

United States District Court,
S.D. New York.

DISPLAY TECHNOLOGIES, INC,
Plaintiff.

v.

PAUL FLUM IDEAS, INC,
Defendant.

No. 98 Civ. 5942 RWS

Sept. 27, 2000.

Amster, Rothstein & Ebenstein, New York, NY, By: Kenneth P. George, for Plaintiff, of counsel.

Skadden, Arps, Slate, Meagher & Flom, New York, NY, By: Edward V. Filardi, Thomas E. Malone,
Blackwell Sanders Peper Martin, St. Louis, MO, By: Samuel Digirolamo, Michael R. Annis, for Defendant,
of counsel.

OPINION

SWEET, J.

Defendant Paul Flum Ideas, Inc. ("Flum") has moved pursuant to Rule 56 of the Federal Rules of Civil Procedure for (1) summary judgment of invalidity of Claims 2-4, 7-11, 14-16 and 17 of United States Patent No. 5,646,176 (the "'176 Patent"); and (2) summary judgment of noninfringement of the Claims 10 and 14-16 of the '176 Patent. For the reasons set forth below, Flum's motions for summary judgment are granted.

The Parties

Plaintiff Display Technologies, Inc. ("Display") is a corporation organized and existing under the laws of the State of New York, having a principal place of business at 111-01 14th Avenue, College Point, New York 11356.

Defendant Flum is a corporation organized and existing under the laws of Missouri, having corporate headquarters at 11100 Linpage Place, St. Louis, Missouri 63132.

Prior Proceedings

The parties, prior proceedings and factual background of this action are set forth in the prior opinion of this Court, familiarity with which is assumed. *See* Display Technologies, Inc. v. Paul Flum Ideas, Inc., 75 F.Supp.2d 283 (S.D.N.Y.1999). Prior proceedings and facts relevant to this motion are set forth below.

Display filed a complaint in this action on August 19, 1998. The action arises out of Flum's alleged infringement of Display's 1997 patent for the design of display rack employed in refrigerated bottle or can dispensing machines based upon Flum's sale of its GLOBE GLIDE IV display rack. On December 9, 1999, this Court held that Claim 1 of the '176 Patent was invalid because the claimed subject matter was anticipated by prior art, *id.* at 292, 293, and granted in part and denied in part partial summary judgment for the defendants for noninfringement. *Id.* at 295, 297.

On April 20, 2000, the defendant filed the instant motion for partial summary judgment of invalidity and noninfringement of Display's remaining claims, Claims 2-4, 7-11, 14-16 and 17 of the '176 patent. The plaintiff filed a memorandum of law in opposition to defendant's motion for summary judgment on May 24, 2000. The motion was deemed fully submitted upon the filing of defendant's reply on June 12, 2000.

Facts

The facts as set forth below are derived from the complaint and the statements of the parties pursuant to Local Civil Rule 56.1, Local Rules of the United States District Courts for the Southern and Eastern District of New York and are uncontested except as noted.

A. *The '176 Patent*

It is undisputed that Display is the owner and assignee of the '176 Patent, entitled "Display Rack with Channel Front Member." The '176 Patent was filed with the Patent and Trademark Office ("PTO") as application serial number 08/694,310 on August 8, 1996. FN1 The '176 Patent is directed to an improved display rack for displaying and dispensing upright articles, such as beverage bottles or cans, from a refrigerated display case. The display rack of the '176 Patent generally consists of parallel channels for organizing and holding upright bottles or cans in a line, the channels being connected to each other in a side-by-side relationship. Because the underlying supporting shelf is slanted, the bottles in each channel slide forward, one at a time, as each lead bottle is dispensed by hand from the front.

FN1. The '176 Patent was filed in the name of Richard Jay.

The '176 Patent contains 28 claims directed to the various features of Display's purported invention. The patent includes six independent claims and 22 dependent claims. Only claims 2-4, 7-11, and 14-17 remain at issue in this action. Each of the remaining claims is dependent on Claim 1, which this Court has previously held to be invalid in light of prior art. *See Display Technologies, Inc. v. Paul Flum Ideas, Inc.*, 75 F.Supp.2d 283 (S.D.N.Y.1999). These dependent claims specifically require a display rack with a front member "secured to at least one of said sidewalls." Claim 1 explains the design as follows:

1. A display rack for supporting and displaying upright elongate articles, comprising:

A. a plurality of elongate channels, each said channel defining:

(i) a pair of laterally spaced upstanding sidewalls

(ii) a substantially planar article-supporting track connecting said sidewalls at the bottoms thereof, and

(iii) a front member spaced above said track, secured to at least one of said sidewalls, and at least partially

bridging the sidewalls; the bottom of said front member, the top of the front of said track and the front of said sidewalls cooperatively defining an aperture through which an upright substantial portion of a lead article in said channel may be viewed; and

B. means securing said channels in side-by-side, longitudinally parallel and transversely adjacent relationship.

Figure 1 of the '176 Patent shows a front member attached to at least one side wall. The specification of the '176 Patent defines a sidewall as "extending the length of the channel."

Claims 2-4, 7-11 and 17 require, *inter alia*, display racks in which the front member is angled forward in the front of the rack, by less than the thickness of an article in the channel, so as to engage the lead article adjacent to and above the center of inertia of the lead article, for release through a "generally rectangular aperture" through which a substantial portion of the lead article can be viewed.

For securing the article display rack onto an underlying support shelf, the '176 Patent discloses upwardly extending bottom opening recesses located on the bottoms of the channel sidewalls, for telescopically receiving the upper rod of the front wall of the support shelf. Claims 14-16 require either recesses or means for "telescopic receipt therein" of the front or back wall of the support tray. As disclosed in the drawings and specification of the '176 patent, the phrase "telescopic receipt" requires that the rod of the support rack be within the recess of the sidewall.

B. *The '176 Patent Prosecution History*

After the filing of the patent application Serial No. 08/694,310, but before its issuance, in an Office Action dated December 13, 1996, the PTO rejected Claims 1-4, 7-9, 11-15, 17, 21-22, and 24 of the application under 35 U.S.C. s. 102(b) as being anticipated by United States Patent No. 4,228,903 (the "Eckert Patent"). In a response dated December 30, 1996, Display amended Claim 1 to cover only display racks for supporting and displaying "upright and elongate" articles. In support of the allowability of the amended claims, Display stated regarding a previous patent:

Eckert discloses a gravity feed can dispenser for beverage coolers where the cans are disposed horizontally on their circumferential sides, rather than (vertically) upstanding on their longitudinal ends. Contrary to this teaching of Eckert [*sic*], Claim 1 clearly requires that the display rack support and display "upright and elongate articles" and that the aperture formed by the various parts thereof must allow viewing of a substantial portion of "an upright lead article in said channel."

