United States District Court,
N.D. Illinois.

INNOVATIVE DESIGN ENTERPRISES, INC,
Plaintiff.
v.
CIRCULAIR, INC,
Defendant.

Aug. 21, 1997.

MEMORANDUM OPINION AND ORDER

GOTTSCHALL**, District J.**

This is an action brought by plaintiff Innovative Design Enterprises for alleged infringement of its patent No. 5,338,495 for a portable misting fan by defendant Circulair. Defendant has moved for summary judgment on the issue of patent invalidity on grounds of anticipation and/or obviousness, summary judgment on the issue of noninfringement, and partial summary judgment on the plaintiff's federal and state unfair competition claims. The motions are denied.

I. FACTS

Plaintiff Innovative Design Enterprises, located in Addison, Illinois, was formed in November, 1991 by Gregory A. Steiner and Terry E. Arnieri for the purpose of creating, designing, manufacturing and selling portable misting fans. A misting fan is a device that provides a combination of a breeze and a moisture spray that cools the user. Such a device consists of a conventional fan and a means to introduce a mist of a fluid (generally water) into the fan's breeze. The mist provides additional cooling to that created by the fan alone. Plaintiff intended to sell such misting fans to persons engaged in warm weather activities such as sunbathing and summer sports.

Mr. Steiner and Mr. Arnieri worked to develop a commercially viable portable misting fan design, and in early 1993 they developed the SQUEEZE BREEZE portable misting fan. They applied for both utility and design patents for their product, and utility patent No. 5,338,495 (the '495 patent) and design patent No. 349,954 were issued in August, 1994.

In May 1993 Mr. Steiner was asked by a suntan lotion oil company representative to permit him to feature the SQUEEZE BREEZE at his booth at the Taste of Chicago Food Fair that summer. Mr. Steiner agreed, and over an eight-day period over 6,000 examples were sold. Following this introduction plaintiff experienced rapid commercial sales expansion, and the product was featured on several national and local television programs. Sales grew from $200,000 in fiscal year 1993, to over $1,000,000 in fiscal year 1994, to over $2,000,000 in fiscal year 1995. Projected sales for fiscal year 1996 were in excess of $3,500,000.

Defendant Circulair, Inc., is a Niles, Illinois company that makes and sells a variety of hand-held and portable fans. On June 21, 1995, Mr. Steiner and Mr. Arnieri met with James Larkin and Linda Usher of defendant Circulair. The purpose of the meeting was purportedly to reach an agreement whereby the defendant would become a distributor for the plaintiff. The parties dispute the substance of what was discussed at the meeting, but the parties signed a non-disclosure agreement afterwards. Subsequent to the meeting, defendant met with a large drug store chain to discuss the sale of a private label version of the SQUEEZE BREEZE mister, but no agreement was reached.

Defendant also represented to plaintiff in a letter that it had a booth at the National Hardware Show in Chicago, scheduled for August 13-16, 1995, and that it was interested in displaying the SQUEEZE BREEZE at the show. The parties dispute the existence of an agreement, but the defendant did display a private label version of the SQUEEZE BREEZE in modified plaintiff's packaging at the Hardware Show. The defendant also distributed flyers showing its own portable misting fan, the MISTER FAN, a product similar to the SQUEEZE BREEZE. Plaintiff learned of defendant's activities at the Hardware Show, and Mr. Arnieri sent a letter to Mr. Larkin complaining about defendant's activities and requesting return of all samples and sales materials that the plaintiff had provided defendant. In a subsequent letter, plaintiff's attorney charged defendant with infringement of the '495 patent and demanded that defendant cease all manufacture and sale of its MISTER FAN device. The letter also terminated a verbal distributorship agreement between the parties.

The defendant subsequently developed its own misting fan, the current MISTER FAN. The overall configuration is similar to that of the SQUEEZE BREEZE, with the only notable difference being that the MISTER FAN has a removable fan unit that can be operated independently of the misting device. Defendant has applied for a patent on its device. FN1 Defendant has refused plaintiff's demand to cease sale of its device, and plaintiff has filed suit.

FN1. Circulair received the first office action on the merits of the application in December 1996. Most of the claims were rejected on the grounds of anticipation and obviousness in light of the prior art.

Plaintiff alleges six causes of action: (1) infringement of Letters Patent No. 5,338,495; (2) infringement of design patent No. 349,954; (3) false designation of origin in violation of Section 43(a) of the Lanham Act; (4) breach of contract; (5) common law unfair competition; and (6) tortious interference with contractual relations. Defendant has moved for summary judgment on the infringement claims, and for partial summary judgment on claims (3) and (5), the unfair competition claims.

II. DISCUSSION

A. Summary Judgment

Summary judgment is appropriate where there is no genuine issue of material fact, and the movant is entitled to judgment as a matter of law. Hodosh v. Block Drug Co., Inc., 786 F.2d 1136, 1141 (Fed.Cir.), *cert. denied,* 479 U.S. 827, 107 S.Ct. 106, 93 L.Ed.2d 55 (1988). The movant bears the burden of demonstrating the absence of all genuine issues of material fact, and the district court must view the evidence in a light most favorable to the nonmoving party and draw all reasonable inferences in its favor. Palumbo v. Don-Joy Co., 762 F.2d 969, 973 (Fed.Cir.1985). The party opposing summary judgment must show an evidentiary conflict on the record; mere denials or conclusory statements are not sufficient. Barmag Barmer Maschinenfabrik AG v. Murata Machinery, Ltd., 731 F.2d 831, 836 (Fed.Cir.1984).

