United States District Court,
E.D. Louisiana.

CBA ENTERPRISES, LLC,
v.
MODERN AIDS, INC.

No. CIV. A. 00-861

Oct. 5, 2000.

SCHWARTZ**, J.**

Before the Court is a Motion for Summary Judgment filed on behalf of the plaintiff, CBA Enterprises, LLC ("CBA"), seeking a declaration of noninfringement and dismissal of the defendant's counterclaim for patent infringement of its '428 design patent. The defendant, Modern Aids, Inc., ("Modern Aids"), filed formal opposition arguing that there exist material issues of fact and summary judgment of "non-infringement" should not issue in this case. CBA filed formal reply and Modern Aids filed a sur-reply. The matter, noticed for hearing on September 27, 2000, is deemed submitted on the summary judgment record for consideration and decision. For the reasons detailed below, the motion is DENIED reserving unto the parties the option to reurge such motion on a more complete record after adequate time for discovery.

CBA instituted the captioned matter seeking declaratory judgment that its Medi-Mart package did not infringe Modern Aids' Design Patent No. 368,428 (the '428 Patent). FN1 The thrust of CBA's motion is its argument that it is undisputed that its Medi-Mart package product does not incorporate any one of the design/ornamental features of the package product listed by Modern Aids in response to Interrogatories propounded by CBA. Utilizing the standard articulated by the Supreme Court, CBA argues that summary judgment should be granted because CBA's package and the claimed design are so different that an ordinary observer, giving such attention as the purchaser usually gives, would not believe the two designs to be substantially similar inducing him to purchase one supposing it was the other. Essentially, CBA seeks the conclusion that a rational trier of fact could only find that the ordinary observer would not be confused.

FN1. This action filed by CBA subsequent to its receipt of correspondence from Modern Aids threatening a patent infringement action and claiming that CBA's Medi-Mart package infringed the Modern Aids ' '428 Patent.

In opposition to the motion, Modern Aids argues that even assuming CBA's Medi-Mart package did not appropriate any one of the 11 ornamental features listed in defendant's response to interrogatories, there are numerous other ornamental features of Modern Aids '428 patent which CBA's Medi-Mart package does infringe. In any event Modern Aids submits that CBA's modified Medi-Mart package design is substantially similar to the '428 patent, incorporates many of the ornamental features of the '428 patent, and the ordinary consumer would be confused between similarly designed packages.

The patent at issue and the alleged infringing device concern a package design for selling individually pre-packaged products (such as medications). Whereas CBA submits that eleven features identified by Modern Aids as being primarily ornamental are not included in CBA's Medi-Mart Package, Modern Aids points out that quite a few of the aforesaid eleven are incorporated in CBA's Medi-Mart package, to wit: (1) CBA's Medi-Mart Package Incorporates a Front Label Located Below the Product Hook; (2) it is similarly transparent above and around the product label; (3) it is similarly clear below the product label to bottom of package; (4) regarding the rear view of the package, it is similarly transparent from top to bottom; (5) both the '428 patent and the Medi-Mart package the UPC code is offset under the product's hanger.

Modern Aids further argues that the overall combination of features comprise a point of novelty which is incorporated in the CBA's Medi-Mart package, to wit:

1. The design exhibits an appearance of transparency such that the product contained within is viewable from both the back and the front;

2. An upright rectangular shape in which the height is of a longer dimension than the width;

3. A horizontal label panel in an upper portion of the package extending across the width of the package, which horizontal label panel is completely separate and apart from the portion of the package which contains the prepackaged product; and

4. A lower product portion of the package floating the product below the horizontal label but within the package.

The Court also notes CBA's argument that the "file wrapper" (i.e., the prosecution history) FN2 of the '428 Patent should serve to bar any argument on behalf of Modern Aids that the accused design incorporating transparency/opaqueness infringes the '428 Patent.FN3

FN2. The doctrine of prosecution history estoppel, formerly "file wrapper" estoppel, precludes a patentee from obtaining a construction of a claim that would, in effect, resurrect subject matter surrendered during exchanges with the PTO examiner. In other words, if a patentee narrows his claims by amendment or cancellation to meet objections by the PTO examiner as to the patentability of the original claims, he may not, at a later date, recapture by construction, the full scope of the claims that were previously surrendered. See, Keystone Driller Co. v. Northwest Engineering Corp., 294 U.S. 42, 55 S.Ct. 262 (1935); Hoganas AB v. Dresser Industries, Inc., 9 F.3d 948, 952 (Fed.Cir.1993).

FN3. CBA argues that prosecution history of the '428 Patent (CBA's Exhibit "6") demonstrates that the patentee, Modern Aids, abandoned any claim that the transparency of its package design which was the subject of the '428 Patent constitutes an ornamental feature of the claim.

The Court agrees with Modern Aids,FN4 that at this nascent stage of the proceedings facts have been raised that warrant further "fleshing out" in discovery. Prosecution history is properly the subject of the Court's determination of the construction of the instant patent claim. Whether or not prosecution history estoppel applies is a question for the Court.FN5 That determination must be made on an adequate record.

