United States District Court,
M.D. Florida, Jacksonville Division.

Dan KAROLEWICZ,
Plaintiff.
v.
DRUMMOND PRESS, INC., a Florida corporation,
Defendant.

No. 3:06-cv-641-J-16TEM

Jan. 11, 2008.

Winicki Law Firm, P.A., Robert J. Winicki, Ashkan Najafi, P.A., Ashkan Najafi, Esq., Jacksonville, FL., for Plaintiff, Dan Karolewicz.

KAROLEWICZ *MARKMAN* HEARING CLAIM CONSTRUCTION MEMORANDUM

Plaintiff, Dan Karolewicz, pursuant to this Court's November 29, 2007 order, submits his claim construction memorandum to determine the meaning of the terms in the claims in United States Patent No. 7,063,258 (hereinafter referred to as the Patent) issued by the USPTO to Karolewicz on June 20, 2006.

Issue Presented

What is the meaning of the term "magnetic core," as stated in the independent claim of the Patent? FN1

FN1. Drummond Press asserts that also at issue is the meaning of the term "magnetic member," which as shown infra is not the case because the magnetic member has been produced by the millions by Magnum Magnetics for Drummond Press, just as is described in Karolewicz' Patent. Also, as is discussed further infra there is no issue over the meaning of the phrase "a non-magnetic layer coated over said magnetic core for protecting said magnetic core form [from] directly contacting undesirable foreign debris," except to the extent of the meaning of the underlying term "magnetic core." A non-magnetic layer of plastic or rubber coats the "magnetic core," most probably a ferrite, of the magnetic member produced by Magnum Magnetics and protects it from debris.

Karolewicz disagrees with Drummond Press' contention that the words "magnetic core" and magnet are one and the same, especially when the words "magnetic member" is used throughout the Patent, including in connection with Magnum Magnetics' production of the same.

Argument

Drummond Press never requested a *Markman* hearing until the Court *sue sponte* raised the question at the November 29, 2007 pretrial conference.

Drummond Press now claims that on June 26, 2007, over a year after the patent issued to Karolewicz, it determined that the over four million coin magnet products it sold after June 30, 2006 are not covered by Karolewicz' patent. FN2 This simply is wrong based upon a plain language construction of the claims of the Patent.

FN2. According to page 4 of Drummond Press memorandum in support of its motion for summary judgment: "On June 26, 2007, during the discovery phase of these proceedings, Drummond determined that the claims of the ' 258 Patent do not cover the accused products ... As reflected by the letter dated June 26, 2007 from Magnum Magnetics Corp. the magnets it sells to Drummond Press lack any non-magnetic layer or coating." The June 26, 2007 letter from Neil Huck of Magnum Magnetics to its own counsel, which is not admissible in evidence, stated that it was written in response to Drummond Press' counsel request and represented: "Magnum's flexible gap magnet is a plain (uncoated) 12 mil thick flexible magnet to which we apply a free film acrylic adhesive on one side only. The free film acrylic adhesive is protected by a removable tear-free paper liner." Karolewicz reference the letter and a subsequent declaration only because Drummond Press prominently cited to them in its summary judgment papers.

Plain language is the starting point for claim construction. Phillips v. AWH Corp., 415 F.3d 1303, 1312 (Fed.Cir.2005) (en banc).

According to that decision, the words of a claim "are generally given their ordinary and customary meaning." Id. at 1312. The ordinary and customary meaning "is the meaning that the term would have to a person of ordinary skill in the art in question." Id. at 1313. For this reason, "claims must be read in view of the specification, of which they are a part." Id. at 1315. (internal quotations omitted). The specification "is the single best guide to the meaning of a disputed term." *Id*.

In re Translogic Technology, Inc., 504 F.3d 1249, 1257 (Fed.Cir.2007).

As the en banc Federal Circuit further explained in *Phillips:*

Importantly, the person of ordinary skill in the art is deemed to read the claim term not only in the context of the particular claim in which the disputed term appears, but in the context of the entire patent, including the specification. This court explained that point well in Multiform Desiccants, Inc. v. Medzam, Ltd., 133 F.3d 1473, 1477 (Fed.Cir.1998):

It is the person of ordinary skill in the field of the invention through whose eyes the claims are construed. Such person is deemed to read the words used in the patent documents with an understanding of their meaning in the field, and to have knowledge of any special meaning and usage in the field. The inventor's words that are used to describe the invention-the inventor's lexicography-must be understood and interpreted by the court as they would be understood and interpreted by a person in that field of technology. Thus the court starts the decisionmaking process by reviewing the same resources as would that person, viz., the patent specification and the prosecution history.