B. Patent Invalidity

The defendant has moved for summary judgment on the grounds that the patent-in-suit is invalid. The defendant argues that when the claims of the patent-in-suit are properly construed as a matter of law, they are anticipated by, or obvious in view of the prior art. In particular, defendant argues that claims 1, 2, 3, 5 and 7 of the '495 patent are invalid because they are anticipated by an earlier patent, and claims 4 and 6 are obvious in light of the prior art. Claim 1 of the '495 patent reads as follows:

An integral portable fan and atomizing head unit forming a portable cooling unit, adapted for direct attachment to a fluid reservoir of the type having connection means for accepting the connection thereto of the cooling unit, comprising in combination,

a head unit formed by an upper chamber and a lower chamber and having a connector secured to said lower chamber,

said upper chamber provided with a motor and electrical means to activate and deactivate said motor, and fan means including flexible fan blades mounted externally on said upper chamber and connected to said motor to turn in response to the activation of said motor,

said lower chamber provided with pump means and pump activation means carried therein and provided with an atomizing head in fluid communication with said pump means and pump activation means,

said atomizing head being positioned below said upper chamber and in direct horizontal alignment with said fan means,

said connector on said lower chamber being adapted to disengageably engage the connection means of the fluid reservoir,

said upper chamber, lower chamber and connector formed as an integral head unit,

whereby said head unit may be disengageably engaged to a fluid reservoir which provides a source of fluid and said pump means may be activated to expel a fluid in the path of the fan means when the fan means is simultaneously activated in response to the activation of said motor thereby to provide a portable cooling unit.

Claim 2 states that the portable cooling unit described above is disengageably engaged to the fluid reservoir "thereby to be transferrable to an alternate fluid reservoir having connection means associated therewith." Claim 3 describes the electrical means as consisting of, among other elements, a motor, an on/off switch and batteries. Claim 5 describes the fan means as comprising a fan hub connected to the motor by a motor shaft, and a plurality of flexible fan blades mounted on the fan hub. Claim 7 describes the head unit-fluid reservoir connection.

A patent is presumed valid, and the burden of establishing invalidity rests on the party asserting the invalidity. 35 U.S.C. s. 282. The attacker faces the burden of showing the invalidity of claims by clear and convincing evidence. Hewlett-Packard Co. v. Bansch & Lomb Inc., 909 F.2d 1464, 1467 (Fed.Cir.1990). Also, when the defendant cites no prior art other than that which was considered by the PTO examiner, the

defendant has the added burden of overcoming the "deference that is due to a qualified government agency presumed to have properly done its job." American Hoist & Derrick Co. v. Sowa & Sons, 725 F.2d 1350, 1359 (Fed.Cir.), *cert. denied,* 469 U.S. 821, 105 S.Ct. 95, 83 L.Ed.2d 41 (1984).

(I) Patent Anticipation

The defendant first argues that the '495 patent is anticipated by the prior art. Under s. 102(b) of the patent act, a claim is anticipated if each element of the claim is found in a single prior art reference. FN2 Kloster Speedsteel AB v. Crucible, Inc., 793 F.2d 1565, 1571 (Fed.Cir.1986), *cert. denied,* 479 U.S. 1034, 107 S.Ct. 882, 93 L.Ed.2d 836 (1987). In particular, the defendant claims that all of the elements enumerated in Claim 1 are present in another patent for a misting cooling fan, Steiner patent no. 4,839,106. FN3

FN2. 35 U.S.C. s. 102. A person shall be entitled to a patent unless-
(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States[.]

FN3. Gregory Steiner, inventor and assignee of the '106 patent, is co-founder of plaintiff Innovative Design Enterprises. He and Terry Arnieri are the co-inventors of the '495 patent, assigned to plaintiff.

A brief discussion of the '106 patent, which also describes a portable misting fan, is in order. The '106 device consists of three main elements: a cooling head encasing the fan, motor, atomizing head and a solar cell to charge the batteries; a base containing the batteries and an internal fluid reservoir; and a flexible neck connecting the head and the base. The atomizing head is activated by squeezing an external vacuum bulb connected to the atomizing head by a hose running from the inside of the head, through the neck, and out from the side of the base.