Describing the purported novelty of this "aperture formed by the various parts thereof," Display stated that "it is clear that [in Eckert] no aperture whatsoever is formed 'by the bottom of said front member, the top of said track, and the front of said sidewalls .'"

In a Notice of Allowability dated February 26, 1997, the PTO Examiner stated:

the cited prior art of record, alone or in combination, does not disclose a display rack having the bottom of a front member, the top of the front of a track and the front of the sidewalls defining an aperture through which a substantial portion of an upright lead article in the channel may be viewed. Nor is there shown a display with telescopic receipt of at least one of the front wall and back walls of the tray.

The '176 Patent was issued on July 8, 1997 and subsequently embodied in the VISI-SLIDE display rack first introduced to the market later in 1997.

C. Alleged Infringement by Flum

Display accuses Flum of infringing the '176 Patent with its GLOBE GLIDE display rack, specifically the Flum COOL GLIDE IV. The COOL GLIDE IV discloses a display rack wherein each channel is of integral, one-piece, unitary construction formed in a single plastic molding operation. The COOL GLIDE IV display rack also features an aperture through which an upright substantial portion of a lead article in the channel may be viewed, and means of securing each channel in a side-by-side, longitudinally parallel transversely adjacent relationship.

The COOL GLIDE IV has a plurality of elongate channels, each channel defined by a pair of upstanding sidewalls, a planar track connecting the sidewalls at the bottom thereof, and a front member attached to the top of a front wall. The front member is attached at a height sufficiently above the base of the COOL GLIDE IV so as to define an aperture through which an upright substantial portion of a lead article in the channel may be viewed. Additionally, the front member is attached at such height so as to engage the lead article adjacent to, above, and no lower than the center of inertia of the lead article. The COOL GLIDE IV display rack has been in use and on sale in this country since at least 1994.

Plaintiff's product was originally designed for exclusive use by the Coca Cola Company ("Coke"), and Flum's product was prepared for exclusive use by the Pepsi-Cola Company ("Pepsi"). Display contends that in 1997, Pepsi, having seen Display's display rack, suggested to Flum that it wanted a new rack for its refrigerated display case and specifically referred Flum to Display's "Coca Cola" rack. Display avers that Donald Miller, Jr., the Flum Vice President of Sales and Product Manager for developing Flum's GLOBE GLIDE, "even specifically discussed the Flum 'multiple stop feature' being 'like' the [Display] rack." Thus, Display contends it is not surprising that "the resulting GLOBE GLIDE display rack is an infringing copy of the patented Display Technologies rack." Flum denies Display's accusation that the COOL GLIDE IV infringes the '176 Patent and argues that elements of Display's patent are invalid because they were either anticipated by prior art or are obvious in light of prior art.

Discussion

I. Legal Standard for Summary Judgment

The motion for summary judgment is "an integral part" of the Federal Rules of Civil Procedure and facilitates the overall purpose of the Rules, namely, "to secure the just, speedy and inexpensive determination of every action." *Celotex Corp. v. Catrett*, 477 U.S. 317, 327 (1986). A motion for summary judgment may be granted only when there is no issue of material fact remaining for trial and the moving party is entitled to judgment as a matter of law. *See* Rule 56(c), Fed.R.Civ.P.; *Silver v. City Univ.*, 947 F.2d 1021, 1022 (2d Cir.1991). If, when "[v]iewing the evidence produced in the light most favorable to the nonmovant ... a rational trier could not find for the nonmovant, then there is no genuine issue of material fact and entry of summary judgment is appropriate." *Binder v. Long Island Lighting Co.*, 933 F.2d 187, 191 (2d Cir.1991). If, on the other hand, a reasonable finder of fact could return a verdict for the nonmoving party, there is a genuine factual dispute and summary judgment should not be granted. *See Zeevi v. Union Bank of Switzerland*, 1992 WL 8347,*4 (S.D.N.Y. Jan. 29, 1992). "[T]he trial court's task at the summary judgment stage of litigation is carefully limited to discerning whether there are any genuine issues of material fact to

be tried, not to deciding them." *Gallo v. Prudential Residential Servs., Ltd.*, 22 F.3d 1219 (2d Cir.1994).

"Summary judgment is as appropriate in a patent case as in any other. Where no genuine issue of material fact remains and the movant is entitled to judgment as a matter of law, the court should utilize the salutary procedure of Fed.R.Civ.P. 56 to avoid unnecessary expense to the parties and wasteful utilization of the jury process and judicial resources." *Barmag Barmer Maschinenfabrik v. Murata Machinery Ltd.*, 731 F.2d 831, 835 (Fed.Cir.1984); *see also* *SRI Int'l v. Matsushita Elec. Corp.*, 775 F.2d 1107, 1116 (Fed.Cir.1985) (*en banc*). However, under 35 U.S.C. s. 282, a patent is presumptively valid, and thus the party moving for summary judgment must demonstrate by clear and convincing evidence that the patent is invalid. *See, e.g.*, *Hybritech Inc. v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1375 (Fed.Cir.1986).

II. Claims 2-4, 7-11 and 17 of the '176 Patent Are Invalid

Flum's motion for summary judgment asserts that the remaining claims in Display's complaint, Claims 2-4, 7-11 and 14-17, are invalid because their subject matter is anticipated by and/or obvious in view of various prior patents.

A. Anticipation

Section 102(a) provides that a patent is invalid if "the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent." 35 U.S.C. s. 102(a). This provision gives rise to the doctrine of anticipation: "That which would literally infringe if later in time anticipates if earlier than the date of invention." *Evans Medical Ltd. v. American Cyanamid Co.*, 11 F.Supp.2d 338, 365 (S.D.N.Y.1998) (*quoting* *Lewmar Marine, Inc. v. Bariant, Inc.*, 827 F.2d 744, 747 (Fed.Cir.1987).

A party asserting that a patent claim is anticipated under 35 U.S.C. s. 102(a) must demonstrate, among other things, identity of invention. To anticipate a claim, a prior art reference must disclose every feature of the claimed invention either explicitly or inherently. *See* *Hazani v. United States Int'l Trade Comm'n*, 126 F.3d 1473, 1477 (Fed.Cir.1997); *Glaxo Inc. v. Novopharm, Ltd.*, 52 F.3d 1043, 1047 (Fed.Cir.1995). Anticipation is a question of fact, and thus summary judgment is appropriate where "[t]here is no genuine issue of material fact that each element of the [challenged] claims is found in a single prior art reference." *Meyers v. Asics Corp.*, 865 F.Supp. 177, 179 (S.D.N.Y.1994); *see also* *Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 1571-72 (Fed.Cir.1997).