In some cases, the ordinary meaning of claim language as understood by a person of skill in the art may be readily apparent even to lay judges, and claim construction in such cases involves little more than the application of the widely accepted meaning of commonly understood words. *See* Brown v. 3M, 265 F.3d

1349, 1352 (Fed.Cir.2001) (holding that the claims did "not require elaborate interpretation"). *In such circumstances, general purpose dictionaries may be helpful.*

Phillips v. AWH Corp., 415 F.3d 1313 (emphasis added).

United States Patent No. 7,063,258 issued by the USPTO to Karolewicz on June 20, 2006 begins with the abstract:

An apparatus includes a body that has monolithically formed top and bottom surfaces and opposed top and bottom edge portions respectively. An annular magnetic member is directly affixed to one of the top and bottom surfaces and is positioned adjacent to one of the top and bottom edge portions. The annular magnet is sufficiently sized and shaped for affixing the body against a support surface elevated from a ground surface. The annular magnetic member has a smooth and arcuate outer perimeter which effectively resists premature peeling and fraying during manufacturing processes. The annular magnetic member and the body further have substantially equal thicknesses for occupying minimum interior space defined within a postal envelope.

The Patent's detailed description of the invention states in pertinent part:

[T]he annular magnetic member includes a magnetic core and a non-magnetic layer coated over the magnetic core that is essential and advantageous for effectively protecting the magnetic core from directly contacting foreign debris, which otherwise alter its magnetic capabilities. Such a magnetic core is essential for effectively enabling the apparatus to be suspended from magnetic surfaces above a ground surface, so as to be more conspicuous.

In the same section of the detailed description, the Patent states: "Such an annular magnetic member includes a magnetic core and a non-magnetic layer coated over the magnetic core for advantageously protecting the magnetic core from directly contacting undesirable foreign debris. *A plurality of magnetic members may commercially be produced on a tear resistant roll by 'Magnum Magnetic'* that is effectively used in conjunction with the commercially available and slightly modified 'Tab-master', produced by Kirk-Ruby, Inc. for applying such magnetic members onto the pre-printed bodies." (Emphasis added).

Finally, the Patent describes what is claimed in the first numbered paragraph as:

An apparatus comprising: a body having monolithically formed top and bottom surfaces and opposed top and bottom edge portions respectively: and an annular magnetic member directly affixed to one said top and bottom surfaces, said annular magnetic member being positioned adjacent to one said top and bottom edge portions: wherein said annular magnetic member is sufficiently sized and shaped for affixing said body against a support surface elevated from a ground surface, said annular magnetic member having a smooth and arcuate outer perimeter which effectively resists premature peeling and fraying during manufacturing process: wherein said annular magnetic member and said body further have equal thicknesses for occupying minimum interior space defined within a postal envelope, wherein said magnetic member has a unitary and solid shape with smooth top and bottom surfaces: wherein said annular magnetic member comprises a magnetic core, and a non-magnetic layer coated over said magnetic core for protecting said magnetic core form [from] directly contacting undesirable foreign debris

While the Court is not to construe the claim to determine whether Drummond Press' product infringes, as

this is a jury issue and not a *Markman* hearing issue, the Patent's reference to Magnum Magnetics allows this Court to consider the "magnetic members" availability from Magnum Magnetics. *See* SRI International v. Matushita Electric Corp., 775 F.2d 1107, 1118 (Fed.Cir.1985). Further, "a claim interpretation that would exclude the inventor's device is rarely the correct interpretation; such an interpretation requires highly persuasive evidentiary support, whereas in this case it received none, whether from the specification, the prosecution history, or the prior art." Modine Manufacturing Co. v. United States International Trade Commission, 75 F.3d 1545, 1550 (Fed.Cir.1996).

Drummond Press purchased from Magnum Magnetics millions of "magnetic members" from late 2004 through at least early 2007 according to documents produced by Magnum Magnetics in response to a June 18, 2007 subpoena duces tecum issued by Karolew icz' counsel on behalf of the Court. These will be an exhibit submitted by Karolew icz at the *Markman* hearing.