To ascertain the meaning of claims, the court considers three sources: the claims, the specification, and the prosecution history. FN4 Markman v. Westview Instruments, Inc., 52 F.3d 967, 979 (Fed.Cir.1995), *aff'd,* ____ U.S.____, 517 U.S. 370, 116 S.Ct. 1384, 134 L.Ed.2d 577 (1996). Claims must be read in view of the specification, of which they are part. *Id.* A patentee is free to give his own definitions to words, but any special definition given to a word must be clearly defined in the specification. Id. at 980. The terms in a claim are given their ordinary meaning to one of skill in the art unless it appears from the patent and file history that the terms were used differently by the inventors. Intellicall, Inc. v. Phonometrics, Inc., 952 F.2d 1384, 1387 (Fed.Cir.1992). The court may, in its discretion, receive extrinsic evidence in order to ascertain the true meaning of the language employed in the patent. Markman, 52 F.3d at 979. Extrinsic evidence is to be used for the court's understanding of the patent, not for the purpose of varying or contradicting the terms of the claims. Id. at 981. Extrinsic evidence consists of all evidence external to the patent and prosecution history, including expert and inventor testimony, dictionaries, and learned treatises. Id. at 980. Where intrinsic evidence alone will resolve any ambiguity in a disputed claim term, it is improper to rely on extrinsic evidence. Vitronies Corp. v. Conceptronic, Inc., 90 F.3d 1576, 1583 (Fed.Cir.1996).

FN4. Included within an analysis of the file history may be an examination of the prior art cited therein. Vitronies Corp. v. Conceptronic, Inc., 90 F.3d 1576, 1583 (Fed.Cir.1996). Prior art includes any relevant

patents or printed publications. 35 U.S.C. s. 301.

The defendant contends that the '106 patent teaches the '495 patent because both disclose misting fans employing the same elements. However, the two inventions have significant differences. The '495 patent describes a portable cooling unit consisting of two primary parts, a head unit and a fluid reservoir. The head unit is further composed of three primary elements; an upper chamber containing the fan, motor and batteries, a lower chamber containing the atomizing head, pump means and pump activation means, and a threaded connector. The head unit connects directly to the fluid reservoir by screwing the threads on the bottle into the connector. In contrast, the '106 unit teaches a very different configuration. The head unit contains only the fan, the fan motor, and the atomizing head in an upper chamber. There is no equivalent lower chamber, and there also is no connector. Instead, the head is connected to a flexible neck, which is in turn connected to the base of the unit. The connector and the fluid reservoir are contained within the base, as are the batteries. Instead of a piston pump in the lower chamber, the '106 patent employs an external vacuum bulb connected to a rubber tube leading to the atomizing head.

The defendant attempts to show that individual elements in the '106 patent teach the elements in the '495 patent. However, in evaluating claims the court must evaluate the invention as a whole, not reduce the invention to a "mere collection of parts." Pac-Tec, Inc. v. Amerace Corp., 903 F.2d 796, 801 (Fed.Cir.1990). For a prior art reference to anticipate in terms of 35 U.S.C. s. 102, every element of the claimed invention must be identically shown in a single reference, and these elements must be arranged as in the claim under review. In re Bond, 910 F.2d 831, 832 (Fed.Cir.1990). Although the two patents share a similar collection of parts, the arrangement of elements taught by the '106 patent is very different from that described in claim 1 of the '495 patent. Because the '495 patent teaches a different arrangement of elements, this aspect of claim 1 is not anticipated by the '106 patent.

The parties also dispute whether several additional elements in the claims of the '495 patent are anticipated by the '106 patent. Specifically, defendant points to the pump activation means, the improved fluid reservoir capability, the placement of the electrical means, and the flexible fan blades. These elements will be addressed in turn.

The defendant contends that claim 1's requirement of a lower chamber having "pump means" and "pump activation means carried therein" is taught by the '106 patent. Specifically, defendant argues that the '106 patent's flexible tubing connecting the atomizing head to the vacuum bulb is the equivalent of a "pump means" and the vacuum bulb is the equivalent of a "pump activation means," as described in the '495 patent. This analogy, however, is specious, because the flexible tubing cannot constitute a "pump means." There is no indication in the patent that the inventors intended to give the term "pump" any special definition.

Where there is no definition provided and there is no evidence that the claim limitation as a whole has a special meaning to one skilled in the art, the court may use dictionary definitions to ascertain the ordinary meaning of the relevant claim limitation. Quantum Corp. v. Rodime, PLC, 65 F.3d 1577, 1581 (Fed.Cir.1995), *cert. denied,* ____U.S.____, 116 S.Ct. 1567 (1996). Courts may rely on dictionary definitions when construing claim terms, so long as the dictionary definition does not contradict any definition found in or ascertained by a reading of the patent documents. Vitronies Corp. v. Conceptronic, Inc., 90 F.3d 1576, 1584 n. 6 (Fed.Cir.1996). FN5 The basic definition of "pump" is "a device that raises, transfers, or compresses fluids ... esp. by pressure or suction or both." FN6 Clearly, the vacuum bulb in the '106 patent serves as both the "pump means" and the "pump activation means." As the piston pump in the

'495 patent is activated by pulling the trigger, so the vacuum bulb, not the tubing, is activated by squeezing the bulb. The tubing is not activated at all-it is merely a conduit through which the pumped air is conveyed to the atomizing head. Claim 1 of the '495 calls for the "pump means" and "pump activation means" to be carried within the lower chamber of the head unit. This is not taught by the '106 device, which carries its "pump means" and "pump activation means" externally, connected to the tubing that emerges from the side of the base. The court also rejects the defendant's argument that the '495 patent's activation means (the trigger) is external, because its attachment point is contained within the lower chamber. Therefore, the "pump means" and "pump activation means" described in the '495 patent are not taught by the '106 patent. Accordingly, claim 1 is not anticipated by the '106 patent.

