

United States District Court,
C.D. California.

TALBERT FUEL SYSTEMS PATENTS CO,
Plaintiff.

v.

UNOCAL CORPORATION, Union Oil Company of California,
and Tosco Corporation Defendants.

UNOCAL CORPORATION and Union Oil Company of California, and Tosco Corporation,
Counterclaimants.

v.

TALBERT FUEL SYSTEMS PATENTS CO. Counterdefendan,
TALBERT FUEL SYSTEMS PATENTS CO. Counterdefendant.

No. CV980412CBM (RNBX)

Dec. 14, 1998.

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**ORDER GRANTING PARTIES' REQUEST FOR CLAIM CONSTRUCTION AND GRANTING
DEFENDANTS' MOTION TO DISMISS**

MARSHALL, J.

The matters before the Court are; (1) Defendants' Motion for limited claim construction; (2) Defendants' 12(b)(1) motion to dismiss; and (3) Plaintiff's Motion for claim construction. On November 23, 1998, the parties came before the Court, the Honorable Consuelo B. Marshall, United States District Judge, presiding. Upon consideration of the papers submitted and the arguments of counsel, the Court GRANTS the parties' request for a claim construction of Talbert's '356 patent and, based upon that construction, GRANTS Defendants' Motion to DISMISS WITH PREJUDICE Talbert's third claim for interfering patents.

I. BACKGROUND

Plaintiff, Talbert Fuel Systems, is the owner of U.S. Patent No. 5,015,356 ("the '356 patent"), which issued May 14, 1991. Defendant Unocal is the owner by assignment of the U.S. Patent No. 5,288,393 ("the '393 patent"), which issued February 22, 1994. The same examiner presided over the prosecution of Talbert's '356 patent and Unocal's '393 patent, and Unocal actually submitted the '356 patent to the examiner; however, the examiner never raised Talbert for either obviousness or anticipation during the prosecution of Unocal's patent.

The concept behind both patents is a method for creating a reformulated gasoline that retains all of the performance aspects of conventional gasoline but reduces polluting emissions. Conventional gasoline consists of a mixture of hydrocarbons ranging from C4 to C12. The parties' reformulated gasolines attempt to reduce the amount of low and high end hydrocarbons in order to reduce volatility and emissions.

On March 1, 1996, the California Air Resources Board established regulations mandating the use of reformulated or so-called "Phase 2" gasoline in California in order to reduce air pollution. Unocal was in the business of making, using, selling and offering for sale this reformulated gasoline. On December 14, 1996, Unocal sold its business of refining and marketing reformulated gasolines to Tosco. Unocal retained the '393 patent and granted Tosco a license under the '393 patent to manufacture this reformulated gasoline.

On April 30, 1997, Talbert Fuel Systems, Inc., believing that Defendants were manufacturing gasoline that infringed the '356 patent, sent letters to Defendants Unocal and Tosco offering licenses of the '356 patent. Neither of the defendants responded to the letter. On January 16, 1998, Talbert filed the instant action alleging three counts: (1) Direct Patent Infringement by Unocal; (2) Direct Patent Infringement by Tosco; and (3) Interfering Patents. The case was assigned to Judge Wardlaw. Both defendants filed an answer and a counterclaim for declaratory judgment seeking a determination that the '356 patent is invalid and that Talbert is estopped from attempting to collect royalties under the '356 patent against defendants. On March 18, 1998, Defendants filed a motion to dismiss pursuant to 12(b)(1) and for limited claim construction. On July 28, 1998, Plaintiff filed a motion for claim construction. Judge Wardlaw had not addressed either motion at the time she was appointed to the Ninth Circuit. On September 11, 1998, the case was reassigned to this Court.

III. DISCUSSION

A. Defendants' 12(b)(1) Motion to Dismiss

Defendants claim that this Court does not have subject matter jurisdiction over count three of Plaintiff's complaint for "interfering patents." This third claim alleges that Talbert's '356 patent and the '393 are interfering patents within the meaning of 35 U.S.C. s. 291, and seeks to invalidate the '393 on those grounds. Section 291 provides that "the owner of an interfering patent may have relief against the owner of another by civil action, and the court may adjudge the question of any of the interfering patents, in whole or in part." 35 U.S.C. s. 291. However, a court does not have subject matter jurisdiction to judge the validity of a patent where a plaintiff cannot establish that "interference" exists. *Albert v. Kevex Corp.*, 729 F.2d 757, 760-61 (Fed.Cir.), reh'g denied, 741 F.2d 396 (Fed.Cir.1984).

In order for a court to find interference, a party must establish "substantial identity" between the claims of the patents. *Id.* Under this standard, all limitations of a claim are material. Defendants argue that although the inventive concepts of the patents are similar, the two claims at issue contain different limitations and thus are not interfering. FN1 In order to evaluate whether the patents are interfering, this Court must engage

in a limited claim construction of the '356 patent.

FN1. The parties agree that plaintiff's claim of "interfering patents" is directed specifically claim 1 of Talbert's '356 patent and claim 81 of the '393 patent. The parties further agree that the language of claim 81 is sufficiently clear as to preclude the need for the Court to engage in a formal claim construction of the '393 patent.

B. Claim Construction of '356 Patent

Claim construction is a matter of law for the trial court. *Markman v. Westview Instruments, Inc.*, 116 St. Ct. 1384, 1393 (1996). "It is well-settled that in interpreting an asserted claim, the court should look to the intrinsic evidence of record, i.e. the patent itself, including the claims, the written description portion of the specification and, if in evidence, the prosecution history. Such intrinsic evidence is the most significant source of the legally operative meaning of disputed claim language." *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed.Cir.1996) (citations omitted). Courts must be careful to merely understand and explain the scope of the patent, and not to transform or expand that scope during construction. *Scripps Clinic & Res. Found. v. Genetech, Inc.*, 927 F.2d 1565 (Fed.Cir.1991).