The "magnetic member" produced by Magnum Magnetics FN3 and sold to Drummond Press is a flexible one, which means it contains magnetic material or powder dispersed in a plastic or rubber base or binder.FN4 The plastic or rubber that surrounds or coats the magnetic material or powder is the reason it can be flexible and is scratch resistant. Plastic and rubber are not magnetic. It is the magnetic material, usually a ferrite powder, which is magnetic. The non-magnetic plastic or rubber surrounds or coats this magnetic core. The magnetic member described in Karolewicz' invention is annular and is very thin and comes on a roll from Magnum Magnetics so that it can be applied to a card by a Kirk-Rudy machine.

FN3. The June 26, 2007 letter from Magnum Magnetics, which is not admissible into evidence, does not detail the composition of its magnet and does not describe its shape or state that it comes on a roll. However, the letter confirms that its magnet is very thin, is flexible, and has a tear free liner. Also, Neil Huck's declaration, also not admissible, dated July 31, 2007, also does not detail the composition of its magnet, although it does confirm its magnet is very thin (12 millimeters), is flexible, comes on rolls that are a tear free liner, and is round about the diameter of a coin (1.125 inches).

FN4. While not admissible evidence, the third page of exhibit 11 to Andrew Aitken's August 2, 2007 declaration states: "Flexible magnets are made of thermoplastic materials and can be bent without affecting their performance." The fourth page of the exhibit states: "Rubber magnet sheet is made from Strontium or Barium Ferrite powder mixed with polymers and is widely used ..." The sixth page of the exhibit states: "Flexible magnet is compounded by bonded magnetic ferrite powder and plastics or rubber materials through special techniques."

As shown by the April 18, 2007 deposition testimony of Paul Rancour of Drummond Press at pages 22 to 39, 51 to 53, 56 to 57, 63 to 64, and 73, Drummond Press used a Kirk-Rudy machine to apply the magnetic members, which are circular (annular), thin and flexible, and are part of Exhibit 3 to the deposition of Lisa Deam Nelson, to the cards. Karolewicz expects to publish the deposition testimony at the *Markman* hearing.

Here, the Patent clearly disclosed that the "magnetic members," i.e. the portion of the coin magnet product used to attach the card to a ground surface such as a refrigerator door, "*may commercially be produced on a tear resistant roll by 'Magnum Magnetic*.' " At the same time, the patent describes, "the annular magnetic member includes a magnetic core and a non-magnetic layer coated over the magnetic core ..." The patent claims include that the "magnetic member has a unitary and solid shape with smooth top and bottom

surfaces: wherein said annular magnetic member comprises a magnetic core, and a non-magnetic layer coated over said magnetic core ..." The patent does not define the phrase a "magnetic core." However, in the same description and claim there is reference to "a non-magnetic layer coated over the magnetic core."

It is submitted that no construction of the term "magnetic core" can encompass plastic or rubber. Rather plastic and rubber are non-magnetic materials that are a non-magnetic layer coated over the magnetic core, consisting of magnetic material or powder, which most probably is a ferrite.

The terms magnet and magnetic core are *not* identical, contrary to Drummond Press' argument.FN5 In Webster's Seventh New Collegiate Dictionary (1971), one of the definitions of "core" is "a mass of iron serving to concentrate and intensify the magnetic field resulting from a current in the coil." FN6 The key concept is that the core is the *iron* that that concentrates or provides for the magnetic field. Plastic and rubber cannot be a core material for a magnetic field. Rather, a plastic or rubber layer FN7 is coated over the magnetic core, in this case magnetic material or powder, which most probably is a ferrite. This creates "*magnetic members [which] may commercially be produced on a tear resistant roll by 'Magnum Magnetic,*' " as described in Karolew icz' Patent.

FN5. Drummond Press' memorandum in support of its motion for summary judgment on page 10 in bold and in its subheading contends " 'magnetic core' means-the magnet." On page 11, "Drummond suggests defining the term 'magnetic core' as an 'innermost portion of the magnet' or, this case, simply-the magnet-." Drummond Press' position is contrived since if "magnetic core" were meant to mean simply "magnet" then there is no reason the words "magnetic core" were used.

FN6. Drummond Press quotes a similar definition in its summary judgment memorandum on page 10. The Compact Edition of the Oxford English Dictionary on page 990 at para. 10 (1971) also contains a similar definition: "The bar or cylinder of soft iron forming the central part of an electro-magnet, or of an induction coil."