FN5. The court noted that although technical treatises and dictionaries fall within the category of extrinsic evidence, inasmuch as they do not form a part of an integrated patent document, "they are worthy of special note." *Vitronies,* 90 F.3d 1584 n. 6.

FN6. Webster's Ninth New Collegiate Dictionary (1985). The full definition is:
pump *n*. 1: a device that raises, transfers, or compresses fluids or that attenuates gases esp. by suction or pressure or both 2: HEART 3: an act or the process of pumping 4: electromagnetic radiation for pumping atoms or molecules 5: a mechanism (as the sodium pump) for pumping atoms, ions, or molecules.

Claim 2 deals with the fluid reservoir, stating that "said head unit is disengageably engaged to the fluid reservoir thereby to be transferrable to an alternate fluid reservoir having connection means associated therewith. " The '495 patent, col. 6, lines 29-32. The defendant argues that the '106 patent also teaches a removable fluid reservoir. However, the '106 patent teaches a reservoir of a specific size that fits within the base assembly of the device. In contrast, the '495 permits attachment of the head unit to a bottle of any size, so long as the threads match. The specification states:

...the present invention has greater portability and usability since the unit is created as a unit with a connector, and is designed to attach to any typical bottle having a threaded neck, whether the bottle be formed of glass or plastic. As such, the fluid reservoir is not integrally formed with the unit, and hence, the operator may connect the portable misting fan unit to any reservoir having a threaded neck of the proper thread size.

The '495 patent, col. 3, lines 3-11.

The phrase "not integrally formed with the unit" here most plainly means that the reservoir is not required to be of a specific size or shape to be used with the unit. Defendant attempts to limit the meaning of this term to "removable." However, this interpretation ignores the plain meaning of the words in the phrase. The verb "to form" means to give form or shape to, or to give a particular shape to.FN7 If a reservoir is "not integrally formed with the unit" then its shape is not dictated by the unit. Defendant's interpretation ignores entirely the use of the term "any typical" to modify "bottle" in the phrase "designed to attach to any typical bottle." Reading the cited passage as a whole, defining "not integrally formed" as referring to shape rather than removeability is the logical interpretation, especially since the quoted passage in two places stresses that the invention is usable with any bottle with compatible threads, and the claim itself uses the term "alternate fluid reservoir." Because the '106 patent requires use of an internal reservoir of specific size and shape, the

'495 patent's elimination of this requirement is not taught by the prior art and claim 2 is not anticipated.

FN7. Webster's Ninth New Collegiate Dictionary (1985). The complete definition is:

form *vi* 1: to give form or shape to:FASHION 2 a: to give a particular shape to: shape or mold into a certain state or after a particular model: ARRANGE b: to arrange themselves in c: to model by instruction or discipline 3: DEVELOP, ACQUIRE 4: to serve to make up or constitute: be a usu. essential or basic element of 5 a: to assume an inflection so as to produce (as a tense) b: to combine to make (a compound word) 6: to arrange in order: DRAW UP

vi 1: to become formed or shaped 2: to take form: come into existence: ARISE 3: to take on a definite form, shape, or arrangement *syn* see MAKE

Claim 3 defines the term "electrical means" located in the head as including the motor, electrical contacts, an on/off switch and batteries. The '106 device has a solar cell located in its head unit, providing a trickle charge to recharge the batteries located in its base. Defendant claims that the solar cell in the '106 patent and the batteries in the '495 patent are equivalents, as the power collected by the solar cells ultimately powers the motor after being collected and stored in the batteries. However, the court disagrees with this interpretation. First, the '106 patent device carries its batteries in its base, a different configuration than that employed in the '495 patent. Second, the power collection argument is unavailing. The solar cell is not a means to activate the motor, because it does not and cannot provide enough power to drive the motor. Its purpose is merely to recharge the electrical means, a separate function from activating the motor. Claim 3, therefore, is not anticipated by the '106 patent.

Claims 1 and 5 describe a fan employing external flexible fan blades. The specification states that "the fan blades are formed of a flexible foam material such that they are very light weight, and unobtrusive and non-harmful to a human even when in striking contact with the human body." The '495 patent, col. 5, lines 43-46. The lower-weight blades also extends battery life because a lower-power motor may be employed to drive the fan. Defendant argues that the term "flexible" is a relative term, since all materials have some degree of flexibility. As a result, this part of the claim is anticipated by the '106 patent. The court finds this distinction unavailing.

There is no indication in the '495 patent that the inventors intended to give the term "flexible" any special definition. Webster's Dictionary defines "flexible" as "pliant." "Pliant" is synonymous with "pliable," meaning "supple enough to bend freely or repeatedly without breaking." FN8 This definition is consistent with the term's usage in the patent, especially in light of the description of the blades being unobtrusive and non-harmful to a human. This element and its benefits are not taught by the '106 patent, which has its rigid fan blades completely encased within the device's head. The external flexible fan blades as used in the '495 patent are therefore not disclosed in the '106 patent.