FN4. Modern Aids submitted the Affidavit of Dennis Gross, its attorney, who prosecuted Modern Aids' application for the '428 Patent. Essentially, Mr. Gross testified *via* affidavit that the removal of the word "transparent" from the patent claim and title was his response to the concern expressed that inclusion of that specific term might limit the patent claim to packages which were completely clear, and thus, invite arguments of noninfringement as to product packages that were either translucent or hazy. Essentially, it is Modern Aids argument that the prosecution history admits that deletion of the term "transparent" from the patent claim and title *broadened* rather than limited the scope of the '428 Patent. Mr. Gross further notes that at no time was there any amendment made to alter the ornamental appearance of the illustrated drawings, including the shading indicating the transparent cover/back of the patented design of the package. Insofar as the affidavit of Mr. Gross is based on first-hand knowledge, the Court recognizes that, at the very least, it raises material issues of facts as to whether amendment of the claim deleting references to word "transparent" was or was not related to patentability of the design and as to the constituents of the patented design. The Court recognizes that the patent holder, in this case Modern Aids, bears the burden of demonstrating that the amendment to the design claim and title abandoning any reference to the word transparent and/or opaque was not related to patentability. Warner-Jenkinson Co., Inc. v. Hilton Davis Chemical Co., 520 U.S. 17, 117 S.Ct. 1040, 1050 (1997)(noting that the doctrine prosecution history estoppel applies only where claims have been amended for a limited set of reasons, and finding no substantial cause for requiring a more rigid rule that would allow the estoppel defense regardless of the reasons for the amendment of a claim.).

FN5. LaBounty Mfg. Inc., v. United States Int'l Trade Com'n, 867 F.2d 1572, 1576 (Fed.Cir.1989).

In light of the foregoing, any determination of law regarding construction of the subject patent claim is premature. It is apparent to the Court that further discovery is warranted in this vein. Trial of this matter is scheduled for the month of June 2001 and the scheduling order permits ample time for discovery. The parties should have the opportunity avail themselves of discovery so as to fill in the gaps and build a cogent record, upon which this Court can make a considered determination as to the construction of the instant patent claim.

Summary judgment is appropriate when there is no genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law. Fed.R.Civ.P. 56(c). Summary judgment may be granted when no "reasonable jury could return a verdict for the nonmoving party." Anderson v. Liberty Lobby, Inc., 106 S.Ct. 2505, 2510 (1086). In determining whether there is a genuine issue of material fact, the evidence must be viewed in a light most favorable to the party opposing the motion, with doubts resolved in favor of the non-moving party.

Under 35 U.S.C. s. 171, a design patent may be obtained by the inventor for "any new, original, and ornamental design for an article of manufacture." The Court's determination of whether a design patent has been infringed requires two steps: (1) claim construction to determine the scope and meaning of the claim allegedly infringed' and (2) determination of whether the construed design as a whole is substantially similar in appearance to the accused design. FN6

FN6. OddzOn Prods., Inc. v. Just Toys, Inc., 122 F.3d 1396, 1404-05 (Fed.Cir.1997).

Design patent infringement occurs only when the accused design is "substantially the same" as the claimed design.FN7 Patent infringement is a question of fact; however, construction of a patent is a question of law. FN8 The design patent claimant bears the burden of proving patent infringement by a preponderance of the evidence.FN9

FN7. *Gorham Co. v. White,* 81 U.S. 14 (Wall.) 511, 528 (1871)

FN8. Ebeling v. Pak-Mor Mfg. Co., 683 F.2d 909, 911 (5th Cir.1982).

FN9. OddzOn, 122 F.3d at 1405.

In construing the patent, either for purposes of validity or infringement analysis, the Court looks first to intrinsic evidence-that is, the patent itself, including the claims language,FN10 written descriptions, specifications, illustrative drawings, and prosecution history.FN11 A design patent only protects the novel, ornamental features of the patented design.FN12

FN10. Section 112 requires a patent specification "conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his in invention." 35 U.S.C. s. 112 "A patent claim typically has three parts: the preamble, the transition, and the body. The preamble is an introductory phrase summarizing the invention, its relation to prior art, or its intended use or properties. The transition is a phrase connecting the preamble to the body of the claim. The body consists of a recitation of the elements and limitations that 'define the product or process to be encompassed within the patent monopoly." ' Roberg v. 20th Century Plastics, Inc., 40 F.Supp.2d 208, 218 n. 9 (D.N.J.1999)(citing Chisum, Patents s. 8.06(1)(b)(1997)).

FN11. Trilogy Communications v. Times Fiber Communications, 109 F.3d 739, 742, 744 (Fed.Cir.1997); Vitronics Corp. v. Conceptronic, Inc., 90 F.3d 1576, 1583 (Fed.Cir.1996).

FN12. Oddzon, 122 F.3d at 1405.