B. Obviousness

In addition to the novelty requirement of s. 102, a patent is required to be non-obvious pursuant to 35 U.S.C. s. 103, which provides in pertinent part:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, 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 to which said subject matter pertains.

Obviousness is a question of law based upon the underlying facts of four general categories: (1) the scope and content of the prior art; (2) the differences between the prior art and the claimed invention; (3) the level of ordinary skill at the time the invention was made; and (4) any objective considerations that may be

present. *See* *Graham v. John Deere Co.*, 383 U.S. 1, 17, 86 S.Ct. 684, 15 L.Ed.2d 545 (1966); *Continental Can Company USA, Inc. v. Monsanto Co.*, 948 F.2d 1264, 1270 (Fed.Cir.1984). This Circuit follows the Supreme Court's instruction that "Courts should scrutinize combination patent claims with a care proportioned to the difficulty and improbability of finding invention in an assembly of old elements." *General Radio Co. v. Kepco, Inc.*, 435 F.2d 135, 137 (2d Cir.1970) (*quoting* *Great Atlantic and Pacific Tea Co. v. Supermarket Equipment Corp.*, 340 U.S. 147, 152, 71 S.Ct. 127, 130, 95 L.Ed. 162 (1950).

A claim is obvious if the combined teachings, suggestions or motivations of the prior art would suggest the challenged design to a person of ordinary skill in the field. *See* *Ashland Oil, Inc. v. Delta Resins & Refractories, Inc.*, 776 F.2d 281, 293 (Fed.Cir.1985); *Cable Electric Products, Inc. v. Genworks, Inc.*, 770 F.2d 1015, 1025 (Fed.Cir.1985) (citing cases). A finding of obviousness requires evidence of "reasons that the skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention [the '176 Patent], would select the elements from the cited prior art references for combination in the manner claimed ." *In re Rouffet*, 149 F.3d 1350, 1357 (Fed.Cir.1998).

A prior art suggestion to modify or combine teachings need not be explicit. *In re Nilssen*, 851 F.2d 1401, 1403 (Fed.Cir.1998) ("[F]or the purposes of combining references, those references need not explicitly suggest combining teachings, much less specific references."); *Motorola, Inc. v. Interdigital Technology Corp.*, 121 F.3d 1461, 1472 (Fed.Cir.1997) ("There is no requirement that the prior art contain an express suggestion to combine known elements to achieve the claimed invention. Rather, the suggestion to combine may come from the prior art as filtered through the knowledge of one skilled in the art."). The straightforward quality of the invention and art at issue may render the patent at issue apparent although there is no explicit suggestion to combine the prior art references to produce the patented invention. *See* *Cable Electric Products, Inc.*, 770 F.2d at 1025.

Where the legal conclusion of obviousness is disputed, but the underlying facts are not, there is no issue of fact requiring a trial and summary judgment is appropriate. *See* *Newell Cos., Inc. v. Kenney Mfg. Co.*, 864 F.2d 757, 763 (Fed.Cir.1988). In addition, summary judgment of invalidity based on obviousness may be granted to invalidate patent claims when the subject matter of the invention and the prior art are so readily understandable as to eliminate any genuine issue of fact regarding obviousness. *See* *Union Carbide Corp. v. American Can Co.*, 724 F.2d 1567, 1573 (Fed.Cir.1984).

Before determining anticipation and obviousness, the Court must first construe the claims to determine their meaning as a matter of law. *See* *Kalman v. Kimberly-Clark Corp.*, 713 F.2d 760, 771 (Fed.Cir.1983).

C. Claim Construction

Courts have the "power and obligation to construe as a matter of law the meaning and language used in patent claims." *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 979 (Fed.Cir.1995) (*en banc*), *aff'd*, 517 U.S. 370 (1996). It is well settled that, in interpreting an asserted claim, the court should look first to the intrinsic evidence of record, i.e., the patent itself, including the claims, the specification and, if in evidence, the prosecution history. *See* *Markman*, 52 F.3d at 979.

Even within the intrinsic evidence, however, there is a "hierarchy of analytical tools." *Digital Biometrics, Inc. v. Identix, Inc.*, 149 F.3d 1335, 1344 (Fed.Cir.1998). "The actual words of the claim are the controlling focus." *Id.* Although words in a claim are generally given their ordinary and customary meaning, a patentee may choose to be his own lexicographer and use terms in a manner other than their ordinary meaning, as

long as the special definition of the term is clearly stated in the patent specification or file history. *See Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed.Cir.1996).

It is then necessary to review the specification to determine whether the inventor has used any terms in a manner inconsistent with their ordinary meaning. The specification "acts as a dictionary when it expressly defines terms used in the claims or when it defines terms by implication." *Id.* The Federal Circuit has oft stated that "[c]laims must be read in view of the specification of which they are a part." *Markman*, 52 F.3d at 979. The specification contains a written description of the invention which must be clear and complete enough to enable those of ordinary skill in the art to make and use it. Thus, "the specification is highly relevant to the claim construction analysis. Usually, it is dispositive; it is the single best guide to the meaning of a disputed term." *Vitronics*, 90 F.3d at 1582.

The court may also consider the prosecution history of the patent, if in evidence. *See Markman*, 52 F.3d at 980. This history contains the complete record of all the proceedings before the PTO, including any express representations made by the applicant regarding the scope of the claims. Accordingly, the record before the PTO "is often of critical significance in determining the meaning of the claims." *Vitronics*, 90 F.3d at 1582.

D. Claims 4 and 10 Were Anticipated by Prior Art

As noted above, all of the remaining claims are dependent on Claim 1, meaning that they each incorporate Claim 1 by reference and add a single limitation to it. *See* 35 U.S.C. s. 112; *Robotic Vision Systems, Inc. v. View Engineering, Inc.*, 189 F.3d 1370, 1376 (Fed.Cir.1999). In a prior decision, this Court held Claim 1 invalid because each of its elements was anticipated by prior art. *Display Technologies, Inc. v. Paul Flum Ideas, Inc.*, 75 F.Supp.2d 283 (S.D.N.Y.1999). Specifically, this Court held that "each of the elements of Claim 1 [was] fully anticipated by" United States Patent No. 2,572,090 ("Refrigerator Rack Bottle Guide") (the "Allen Patent") in 1951, and also by United States Patent No. 2,218,444 ("Merchandise Dispenser") (the "Vineyard Patent") in 1940. *Id.* at 291, 292. Because this Court has found as a matter of fact that Claim 1 was anticipated by prior art, the proper inquiry here is whether the limitations the remaining claims add to Claim 1 were anticipated by or obvious in light of prior patents.