FN8. Webster's Ninth New Collegiate Dictionary (1985). The full definitions are:

flexible adj 1: capable of being flexed: PLIANT 2: yielding to influence: TRACTABLE 3: characterized by a ready capability to adapt to new, different, or changing requirements....

pliant adj 1: PLIABLE 1a 2: easily influenced: YIELDING 3: suitable for various uses....

pliable adj 1 a: supple enough to bend freely or repeatedly without breaking b: yielding readily to others: COMPLAISANT 2: adjustable to varying conditions: ADAPTABLE ....
Finally, the defendant argues that the subject matter of claim 7 is disclosed in the '106 patent. Claim 7 deals with the attachment of the lower chamber of the head unit directly to the fluid reservoir. Again, this is simply not the configuration described in the '106 patent, in which the fluid reservoir and connector are contained completely within the unit's base, with the base containing the reservoir connected to a flexible neck leading to the head. Also, the '106 patent has no equivalent lower chamber to that defined in the '495 patent. Because claims 1, 2, 3, 5 and 7 are not taught by the '106 patent, the defendant's anticipation argument fails.FN9

FN9. Defendant also points to an office action rejecting many of the claims in its patent application for its device because they were anticipated by the '106 patent, claiming that the rejection also demonstrates that the '495 patent is anticipated. The court may consider extrinsic evidence at its discretion in order to determine "the true meaning of the language employed" in the patent, Markman, 52 F.3d at 980, but only when the intrinsic evidence alone is insufficient for resolving ambiguity in disputed claim terms. Vitronies, 90 F.3d at 1583. In any event, the evidence proffered here does not assist in defining the disputed terminology in the '495 patent claims because the wording of the claims in the defendant's application is sufficiently different so that its relevance here is limited. For example, defendant's claims make no mention of the key terms "integral," "pump means," "flexible," or "alternate fluid reservoir." The court therefore declines to consider it.

This finding is consistent with the '495 patent's prosecution history. The Examiner found that the closest prior art appeared to be the Licudine patent for a portable misting fan, No. 3,997,115, but that it taught a substantially different arrangement of elements. Defendant's Exhibit D, p. 33. The defendant argues that the '106 patent is the closest prior art, and that examiner should have looked at it instead of the Licudine patent. However, the '106 patent was reviewed by the examiner: it is listed both in the file wrapper and on the face of the '495 patent itself. It is obvious that the examiner was aware of the existence of the '106 patent when he allowed the patent. Where, as here, the defendant merely "goes over the same ground traveled by the PTO, part of the *burden* is to show that the PTO was wrong in its decision to grant the patent." American Hoist & Derrick Co., 725 F.2d at 1360 (emphasis in original). The defendant has failed to meet this burden, and its motion for summary judgment on this point is denied.

(ii) Obviousness

Defendant next argues that the '495 patent is invalid on the grounds of obviousness. A patent is invalid for obviousness if "the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art...." 35 U.S.C. s. 103. Specifically, the defendant argues that the remaining claims (4 and 6) are invalid on the grounds of obviousness.

Obviousness is a question of law based upon underlying factual determinations. Panduit Corp. v. Dennison Mfg. Co., 810 F.2d 1561, 1567-68 (Fed.Cir.), *cert. denied,* 481 U.S. 1052, 107 S.Ct. 2187, 95 L.Ed.2d 843 (1987). Relevant underlying facts include (1) the scope and content of the prior art; (2) the differences between the prior art devices and the claimed invention; (3) the level of ordinary skill in the art; and (4)

objective considerations such as commercial success, long felt need, failure of others, and copying. Graham v. John Deere Co., 383 U.S. 1, 17, 86 S.Ct. 684, 15 L.Ed.2d 545 (1966). Where the subject matter of the patent and the prior art are easily understandable, a factual determination of the level of skill in the prior art is unnecessary. Chore-Time Equipment, Inc. v. Cumberland Corp., 713 F.2d 774, 779 (Fed.Cir.1983). Again, defendant's arguments are based on disclosures contained in the '106 patent.

Defendant argues first that claim 4 is obvious. Claim 4 defines the use of a conventional piston-type pump activated by a trigger. The '495 patent specification states that the structure of the pump is well-known in the art and is not considered to be the inventive subject matter of the invention other than in combination with the atomizing head unit as a whole. The '495 patent, col. 4, lines 46-50. Defendant argues that it would have been an obvious engineering expedient to use this type of pump in place of the vacuum bulb described by the '106 patent.

When a patented invention is made by combining known components to achieve a new system, the prior art must provide a suggestion or motivation to make such a combination. Heidelberger Druckmaschinen AG v. Hantscho Commercial Prod. Inc., 21 F.3d 1068, 1072 (Fed.Cir.1994). The references must be viewed without the benefit of hindsight vision afforded by the claimed invention. Hodosh v. Block Drug Co., 786 F.2d 1136, 1143 n. 5 (Fed.Cir.), *cert. denied,* 479 U.S. 827, 107 S.Ct. 106, 93 L.Ed.2d 55 (1986). When obviousness is based on a particular prior art reference, there must be a showing of a suggestion or motivation to modify the teachings of that reference. This suggestion or motivation need not be expressly stated. B.F. Goodrich Co. v. Aircraft Braking Systems Corp., 72 F.3d 1577, 1582 (Fed.Cir.1996). The only evidence of obviousness that the defendant provides is the declaration of its own Vice President of Engineering, Eric Junkel, who merely repeats the statement in the motion to dismiss. Although the type of pump used is common to other household applications, there is no prior art suggesting the use of such a pump in the invention here. There certainly is nothing suggesting substitution of an alternate pump design in the '106 patent. Defendant has offered nothing other than hindsight with regard to claim 4, so this obviousness argument fails.