In determining whether the construed design as a whole is substantially similar in appearance to the accused design, the overall appearance of the design controls, similarity of specific features is insufficient where the overall appearances are dissimilar.FN13 Where a design contains both functional and non-functional elements, the scope of the claim must be construed in order to identify the non-functional aspects of the design shown in the patent.FN14

FN13. *Id.*

FN14. *Id.*

The alleged infringing design should not be compared with the patentee's commercial embodiment of the claimed design. Rather, infringement must be measured against the design claim itself.FN15

FN15. Sun Hill Indus., Inc. v. Easter Unlimited, Inc., 48 F.3d 1193, 1196 (Fed.Cir.1995). The Federal Circuit noted that it is legal error to base an infringement finding on features of the commercial embodiment not claimed by the patent because such a test would risk relying on unclaimed, and therefore, irrelevant features as grounds for similarity or difference.

When measuring infringement against the design claim itself, the court recognizes that unclaimed features, whether color, size, or construction material, cannot be the basis of similarity, where such features of the commercial embodiment are beyond those described in the patent. The Court notes that the illustrative drawings in this case and one commercial embodiment, which apparently accompanied the claim in this case, reveal a transparent, or at the very least an opaque, front and back bottom portion of the package envelope, below the raised portion where the package label is affixed and/or printed, so as to reveal the identity of the individually packaged contents (i.e., the identity of an individually pre-packaged product contained within packaging).FN16 The claim specifications at issue incorporate by reference the accompanying drawings.FN17 The issue of whether transparent feature depicted goes to either ornamentation, functionality, and/or both, has not been adequately covered by the submissions to date.

FN16. The Court asks: Does function dictate this design, whatever it is (i.e., perhaps, a mini-baggie, for packaging individually packaged items, crimped around the perimeter, with a raised rectangular surface at the top but under the display hook sombrero, for the placement of label and UPC Code?)? The summary judgment record does not begin to address the questions raised. One of the purposes of the design statute is to promote the decorative arts. "When function dictates a design, protection would not promote the decorative arts, a purpose of the statute." *See,* Avia Group Intern., Inc. v. L.A. Gear California, 853 F.2d 1557, 1563 (Fed.Cir.1988).

FN17. The specifications must be reviewed as they may define terms used in the claims, either expressly or by implication or by reference to a preferred embodiment or an illustrative example. See, Markman v. Westview Instruments, Inc., 52 F.3d 967, 979-80 (Fed.Cir.1995)(en banc), *aff'd,* 116 S.Ct. 1384 (1996); Vitronics, 90 F.3d at 1582.

The Court here notes that the thrust of CBA's motion for summary judgment of non-infringement is that: (1) there is no question of fact that there is no substantial similarities with the accused device having no combination of individual features which are contended to be primarily ornamental features for the patented design; (2) there is no question of fact as to the overall similar appearance between the two designs at issue; and (3) there is no question of fact that the '428 Patent's file prosecution history bars any claim of transparency being a primarily ornamental feature of the patented design. As to the no question of fact part-well, the Court believes that the record admits that as of this moment there are several. At this nascent stage of the proceedings, the summary judgment record is so scant, that it precludes any determination as to claim construction FN18-which is properly an issue for the Court. A June 2001 jury trial is scheduled regarding the issue of infringement and/or noninfringement of the '428 patent.

FN18. Claim construction is the first of a two-step of the analysis in a patent infringement action. The determination of the interpretation and construction of a patent claim is exclusively the province of the court. Markman, 116 S.Ct. 1384. The claims construction prong of the analysis may require the court to consult various sources, both intrinsic and extrinsic to the patent claims, and there is a hierarchy of evidence to be considered when construing the language of patent, even within the intrinsic category. This case appears particularly problematic at first blush because the patent "CLAIM" at issue reads as follows: "[t]he ornamental design for a package for individual product packages' as shown and described." [CBA's Exhibit "6"] The amended specifications reference the original drawings submitted by the inventor and incorporate them by reference. *Id*. Under the circumstances, "file history" may figure quite prominently in step one of the analysis-claim construction. The estoppel defense urged by CBA, together with the opposing affidavit filed on behalf of Modern Aids, hardly "wrap up" the "file history" insofar as the '428 Patent is concerned. The Court notes that there are instructions following the amended claim specifications suggesting that any inquiries concerning such amended specifications and any of examiner's earlier communications should be addressed to P. Deshmukh, primary examiner, at (703) 305-3253. This independent witness, with first-hand knowledge, should not be overlooked in the discovery phase of this proceeding.

The Court further observes that the function of the patent claim is to provide notice to competitors regarding the scope of the patent. This goes hand-in-hand with the requirement that the patentee " 'particularly point out and distinctly claim [ ] the subject matter which the applicant regards as his invention" ' K-2 Corp. v. Salomon S.A., 191 F.3d 1356, 1366 (Fed.Cir.1999) (citations omitted).
More to the point, the Court believes that the summary judgment record even as to step-one (i.e., claim construction) is deficient. Any declaratory judgment as to either non-infringement or infringement, will depend in no small part on the construction of the design patent at issue. The motion for summary judgment is premature. Adequate time for discovery has not elapsed and that is apparent from the summary judgment record.

Accordingly, and considering the foregoing,

IT IS ORDERED that the CBA's Motion for Summary Judgment is DENIED, however, reserving the right of either party to reurge such motion on a more complete record *and* to request oral argument, but only after adequate time for discovery elapsed.

E.D.La.,2000.
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