As described above, the 1997 PTO's Notice of Allowability related only to the structure defining the aperture, to the portion of the lead article viewable through the aperture, and to the telescopic receipt of the recesses with the front and back walls or rod members associated with the underlying support shelf. Flum argues that because none of the limitations addressed by dependent claims 2-4, 7-11 or 17 are set forth in the PTO Examiner's reasons for allowance of the '176 Patent, and none of these additional features are separately patentable, each of the remaining claims must fall with the invalidity of Claim 1.

Claim 4 adds the limitation of a rectangular aperture to Claim 1 using the following language:

4. the display rack of claim 1 wherein the bottom of said front member, the front of said track, and the front of said sidewalls define a generally rectangular aperture.

Claim 10 further limits Claim 1 by providing for:

10. The display rack of claim 1 wherein the front of said track is devoid of any transversely extending upstanding lip or wall.

An "upstanding lip or wall" is defined as any member provided at the front of the track which either cooperates with the front member in stopping the forward movement of an article or at least does not interfere with the functioning of the front member in this regard. Col 6, lines 43-54 of the '176 Patent. A "transversely extending" lip or wall would extend at least partially across the track. As such, Claim 10 requires that there be no member that extends upwardly from and across the track.

1. *Prior Art: the Allen and Vineyard Patents* FN2

FN2. *See* Display Technologies, Inc. v. Paul Flum Ideas, Inc., 75 F.Supp.2d at 290-92 (S.D.N.Y.1999) for a more detailed description of the Allen and Vineyard Patents.

Flum contends that Claims 4 and 10 of the '176 Patent were anticipated by both the 1951 Allen Patent, entitled "Refrigerator Rack Bottle Guide," and the 1940 Vineyard Patent, entitled "Merchandise Dispenser." Although both Allen and Vineyard disclose display racks for storing and displaying upright bottled goods in a refrigerated case, neither was cited to the PTO in the application for the '176 Patent.

The Allen Patent discloses a display rack arranging upright bottles of varying sizes within several long channels formed by sidewalls and an underlying support shelf. At the front of each channel, Allen discloses a rectangular aperture defined by the bottom of the front rail member, the top of the support track's front to rear rods, and the front of the sidewalls. (Col. 2, lines 8-47). Figure 1 of the Allen Patent discloses that a portion of the lead article may be viewed through the front aperture. Allen does not disclose any upstanding or transverse lip or wall at the front of the channel.

The Vineyard Patent discloses a display rack for upright bottles held in channels on a forwardly slanted (or "gravity feed") shelf. The lead upright bottle may be viewed through an aperture at the front of the shelf defined by the bottom of the front guard member, the top of the front of the support track, and the sidewalls. Vineyard Figure 1 depicts the aperture as generally rectangular in shape. Vineyard discloses no front lip or wall extending upwardly from or across the track.

2. *Discussion*

Display maintains that the '176 Patent was not anticipated by the Allen or Vineyard Patents because these prior art patents do not include an aperture through which an upright substantial portion of a lead article may be viewed. However, this Court held in a prior opinion that both the Allen and Vineyard Patents disclose an aperture revealing a significant portion of the lead article. FN3 Moreover, this argument pertains to an element of Claim 1 that has previously been decided and is no longer at issue here. Display offers no argument against Flum's contention that the limitations Claim 4 and Claim 10 add to Claim 1—a generally rectangular aperture formed by the bottom of the front member, the front of the track, and the front of the sidewalls as well as the absence of any transversely extending lip or wall—are fully anticipated by prior art.

FN3. As set forth above, the PTO was of the impression that the prior art display racks did not disclose such an aperture. However, the Allen and Vineyard Patents were not cited to the PTO in the application for the '176 Patent.

As described above and in a prior opinion, the Allen and Vineyard Patents do disclose a generally rectangular aperture created by the bottom of the front member, the front of the track, and the front of the

sidewalls. *Display Technologies, Inc. v. Paul Flum Ideas, Inc.*, 75 F.Supp.2d at 290, 292. As such, these two prior art patents clearly anticipate the aperture described in Claim 4 of the '176 Patent. Moreover, like Claim 10 of the '176 Patent, neither Allen nor Vineyard discloses any lip or wall extending upwardly from and across the track.

Accordingly, whereas the elements of Claim 1 (on which Claims 4 and 10 depend) have previously been held invalid, Flum has carried its burden of proving that every element of Claim 4 and Claim 10 was anticipated by the Allen and Vineyard Patents. Claims 4 and 10 are therefore invalid under 35 U.S.C. s. 102.

E. Claims 2 and 3 were Obvious in light of Prior Art

Flum next contends that each of the limitations added to Claim 1 of the '176 Patent in the remaining claims was nothing more than an obvious combination of the upright bottle display of the Allen and Vineyard Patents with elements already known from other prior art not cited to the PTO.

First, both Claim 2 and Claim 3 involve a forwardly disposed front member that acts as a guard to the lead article in the channel. Claim 2 states:

2. The display rack of claim 1 wherein said front member is disposed forwardly of the front of said track.

Claim 3 provides:

3. The display rack of claim 2 wherein the front of said member is disposed forwardly of the front of said track by less than the thickness of an article in the channel.

Claim 2 builds on Claim 1 by adding a limitation that the front member be disposed forwardly of the front of the track, and Claim 3 adds to Claim 2 the limitation that the front member be disposed forwardly of the front of the track by a distance less than the thickness of an article.

1. Prior Art: The Sorenson and Merl Patents

In 1987, United States Patent No. 4,694,966 (the "Sorenson Patent"), disclosed a slanted steel wire tray intended for the storage and display of "merchandise or literature." The Sorenson device is designed to function as a suspended attachment to a perforated back support panel. Claim 1 of the Sorenson Patent discloses front support members consisting of inverted "U-shaped" wires "extending forwardly beyond" the underlying support tray, shown in Sorenson Figure 2. The Sorenson Patent was not disclosed to the PTO in the application for the '176 Patent.

Next, United States Patent No. 4,205,763 (the "Merl Patent") discloses an automatic dispensing system for cylindrical containers marketed by the "soft drink and liquid container industries." Merl discloses a swivel mechanism to rotate articles from a horizontal storage position into a vertical display position at the end of a forwardly slanted channel. The parties agree that the 1980 Merl Patent was not disclosed to the PTO when it considered the application for the '176 Patent.