Defendant also claims that the placement of the batteries in the unit's head is merely a design choice, and that their placement in the '495 patent is obvious. However, this is also nothing more than hindsight, and this argument fails for the reasons just discussed.

Defendant next argues that claim 6 is invalid for obviousness. This claim describes how the fluid is expelled directly onto the fan blades for greater dispersion. Defendant points to the Licudine '115 patent, which also describes expelling the fluid directly onto the fan blades, stating that it would have been obvious to adapt the teachings of this patent to increase dispersion in the manner claimed. However, the defendant "cannot pick and choose among the individual elements of assorted prior art references to recreate the claimed invention." SmithKline Diagnostics, Inc. v. Helena Labs. Corp., 859 F.2d 878, 887 (Fed.Cir.1988). The elements of separate prior art patents cannot be combined to find obviousness when there is no suggestion of such a combination anywhere in those patents. Panduit Corp. v. Dennison Mfg. Co., 810 F.2d 1561, 1568 (Fed.Cir.), *cert. denied,* 481 U.S. 1052, 107 S.Ct. 2187, 95 L.Ed.2d 843 (1987) Again the defendant is engaging in impermissible hindsight analysis. The defendant has pointed to no indication that the combination of elements in the '495 patent was obvious, and the defendant has failed to meet its burden for summary judgment.

Secondary considerations also favor denial of summary judgment. Such objective considerations include commercial success, long felt need, failure of others, and copying. Graham v. John Deere Co., 383 U.S. 1,

17, 86 S.Ct. 684, 15 L.Ed.2d 545 (1966). Proof of secondary considerations of nonobviousness must include a showing of a sufficient relationship between the secondary consideration and the patented invention. Demaco Corp. v. F. Von Langsdorff Licensing Ltd., 851 F.2d 1387, 1392 (Fed.Cir.), *cert. denied,* 488 U.S. 956, 109 S.Ct. 395, 102 L.Ed.2d 383 (1988). Secondary considerations may be the most pertinent, probative, and revealing evidence available to the decision maker in reaching a conclusion on the obviousness/nonobviousness issue. Ashland Oil, Inc. v. Delta Resins & Refractories, Inc., 776 F.2d 281, 306 (Fed.Cir.1985), *cert. denied,* 475 U.S. 1017, 106 S.Ct. 1201, 89 L.Ed.2d 315 (1986).

Plaintiff claims to have enjoyed great commercial success from its SQUEEZE BREEZE product, with sales growing from $200,000 in fiscal year 1993 to projected sales of $3,500,000 in fiscal year 1996. Plaintiff also has alleged that it has filled a long-felt need and that there is evidence of direct copying by defendant. Defendant disputes the plaintiff's claims that the '495 patent is the source of plaintiff's success. The moving party bears the burden of showing the absence of all genuine issues of material fact. The nonmovant is required only to point to an evidentiary dispute created on the record, and the trial court must take the materials presented by the nonmovant in its favor. The defendant has therefore failed to meet its burden with regard to secondary considerations, and summary judgment on the issue of obviousness is denied. *See* Finish Engineering Co. v. Zerpa Indus., Inc., 806 F.2d 1041, 1044-45 (Fed.Cir.1986) (several disputed material factual issues relating to secondary considerations of obviousness; summary judgment reversed).

The defendant has failed to demonstrate by clear and convincing evidence that the plaintiff's patent is invalid. Therefore, the defendant's motion for summary judgment on this issue is denied.

C. Noninfringement

The defendant next argues that its misting fan device does not infringe the plaintiff's patent, either literally or under the doctrine of equivalents, and as a result its motion for summary judgment should be granted. The two types of infringement will be addressed in turn.

(I) Literal infringement

A literal infringement analysis consists of two steps. First, the asserted patent claims must be interpreted by the court as a matter of law to determine their meaning and scope. Markman v. Westview Instruments, Inc., 52 F.3d 967, 979 (Fed.Cir.1995), *aff'd,* ____U.S.____, 517 U.S. 370, 116 S.Ct. 1384, 134 L.Ed.2d 577 (1996). Next, the trier of fact determines whether the claims so construed read on the accused product. Southwall Technologies, Inc. v. Cardinal IG Co., 54 F.3d 1570, 1575 (Fed.Cir.1995). To establish literal infringement, every limitation set forth in a claim must be found in an accused product, exactly. Becton Dickinson & Co. v. C.R. Bard. Inc., 922 F.2d 792, 796 (Fed.Cir.1990). Literal infringement is an issue of fact. Southwall Technologies, 54 F.3d at 1575. Summary judgment may properly be decided as a matter of law when no genuine issue of material fact exists and no expert testimony is required to explain the nature of the patented invention or the accused product or to assist in their comparison. Amhil Enter. Ltd. v. Wawa, Inc., 81 F.3d 1554, 1557-58 (Fed.Cir.1996).