FN7. Drummond Press' summary judgment memorandum on page 10 describes the "non-magnetic layer" as being a coating "that completely surrounds the 'magnetic core' in a manner wherein all surfaces of the magnetic core will not come in contact with undesirable debris," which is one of the functions of the plastic or rubber.

The patent examiner for the USPTO in his allowance of Karolewicz' February 22, 2006 amendment correctly noted that "the prior art or record, taken alone or in combination, fails to teach or fairly suggest at least an apparatus comprising, among other things: annular magnetic member and body that have equal thicknesses for occupying minimum interior space defined within a postal envelope." FN8 This was because the Martin patent FN9 involved a broad rectangular shaped magnet from which the card could be detached and the Ullmann patent FN10 involved a broad rectangular magnet that could be detached from the card. Neither involved an "annular magnetic member and body that have equal thicknesses for occupying minimum interior space defined within a postal envelope." This is why the patent examiner, after a March 16, 2006 interview with Ash Najafil, patent attorney for Karolewicz, allowed the amendment.FN11 It had nothing to do with the precise manufacturing process of the magnetic member. Rather, it had to do with the magnetic member's annular shape (circularity), the equal thickness of both the card and the magnet member,

and ability of the invention to be mailed.

FN8. A copy of the USPTO's allowance on the amendment is contained in exhibit 1 to Karolewicz' deposition, the patent wrapper, which allowance portion excerpt is being concurrently filed with this memorandum.

FN9. The Martin patent, number 5,458,282 is cited on the first page of Karolewicz' June 20, 2006 patent, which is attached as Exhibit A to the complaint and amended complaint. The Martin application, number 2004 0166275, for a patent on the circular perforated magnet is also cited on the same page by the patent examiner.

FN10. The Ullmann patent, number 6,153,280, is also cited on the first page of Karolewicz' June 20, 2006 patent.

FN11. Furthermore, the patent examiner with the agreement of Karolewicz' patent attorney, Najafi, struck from the proposed amended claim the words "said magnetic core and said non magnetic layer having equal thicknesses." The patent examiner explained that the reason for striking the words was "in order to remove potential rejection under 35 USC 112 1st Paragraph." There was nothing necessary in the description of Karolewicz' invention that the "said magnetic core and said non magnetic layer having equal thicknesses." No one needed to know exactly how Magnum Magnetics made the magnetic member because it was not required for the patent to issue. Rather, Karolewicz' detailed specification, quoted above, disclosed: "A plurality of magnetic members may commercially be produced on a tear resistant roll by 'Magnum Magnetic' that is effectively used in conjunction with the commercially available and slightly modified 'Tab-master', produced by Kirk-Ruby, Inc. for applying such magnetic members onto the pre-printed bodies."

Karolewicz told everyone, including the USPTO, Drummond Press, and Magnum Magnetics, that Magnum Magnetics commercially produced the magnetic members! There was nothing in Karolewicz' invention that required disclosure of the precise internal manufacturing process of Magnum Magnetics of the magnetic member. And to this day, Magnum Magnetics has not disclosed its precise process.FN12

FN12. Upon careful examination, all that the June 26, 2007 letter its counsel requested of Magnum Magnetics discloses is that the magnetic member is commercially produced by Magnum Magnetics, is very thin, and is on tear resistant liner, just as Karolewicz' patent describes. The same is true for Huck's July 31, 2007 declaration, except that it adds that the magnetic members are "provided on rolls," "are round" and "are approximately 1 1/8 inches in diameter." Drummond Press has known this for over two and one-half years since it placed its first order with Magnum Magnetics.

The evidence is undisputed that Drummond Press purchased the circular magnetic members from Magnum Magnetics and that they were applied by Drummond Press to the cards by a Kirk-Rudy machine, which is exactly in accordance with Karolew icz' Patent.

Conclusion

This Court should find that the term "magnetic core" in Karolewicz' Patent does not encompass plastic or rubber. The terms "magnetic core" and "magnet" are not identical. The key concept is that the core is the *iron* that concentrates or provides for the magnetic field. Plastic and rubber cannot be a core material for a magnetic field. Rather, a plastic or rubber layer is coated over the magnetic core, in this case magnetic material or powder, which most probably is a ferrite. This creates "*magnetic members [which] may commercially be produced on a tear resistant roll by 'Magnum Magnetic,*' " precisely as described in Karolew icz' Patent.

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