton Int'l, Inc., 113 S.Ct. 1967 (1993).

AND IT IS SO ORDERED.

FN1. For background on the '192 patent and this Court's prior interpretation of the claims, see the Memorandum and Order issued December 8, 1995.

FN2. The Order referred to by Moll as "Order entered December 12, 1995" was the same Order issued by this Court on December 8, 1995 granting in part and denying in part Northern Telecom's Motion for Partial Summary Judgment of Claim Interpretation.

FN3. The six interpretations set forth in that Order are as follows:
1. The second detecting means of Claim 1 determines the actual time duration of pauses.
2. The encoding means of Claim 1 inserts into the register means a code that represents a time duration of pauses.
3. The encoding means inserts a start of pause code into the register means after the pause ends.
4. Claims 1 and 8 require the use of analog input signals.
5. The first and second detecting means in Claim 1 operate on analog signals.
6. The detecting and storing means in Claim 8 detect and store, respectively, a sampling of the actual audio background noise.

FN4. A claim written in "means plus function format" includes elements that are expressed as a means or step for performing a specified function. 35 U.S.C. s. 112, paragraph 6.

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