Defendant's entire infringement defense centers around the meaning of the term "integral" as used in claim 1. The term is used in the claim to describe the head unit, i.e., the upper chamber, lower chamber and connector are "formed as an integral head unit." Claim 1, col. 6, line 20. The term "integral" is not directly defined by the patent. In order to define "integral," the defendant points to another portion of the patent relating to the fluid reservoir:

...the present invention has greater portability and usability since the unit is created as a unit with a connector, and is designed to attach to any typical bottle having a threaded neck, whether the bottle be formed of glass or plastic. As such, the fluid reservoir is not integrally formed with the unit, and hence, the operator may connect the portable misting fan unit to any reservoir having a threaded neck of the proper thread size.

The '495 patent, col. 3, lines 3-11. Defendant argues that "the patent teaches that the fluid reservoir, because it is removable, is 'not integrally formed' with the unit. Hence, the term 'integral' as used in the '495 patent must be interpreted as meaning not readily removable." Defendant's Rule 12(M) Statement, p. 9. However, this argument is flawed because it improperly defines the term "not integrally formed."

As this court found above, the term "not integrally formed" refers to shape and design of the fluid reservoir, not its removeability FN10. The verb "to form" means to give form or shape to, or to give a particular shape to. If a reservoir is "not integrally formed with the unit" then its shape is not dictated by the unit. Defendant's interpretation ignores entirely the use of the term "any typical" to modify "bottle" in the phrase "designed to attach to any typical bottle." Reading the cited passage as a whole, defining "not integrally formed" as referring to shape rather than removeability is the most logical interpretation, especially since the passage in two places stresses that the invention is usable with any bottle with compatible threads, and claim 2 uses the term "alternate fluid reservoir." FN11 This is distinguished from the teachings of the '106 patent, which requires a fluid reservoir of a specific size and shape to fit inside its base.

FN10. The same interpretation of a claim applies for both validity assessment and infringement analysis purposes. Beachcombers, Int'l, Inc. v. Wildewood Creative Prods., Inc., 31 F.3d 1154 (Fed.Cir.1994).

FN11. See p. 10 *supra*.

Defendant attempts to use its definition of "not integrally formed" as "removable" to define the term "formed as an integral head unit" in claim 1 as a head unit composed of elements that are not readily removable. However, because the court cannot accept defendant's definition of "not integrally formed," it follows that that the court cannot accept its definition of "integral head unit."

As previously stated, there is no evidence that the terms in the '495 patent are meant to have any special meaning, so it is assumed that "integral" is meant to have its ordinary meaning. Webster's Dictionary defines "integral" as "essential to completeness," "formed as a unit with another part," or "composed of integral parts." FN12 Applying this definition to the claims in the '495 patent, "integral portable fan and atomizing head unit forming a portable cooling unit" means that the fan and atomizing head unit are designed to fit together and operate as a unit. This would be consistent with the statement in claim 1 that "said upper chamber, lower chamber and connector [[are] formed as an integral head unit," especially in light of the fact that the verb "to form" means "to give shape to," as discussed previously. There is nothing within the claims or the specification that indicates that the term "integral" has anything to do with removeability. This finding is also consistent with the definition of "not integrally formed" found above, which also relates to shape and design.

FN12. Webster's Ninth New Collegiate Dictionary (1985). The full definition is:

integral *adj* 1 a: essential to completeness: CONSTITUENT b (1): being, containing, or relating to one or more mathematical integers (2): relating to or concerned with mathematical integrals or integration c: formed as a unit with another part 2: formed of integral parts: INTEGRATED 3: lacking nothing essential: ENTIRE
To establish literal infringement, every limitation set forth in a claim must be found in the accused product, exactly. Southwall Technologies, 54 F.3d at 1575. Defendant's device is similar to the patented device, with one notable difference: the fan on the defendant's device is removable from the head unit and may be used separately.FN13 The defendant argues that because the fan is removable, it is not integral with the head unit. The '495 patent describes an integral head unit containing the fan and misting device, and because the defendant's head unit is not integral, the reasoning goes, it does not infringe the patent.

FN13. The defendant's Vice President of Engineering, Eric Junkel, testified in his deposition that the main differences between the plaintiff's device and the defendant's device are the removable fan, the overall shape of the unit, and the number of fan blades. (Plaintiff's Exhibit 11, p. 111, lines 3-22). The removable fan is the only relevant difference in the present dispute.

Defendant's noninfringement argument, though, is based on its questionable definition of "integral." Although the removable fan would have removed the defendant's device from the scope of the plaintiff's patent under defendant's construction of the claims, the defendant has not put forth any arguments regarding noninfringement under the court's construction of the claims. Because the defendant's interpretation of the claims has been rejected and the defendant has made no other noninfringement arguments, this court cannot say that the defendant's accused device does not infringe the '495 patent. Accordingly, summary judgment for defendant is inappropriate here.