1. Intrinsic Evidence in the Record

Talbert claims that the '393 and '356 patents embody the same inventive concept by a different name. However, a claim under s. 291 requires identical "claims" in a patent, not identical "inventive concepts." *Advance Transformer Co. v. Levinson*, 837 F.2d 1081, 1083-84 (Fed.Cir.1988). Both patents cover novel fuel compositions which reduce the content of low and high end hydrocarbons from conventional gasoline. Defendants' patent describes the concept in terms of the gasoline's physical properties, specifically its distillation characteristics ("boiling points"), while Plaintiff's concept is described primarily in terms of its hydrocarbon speciation. Plaintiff contends that these are merely two methods of identifying an identical gasoline composition.

Defendants maintain that the express limitations contained in Unocal's patent (e.g. T50, T10, T90, paraffin volume percent, olefin volume percent, octane, unleaded motor gasoline), create material differences that preclude a finding of interfering patents under s. 291. Defendants' primary basis for differentiating the two patent claims, however, is that the '356 patent includes a restrictive range of boiling points, while the '393 patent contains no such restriction.

a. Language of the '356 Claim

Defendants contend that Talbert's patent encompasses only a gasoline with a boiling point range of 121-345F. Talbert disagrees, stating that the language in their claim that describes a "gasoline having a boiling point range between 121 F and 345 F" was merely illustrative and is not limiting language. Under Talbert's interpretation, the '356 patent also covers a gasoline with boiling points below or above the stated range, depending upon the existence of low end primers and residual high end components. Talbert believes that its patent specifically allows for such low and high end components because its claim recitation describes a gasoline "consisting essentially of.." mid range hydrocarbons but allowing for residual low and high end components that may be left behind "due to imperfections in current fractionation techniques." (Col 6, lines 7-12). However, contrary to Talbert's arguments, the clear language of claim one describes the following composition:

a "gasoline comprising a priming agent and a hydrocarbon mixture having intermediate carbon range relative to C4-C12 fuel; said intermediate carbon range consisting essentially of C6-C10 hydrocarbons with C9 and C10 paraffinic hydrocarbons being present in the mixture; *said gasoline* having a boiling point range of 121 F-345F at 1 atmosphere pressure.."

(emphasis added). Talbert chose to explicitly include a "range" of boiling points and to specify the type of high end hydrocarbons included in his middle cut blend-paraffinic C10 hydrocarbons, whose highest boiling point is 345 F. These explicit limitations included in the claim clearly indicate that the patent covers a hydrocarbon composition fuel with an end point of 345F.

b. Talbert's Prosecution History

A review of the prosecution history confirms this court's interpretation of the claim language. In construing the '356 patent, the Court may consider representations and arguments made to the examiner, including those in related applications. See *Jonsson v. Stanley Works*, 903 F.2d 812, 818 (Fed.Cir.1990). Talbert's prosecutions of applications 463,251, 638,069, and 941,833 involved very similar parent fuels of the '356 fuel. FN2 In prosecuting these early applications before the Patent and Trademark office, Talbert distinguished his fuels from prior art by highlighting that his middle cut gasoline blend had a final boiling point of 345 degrees. FN3 Similarly, in the prosecution of the '356 patent, Talbert stated that "it will be noted that applicant's fuel which contains C9 and C10 hydrocarbons has a final boiling point of 345 Centigrade (sic) which corresponds to the boiling point of C10 paraffinic hydrocarbon." (Tab 16, '356 file History Amendment under Rule 312(a), January 9, 1990.). Therefore, regardless of Talbert's qualifying modifiers, the Court finds that the language of the claim, the specifications and the prosecution history reveal that the '356 patent covers a gasoline with a high end boiling point of 345 F. See *Ekchian v. Home Depot. Inc.*, 104 F.3d 1299, 1304 (Fed.Cir.1997); *Vitronics*, 90 F.3d at 1582

FN2. Although some of these applications addressed gasifier fuels, Talbert has conceded that the standard carburetor gasoline is the same as his gasifier composition, except for a small amount of priming agent. See '356 patent, Col. 9, 1. 19-22.

FN3. See e.g. Def's Appendix, Exhibit A, pp. 2, 53; Exhibit C, pp. 174, 182; Exhibit F, p. 372.

2. Extrinsic Evidence

Reliance on extrinsic evidence to interpret claims is proper only when claim language "remains genuinely ambiguous after consideration of the intrinsic evidence." *Bell & Howell Document Mgmt. Prod. Co. v. Altek Systems*, 132 F.3d 701, 706 (Fed.Cir.1997). Such evidence should be used only to aid the court in "coming to the proper understanding of the claims" and the technology involved. *Vitronics*, 90 F.3d at 1583. The Court finds that the language of the '356 claim is unambiguous, and thus the Court need not refer to extrinsic evidence to resolve the issues involved in these motions.

IV. CONCLUSION

Based upon the analysis above, the Court finds the '356 patent to claim a liquid gasoline with an RVP between 6-9 psi; to claim a carbon range of C6-C10 hydrocarbons, which includes a range of true boiling

points from 121F to 345F and which allows for the presence of a C4 and C5 priming agent. Unocal's '393 patent contains to such limitation on distillation characteristics. In addition, the '393 patent's specific olefin and paraffin limitations further distinguish it from the composition prescribed by the '356 patent. These distinctions preclude a finding of interfering patents under s. 291. Accordingly, this Court DISMISSES WITH PREJUDICE claim number three of Plaintiff's complaint for lack of subject matter jurisdiction.

IT IS SO ORDERED.

C.D.Cal.,1998.

Talbert Fuel Systems Patents Co. v. Unocal Corp.

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