Claim 5 of the Merl Patent describes a "guard railing extending forwardly from said storage compartment," which Merl Figure 4 shows in side view as a front member (No. 24) disposed forwardly of the front of the track along which the product is stored (like that depicted in the '176 Patent's Figure 2). Although not specifically claimed, Merl Figure 4 also discloses that the front member is disposed forward of the front of

the track by less than the thickness of the articles held, as in Figure 6 of the '176 Patent.

2. Discussion

Flum argues that regardless of whether the front member extends beyond the front of the track or whether it is coextensive with it, the elements of Claims 2 and 3 were well-known and practiced in both Merl and Sorenson prior to the filing of the '176 Patent, and that, in any case, the extension of the front member beyond the track is merely an insubstantial, unpatentable modification of Claim 1.

Display counters that there was no teaching or suggestion to combine the elements of these prior art patents in Claims 2 and 3, and that the differences between the steel wire Sorenson tray, the swiveling Merl device, and the upright Allen and Vineyard models were so great as to preclude any incentive to combine them by a person of ordinary skill in the art.

For prior art references to suggest or teach a combination of their elements in a claimed patent such that the claimed patent becomes obvious, the references must derive from the same field as the patent in-issue. *See* Union Carbide Corp., 724 F.2d at 1572. Sorenson discloses a steel wire rack to be hung from a perforated wall for the display of "literature or merchandise." Although Flum argues that both the Sorenson device and the '176 Patent share a place in the "display rack" family, the function and means of carrying out the Sorenson design bear little resemblance to the '176 Patent's device for storing and displaying beverages in a refrigerated case. As such, the Sorenson Patent is not "reasonably pertinent to the particular problem with which the inventor was involved" in Claims 2 and 3 of the '176 Patent. *Id.*

The Merl device for storing and displaying containers for the soft drink industry, on the other hand, is reasonably pertinent to the '176 Patent's device for storing and displaying beverages. Display suggests that even if Merl was within the same field, it provided no teaching or suggestion to combine its elements with the upright Allen or Vineyard designs. First, Display argues that a person of ordinary skill would have no reason to combine Merl's horizontal bottle storage mechanism with the upright models of Allen and Vineyard. However, Allen specifically contemplates that "containers such as cans, can be laid transversely between contiguous guide members to roll forwardly to the front of the rack." Malone Decl. Exh. 4 (Column 2, lines 42-45).

Next, Display argues that Merl's forwardly extending front member is uniquely a product of its swivel mechanism, so there is no motivation to add it to a display rack without a swivel mechanism. In support of this contention, Display submits the affidavit of Richard M. Franczak as an expert in the design and development of purchase product displays. Franczak has invented several patented items including a pet litter container, cosmetic sampler and "contact lens heating device." Franczak states that:

[p]roduct designers in this field of gravity slide display racks for beverages would have no incentive to remove the dispensing portion ... from the storage compartment of the Merl dispenser and then somehow connect this structure to either the Allen or Vineyard Patents, since there is no need to swivel or rotate beverage containers from a storage to a dispensing position in either the Allen or Vineyard Patents.

Franczak Decl. at 4.

However, Franczak's lack of experience with gravity feed display racks for beverages limits the usefulness of his testimony. As stated in consideration of the Sorenson steel wire rack, for the purposes of this inquiry,

not all display racks are created equal, and only mechanisms reasonably pertinent to gravity feed display racks for beverages are relevant to the determination of obviousness. In the same vein, expert testimony is useful only to the extent that it derives from experience in a reasonably pertinent field.

Furthermore, the substance of Franczak's testimony amounts to no more than an "unsupported conclusory opinion." *Union Carbide Corp.*, 724 F.2d at 1572. Obviousness is a question of law, and an expert opinion "on a legal issue vel non raise[s] no issue of contested fact." *Petersen Manufacturing Co. v. Central Purchasing, Inc.*, 740 F.2d 1541, 1548 (citations omitted).

Other than providing for the swivel mechanism, extending the front member forward on the Merl device effectively elongates the rack in furtherance of Merl's stated goal of creating a rack "capable of expanding to handle large numbers of containers." *Malone Decl. Exh. 6* (Column 1, lines 39-40). Increasing the number of articles that can be stored in each channel is an obvious motivation for a beverage display rack of any design. In fact, the '176 Patent disclosed the same motivation: to ameliorate the stated problem of "wasted space in front of ... the display rack ... that might otherwise be occupied by articles presented for sale." *Malone Decl. Exh. 3* (Column 2, lines 24-25, 31-33). Patent applicants are charged with knowledge of prior art. *See In re Carlson*, 983 F.2d 1032, 1038 (Fed.Cir.1993); *Union Carbide Corp.*, 724 F.2d at 1572. Because Merl's strategy of extending the front member forwardly to expand the number of articles stored in a beverage display rack was in public use well before the '176 Patent was filed, the inventor of the '176 Patent is presumed to have known of it.

Finally, it would be obvious to one with ordinary skill in the art, both in light of Merl Figures 7-9 and elementary laws of physics, to ensure that the front member be disposed forwardly by less than the thickness of the lead article as in Claim 3 of the '176 Patent. Merl figures 7-9 clearly depict that the front member extends forward to such a distance that part of the lead article is still supported by the underlying tray, and must be pulled down and out by hand to release it. If the front member did extend forwardly by an amount equal to or greater than the lead article, the lead article (and all other articles in the channel) would not be bound on the downward-sloping channel and fall, vitiating the rack's fundamental purpose of holding and displaying the product.

For the foregoing reasons, each of the limitations Claim 2 and Claim 3 added to Claim 1 was obvious in light of the Merl Patent. Thus, Flum has met its burden and Claims 2 and 3 are invalid under 35 U.S.C. s. 103.

F. Claims 7-9 Were Obvious In Light of Prior Art

Flum next alleges that Claims 7-9 of the '176 Patent are obvious in light of the Allen and Vineyard Patents, three previously existing patents that Display did not cite to the PTO in its application for the '176 Patent, and Flum's COOL GLIDE IV, the embodiment of 1994 United States Patent No. 5,351,838 (the "Flum Prior Art Patent").

These claims ensure that the front member engages the lead article adjacent to, above and no lower than the center of inertia of the lead article, as follows:

Claim 7 states:

7. The display rack of Claim 1 wherein said front member is spaced above said track sufficiently to engage

the upstanding lead article in said channel no lower than the center of inertia of the lead article.