(ii) Doctrine of Equivalents

Even if the claims of the '495 patent do not literally read on the defendant's device, the plaintiff may still prove infringement under the doctrine of equivalents. An accused product that does not literally infringe a claim may infringe under the doctrine of equivalents if "it performs substantially the same function in substantially the same way to obtain the same result." Southwall Technologies, 54 F.3d at 1579, *quoting* Graver Tank & Mfg. Co. v. Linde Air Prods. Co., 339 U.S. 605, 608, 70 S.Ct. 854, 856, 94 L.Ed. 1097 (1950). Although patents must be particular and distinct under 35 U.S.C. s. 112 so that the public has fair notice of the metes and bounds of the claimed invention, a patentee should not be deprived of the benefits of its patent by competitors who appropriate the essence of an invention while barely avoiding the literal language of the claims. London v. Carson Pirie Scott & Co., 946 F.2d 1534, 1538 (Fed.Cir.1991).

The determination of equivalence is an objective inquiry made on an element-by-element basis. Warner-Jenkinson Co., Inc. v. Hilton Davis Chemical Co., ____U.S.____, 520 U.S. 17, ----, 117 S.Ct. 1040, 1054, 137 L.Ed.2d 146 (1997). Each element contained in a patent claim is deemed material to defining the scope of the patented invention, and thus the doctrine must be applied to individual elements of the claim, not to the invention as a whole. Id. at 1049. Intent plays no role in the application of the doctrine. Id. at 1052. Infringement under this doctrine is a question of fact. SRI Int'l v. Matsushita Elec. Corp., 775 F.2d 1107, 1125 (Fed.Cir.1985). Where the evidence is such that no reasonable jury could determine that two elements are equivalent, district courts are obliged to grant partial or complete summary judgment. Warner-Jenkinson, ----U.S. at ____, 520 U.S. at ---- n. 8, 117 S.Ct. at 1053 n. 8.

Again, defendant's argument rests entirely on its interpretation of the meaning of the word "integral" as used in claim 1 as it relates to the head unit. Defendant argues that the use of an integral head unit in the '495 patent is "the essence" of the invention, and that defendant's device with a removable fan employs a non-integral head unit that is "the very antithesis" of the principal object of plaintiff's patent. However, this argument is identical to that made by defendant in its literal infringement defense, an argument that has been rejected by this court. The defendant has presented no other evidence that the head unit described by the '495 patent and the head unit employed by its own device are not equivalent, so summary judgment on this point is inappropriate.

D. Unfair Competition Claims

Defendant has also moved for partial summary judgment as to Count III, s. 43(a) of the Lanham Act,FN14 and Count V, common law unfair competition, insofar as they seek to rely on the SQUEEZE BREEZE product, as distinguished from its package. Defendant argues that because the plaintiff has sought protection for its product with a design patent, it is preempted from seeking trade dress protection under the Lanham Act. Plaintiff counters that it is not seeking trade dress protection under the Lanham Act, but rather it is claiming that the defendant has engaged in "implied passing off," a distinct violation of s. 43(a) and state common law. Paragraph 24 of the Verified Complaint states:

FN14. 15 U.S.C. s. 1125(a).

On information and belief, Circulair used SQUEEZE BREEZE(R) products and unique and inherently distinctive SQUEEZE BREEZE(R) packages (which had been modified to delete reference to Innovative and to instead identify Circulair thereon), at the National Hardware Show and elsewhere to solicit orders for the infringing MISTER FAN^{TM} products. At that Trade Show and elsewhere, Circulair also distributed a flyer showing the MISTER FAN^{TM} product as it then existed.

Plaintiff claims that these actions by defendant constitute "implied passing off" which is actionable under s. 43(a) of the Lanham Act, 15 U.S.C. s. 1125(a) and under the common law of unfair competition. "Implied passing off" arises when a party, in an effort to solicit sales of its own product, uses a picture or sample of its competitor's product, implying that the competitor's product is actually its own. Such activity gives rise to a violation of s. 43(a) of the Lanham Act. *See* Truck Equipment Service Co. v. Fruehauf Corp., 536 F.2d 1210, 1216 (8th Cir.) (use of another's product, misbranded to appear as that of a competitor, a false designation of origin actionable under s. 43(a)), *cert. denied,* 429 U.S. 861, 97 S.Ct. 164, 50 L.Ed.2d 139 (1976). *See also* Accurate Leather & Novelty Co. Inc. v. LTD Commodities Inc., 18 U.S.P.Q.2d 1327, 1329 (N.D.Ill.1990) (use of photograph of plaintiff's product in catalog to sell defendant's inferior product actionable under s. 43(a)). *See generally* 2 J. Gilson, Trademark Protection and Practice, s. 7.02[6][f] (1997). This is a false advertising claim distinct from trade dress protection under s. 43(a), and indeed plaintiff states that it is not seeking trade dress protection here. Because the plaintiff has explicitly stated that it is not seeking trade dress protection under s. 43(a) of the Lanham Act and state common law, defendant has moved for partial summary judgment on a claim that has not been asserted by plaintiff. This motion, therefore, is denied.

III. CONCLUSION

For reasons discussed above, defendant's motion for summary judgment that plaintiff's patent No. 5,338,495 is invalid on the grounds of anticipation and/or obviousness is denied. Defendant's motion for summary

judgment as to noninfringement of plaintiff's patent is also denied. Finally, defendant's motion for summary judgment as to claims III and V with regard to plaintiff's product is denied.

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Innovative Design Enterprises, Inc. v. Circulair, Inc.

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