Claim 8 states:

8. The display rack of Claim 1 wherein said front member is spaced above said track sufficiently to engage the upstanding lead article in said channel above the center of inertia of the lead article.

Claim 9 states:

9. The display rack of Claim 1 wherein said front member is spaced above said track sufficiently to engage the upstanding lead article in said channel adjacent to and above the center of inertia of the lead article.

The '176 Patent does not define the term "center of inertia." When construing a patent claim, there is a presumption that the claim language is to be given its ordinary meaning. *Johnson Worldwide Assocs., Inc. v. Zebco Corp.*, 175 F.3d 985, 989 (Fed.Cir.1999). When the "ordinary meaning" of a claim term is not readily apparent, resort to a dictionary definition is appropriate. *Quantum Corp. v. Rodime, PLC.*, 65 F.3d 1577, 1581 (Fed.Cir.1995). Here, "center of inertia" is used as a term of art generally referring to the center of mass or center of gravity of an article in linear motion down the track. *Van Nostrand's Scientific Encyclopedia* 298 (3d ed.1958), Malone Decl. Exh. 19 ("If we imagine a body divided into infinitesimal particles or elements of mass, and if each of these elements is acted upon in the same direction, chosen at random, by force proportional to its mass, ... whatever the direction of this set of parallel forces, their resultant always passes through a certain point, which is the ... center of inertia.").

Flum argues that it would have been obvious to one of ordinary skill in the art to raise the front member of the Allen and Vineyard Patents depending on the size of the articles displayed to a point where the front member was above, adjacent to and no lower than the center of inertia of the lead article, as taught in several previously existing patents. On the other hand, Display contends that by raising the level of the front member, (in addition to adding an auxiliary front member in Claim 11), Claims 7-9 of its patent were the first to solve the problem that had "plagued the industry for years"-due to the "construction of prior display racks[,] the bottles or cans would fall over during loading" Display Mem. in Opp. to Plaintiff's Motion for Summary Judgment at 9.

1. Prior Art: The Kajiwara, Bustos Reissue, Silva, and Flum Prior Art Patents

On April 28, 1995, Japanese Patent No. 7-106742 (the "Kajiwara Patent") was filed in Japan, disclosing a gravity feed display rack for "cylindrical canned goods." Kajiwara was filed with the PTO on April 24, 1996, and issued United States Patent No. 5,788,090 in 1998, but claims priority as "prior art" based on its issuance date in Japan, which predates the issuance of the '176 Patent by more than one year. FN4 Claim 10 of the United States Kajiwara Patent describes a front member, described as a "commodity stopper," at the front end of the track. (Kajiwara Figure 1, identified at No. 52.) Figure 1 depicts the "commodity stopper" as engaging the lead article well above its center of inertia. The Kajiwara Patent was not disclosed to the PTO in the application for the '176 Patent.

FN4. See 35 U.S.C. s. 102(b) ("A person shall be entitled to a patent unless-(b) the invention was patented or described in a printed publication in ... a foreign country ... more than one year prior to the date of the application for patent in the United States"); PTO Rule 131(a) (barring United States patents from issuing when a duplicative foreign patent or printed publication existed more than one year prior to the filing of the

United States patent application).

United States Patent No. 30,706 (the "Bustos Reissue Patent"), reissued on August 11, 1981, discloses a gravity feed display rack for upright bottles or cans that move along a conveyor belt. Claim 9 of the Bustos Reissue Patent claims a front "bumper rail being operative to prevent the lead container ... from falling off over the front edge of the shelf." Although not specifically claimed, Figure 6 of the Bustos Reissue Patent discloses a front bumper (No. 103) at or adjacent to the lead article's center of inertia. The Bustos Reissue Patent was not cited to the PTO in the application for the '176 Patent.

Next, United States Patent No. 3,780,873 (the "Silva Patent") discloses a display rack for "packages" consisting of a multitude of wire guide rails or rods. Silva Figure 2, a front view of the display rack, discloses two transversely extending rods at the front of the rack, one above the center of inertia of the lead article and an auxiliary rod below the center of inertia. This front view discloses that the extending rods alone are not responsible for holding the articles in the track, but rather that the support rails extend upwardly in front of the lead article in an inverted "U" to guard the articles from falling. Figure 2 shows that these rails can extend either to a point either below the lead article's center of inertia or above it. The Claims and specification of the Silva Patent do not clearly describe how a lead article is released from the rack. The Silva Patent was not disclosed to the PTO in the application for the '176 Patent.

The 1994 Flum Prior Art Patent, embodied in the COOL GLIDE IV, discloses a gravity feed display rack for upright beverage containers. Flum discloses flexible guide channel divider walls molded to a unitary plastic front wall that is shaped into repeating inverted arches. One of the stated goals of Flum's Prior Art Patent was "preventing taller products located [on the shelf] from toppling over the front wall of the shelf structure." (Column 6, lines 4-6). The Flum Prior Art Patent defines these "taller products" as "taller 20 oz. individual single serve soft drink bottles" developed due to a shift in consumer demand away from the shorter 12 oz. and 16 oz. bottles. (Column 1, line 67 to Column 2, line 3). Claim 13 of Flum's Prior Art Patent discloses an "elongated member" attached across the upper portions of the inverted arches on the front wall "so as to further prevent [the] forwardmost products from falling through [the] openings." (Column 14, lines 5-7); Flum Figure 7, No. 44. Both the front wall and front transverse member can be made transparent in order to facilitate display of product labeling and marketing. (Flum Prior Art Claims 11, 16).

2. Discussion

Silva's storage and display rack for packages is not analogous to the patent-in-issue and so will not be considered here for the same reasons described for the Sorenson wire literature rack above.

The Kajiwara, Bustos Reissue, and Flum Prior Art Patents all involve gravity feed racks for the storage and display of beverage containers. Each of these patents discloses a front member meeting the lead article at, above or adjacent to the lead article's center of inertia. These patents render Claims 7-9 obvious in light of the Allen and Vineyard Patents if there is evidence of some teaching, suggestion or motivation to combine the position of their front member with the lower front member on the Allen and Vineyard Patents. *See* Ashland Oil, 776 F.2d at 293. This inquiry requires evidence of "reasons that the skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention [the '176 Patent], would select the elements from the cited prior art references for combination in the manner claimed." *In re Rouffet*, 149 F.3d at 1357.

Display contends that (1) there was no explicit teaching, suggestion or motivation to combine these patents, and (2) there was a need for innovation in the industry, as evidenced by the commercial success of the VISI-GLIDE.

First, the President of Display Tech, and the inventor of the '176 Patent, Richard Jay, testified that after reviewing the prior art patents at issue, he "can find no suggestion, teaching or incentive to combine [them] with either the Allen or Vineyard Patents to arrive at the invention claimed in Claims 7-9 of the '176 Patent." Jay Decl. at 3, para. 8. Yet as the Federal Circuit recently stated, "it is off the mark for litigants to argue ... that an invention cannot be held to have been obvious unless a suggestion to combine prior art teachings is found in a specific reference." *In re Etcher*, 977 F.2d 1443, 1448 (Fed.Cir.1992). As noted above, prior art suggestion to modify or combine teachings may be implicit in the nature of the nature of the invention. *In re Nilssen*, 851 F.2d at 1403; *Motorola*, 121 F.3d at 1472. Jay's conclusory opinions on this matter of law raise no genuine issue of material fact. *Petersen Manufacturing Co.*, 740 F.2d at 1548.

The motivation for placing the front member at, adjacent to or above the lead article's center of inertia is quite clear to any person of ordinary skill in the gravity feed display rack field: Placing the front bumper any further below the center of inertia than is described by the term "adjacent to" would risk the second article being pushed off the display rack by the force of the other articles sliding down the sloped channel once the lead article is selected. In this case, the straightforward quality of the invention and art at issue makes Claims 7-9 of the '176 Patent apparent although there is no explicit suggestion to combine the prior art references to produce the patented invention. *See Cable Electric*, 770 F.2d at 1025.

Display nonetheless claims that this teaching was not obvious, and in fact that the '176 Patent was the first to address a long-felt need in the industry. Roger Burchett, an industry expert, testified that the '176 Patent was the first design for a display rack that would ensure that products did not fall over during loading. *See George Decl. Exh. 1*. If there were obvious references to the combination of the cited patents, Display contends, "why wasn't the combination made 10-20 years ago upon the issuance of the [prior patents] and why, when the display rack of the '176 Patent was offered for sale in 1997, was it instantly recognized by the industry as a major innovation"? Display Response to Plaintiff's Motion for Summary Judgment at 20.

To defeat summary judgment, Display must show that "secondary evidence" such as commercial success must "have in some way been due to the nature of the nature of the claimed invention, as opposed to other economic and commercial factors unrelated to the technical quality of the patented subject matter," *Cable Electric*, 770 F.2d at 1027, or that "the sales were a direct result of the unique characteristics of the claimed invention." *In re Huang*, 100 F.3d 135, 140 (Fed.Cir.1996). Display has produced no evidence that the success of the VISI-GLIDE was specifically due to the fact that the front member was placed in order to catch the lead article at, above or adjacent to its center of inertia. Even if there were, in light of the uncited patents discussed above, this evidence would not prove that the commercial success of the VISI-GLIDE was due to its merits "beyond what was readily available in the prior art." *J.T. Eaton & Co., Inc. v. Atlantic Paste & Glue Co.*, 106 F.3d 1563, 1571 (Fed.Cir.1997). Moreover, there is no specific evidence that any of the prior art references discussed here failed to deal successfully with the "toppling over" problem. Even when viewed in the light most favorable to Display, Burchett's testimony regarding commercial success does not show the required "nexus between the merits of the claimed invention and the evidence of secondary considerations." *Cable Electric*, 770 F.2d at 1026.

A comparison of the Kajiwara, Silva, Bustos Reissue and Flum Prior Art Patents with Claims 7-9 of the '176

Patent discloses only inconsequential differences between them. *See* Union Carbide Corp., 724 F.2d at 1573. Each of these prior art patents includes a front member engaging the lead article so as to check the gravitational pull on the lead article in the gravity feed rack. There is no evidence that the '176 Patent achieved that goal through innovation rather than by reference to prior art.

After considering the four *Graham* factors including the scope and content of the prior art of gravity feed display racks, what a person of ordinary skill in the art would bring to that art, the differences between the prior art and Claims 7-9, and Display's proffered secondary evidence of nonobviousness, the Court finds that Flum has met its burden of proving that Claims 7-9 of the '176 Patent are obvious. Claims 7-9 are therefore invalid under 35 U.S.C. s. 103.

G. Claim 11 of the '176 Patent is Obvious in Light of Prior Art

Claim 11 of the '176 Patent states:

11. The display rack of claim 1 including, for each channel, an auxiliary front member disposed intermediate of said track and said front member and extending at least partially across said channel.

An "auxiliary" member in an "intermediate" location is positioned between the front member and the track. Flum argues that this limitation was well known in the art prior to the '176 Patent.

1. Prior Art: The Wiggins Patent FN5

FN5. Although Flum cites the Silva Patent as evidence of prior art rendering Claim 11 obvious, as stated above, Silva is not reasonably pertinent to a gravity feed beverage display rack and so will not be examined here.

Issued on June 9, 1992, United States Patent No. 5,119,945 (the "Wiggins Patent") discloses a display rack for upright beverage bottles. Wiggins discloses an intermediate or auxiliary member positioned at the front of the rack between the front member and the underlying shelf. Wiggins Figure 1, No. 47. The Wiggins Patent was not disclosed to the PTO in the application for the '176 Patent.

2. Discussion

Flum contends that it would be obvious to a person of ordinary skill in the art to add an intermediate or auxiliary front member as disclosed in Wiggins to the Allen and Vineyard devices, and furthermore, that this limitation was insubstantial and not separately patentable. Display argues that there is no evidence of any teaching, suggestion or motivation to combine these elements in such a fashion, again offering the conclusory opinion of its patent's inventor. Jay Decl. at 3 para. 9.

As stated above, a teaching, suggestion or motivation to combine elements of prior art need not be explicit. Nilssen, 851 F.2d at 1403. The introduction of an additional auxiliary member neither adds to the ability of the display rack to function smoothly, nor addresses some heretofore unresolved problem in the field. The lack of a specific reference in prior art bolsters the finding that such an inconsequential limitation would be obvious to one of ordinary skill in the field. Claim 11 is therefore invalid under 35 U.S.C. s. 103.

H. Claim 17 of the '176 Patent

In its last obviousness challenge, Flum contends that Claim 17 of the '176 Patent was obvious in light of the Allen and Vineyard Patents in addition to the Flum's 1994 COOL GLIDE IV display rack. Claim 17 states:

17. The display rack of Claim 1 wherein each said channel is of integral, one-piece, unitary construction formed in a single plastic molding operation.

1. *Prior Art: The Flum Prior Art and Merl Patents*

The COOL GLIDE IV disclosed channels made of a one-piece construction formed in a single plastic molding operation and Claim 5 of Flum's patent claims "channel guide means [which] are integrally formed as part of the respective side walls and spaced parallel upstanding walls of said shelving unit." Figure 7 depicts an embodiment of the design in which the front member is not part of a unitary molded construction, but the detailed description of preferred embodiments discloses that a "stop member can be integrally formed" as a part of the rack. (Col. 11, lines 7-16).

The Merl Patent also discloses integral construction of a molded plastic material. Claim 3 of the Merl Patent claims "an automatic dispenser ... wherein said storage compartment portion, said swivel means, said dispenser portion and said container receiving surface are integrally formed as a single unit." The "automatic dispenser" in Claim 3 is comprised of a "guard railing extending forwardly from said storage compartment," the equivalent to the "front member" of the '176 Patent.

2. *Discussion*

Flum suggests that it would be obvious to one of ordinary skill in the art to combine the integral molding construction of Merl and its own prior art patent with Allen and Vineyard to form a unitary construction in which the front member was an integral part of the rest of the device. Display argues that Figure 7 of Flum's prior art patent discloses a plastic front member distinct from the rest of the display rack, and so actually teaches against a unitary plastic molding construction.

It would have been obvious to one of ordinary skill in the field to combine the unitary construction embodied in prior art with the separate front members in the Allen and Vineyard devices. Given that the unitary molding concept already existed in the Merl Patent, and that the Flum Prior Art Patent disclosed an integral plastic construction only excepting the front member, the limitation of an integral plastic molding including the front member in Claim 17 of the '176 Patent is an inconsequential step. There being no genuine issue of material fact on this issue, Flum has met its burden of proving the obviousness of Claim 17, and it is invalid under 35 U.S.C. s. 103.

II. *Alleged Patent Infringement of Claims 14-16* FN6

FN6. The question of whether Flum infringed on Claim 10 of the '176 Patent is not reached in light of the earlier holding that Claim 10 is invalid because it was anticipated by prior art.

A. *Literal Infringement*

In order to prove literal patent infringement the patent owner has the burden of showing that every limitation (i.e., each stated element recited in the patent claim) is exactly found in the accused device. *See Maxwell v. J. Baker, Inc.*, 86 F.3d 1098, 1105 (Fed.Cir.1996); *Unique Concepts, Inc. v. Brown*, 939 F.2d

1558, 1562 (Fed.Cir.1991).

The determination of whether a patent claim has been infringed requires a two-step analysis. " 'First, the claim must be properly construed to determine its scope and meaning. Second, the claim as properly construed must be compared to the accused device or process .'" Johns Hopkins Univ. v. Cellpro, Inc., 152 F.3d 1342, 1353 (Fed.Cir.1998) (*quoting* Carroll Touch, Inc. v. Electro Mech. Sys., Inc., 15 F.3d 1573, 1576 (Fed.Cir.1993)).

The first step, claim construction is a question of law for the court. *See Markman*, 52 F.3d at 1576. As described more fully above, to construe the claims, the court should look first to the "intrinsic evidence," that is, the claim language itself, the patent specification, and the prosecution file history. *See Vitronics*, 90 F.3d at 1582. "If upon examination of this intrinsic evidence the meaning of the claim language is sufficiently clear, resort to extrinsic evidence, such as treatises and technical references ... should not be necessary." *Digital Biometrics, Inc.*, 149 F.3d at 1347.

The determination of literal infringement-whether the properly construed claims read on the accused product-is a question of fact. *See, e.g.*, *Johns Hopkins*, 152 F.3d at 1354. However, where there is no genuine fact regarding the structure of the accused product, and the sole issue before the court is claim construction, the question as to literal infringement "collapses to one of claim construction and is thus amenable to summary judgment." *Athletic Alternatives, Inc. v. Prince Manufacturing, Inc.*, 73 F.3d 1573, 1578 (Fed.Cir.1996).

B. Doctrine of Equivalents

The doctrine of equivalents permits a finding of infringement when the accused product varies only slightly from the literal words of the patent claim, thus protecting the inventor from infringers who attempt to evade liability for copying the invention by making minor changes. *See Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 339 U.S. 605, 608 (1950). A product that "performs substantially the same function in substantially the same way to obtain the same result" as the invention will be found to infringe under the doctrine of equivalents." *Id.* The doctrine of equivalents, however, is not an invitation to the court to eliminate particular limitations provided by the language of the patent claim. *See Hilton Davis Chem. Co. v. Warner-Jenkinson Co., Inc.*, 62 F.3d 1528-29 (Fed.Cir.1995) (*en banc*), *rev'd on other grounds*, 520 U.S. 17 (1997). Rather, the court must apply the doctrine of equivalents on an element-by-element basis, finding infringement only where the accused product embodies either literally or by substantial equivalence each limitation of the claim. *See id.* As recently stated by the Supreme Court, the doctrine of equivalents requires the court to determine whether "the accused product or process contain[s] elements identical or equivalent to each claimed element of the patented invention." *Warner-Jenkinson*, 520 U.S. at 39. "Where the evidence is such that no reasonable jury could determine two elements to be equivalent, district courts are obliged to grant partial or complete summary judgment." *Id.*

C. Claims 14-16 were Not Infringed Upon

Claims 14-16 require recesses for telescopic receipt of a support tray wall as follows. Claim 14 states:

14. The display rack of claim 1 for use with a supporting tray having at least one of a laterally extending front wall and a laterally extending back wall, wherein said sidewalls are configured and dimensioned to substantially space the bottom of said track above the bottoms of said sidewalls and define a plurality of laterally aligned and laterally spaced bottom opening pairs of upwardly extending recesses adjacent the

front and the back thereof for telescopic receipt therewith of at least one of a tray front wall and a tray back wall, respectively, whereby the article-supporting length of said display rack may exceed the length of a supporting tray.

Claim 15 states:

15. The display rack of claim 14 wherein the tops of said recesses are below the bottoms of said tracks.

Claim 16 states:

16. The display rack of claim 1 additionally including means, for each channel, for substantially spacing the bottom of said track above a supporting tray having at least one of a laterally extending upstanding front wall and a laterally extending upstanding back wall, while simultaneously enabling telescopic receipt of at least one of the front wall and the back wall of the tray therein so that said display rack has an article-supporting length which may overhang and extend beyond at least one of the front wall and back wall of the tray.

Claims 14-16 of the '176 Patent each require "recesses" for "telescopic receipt" of a support tray wall. Column 7, line 56 to column 8, line 47 of the specification for the '176 Patent describe the "recesses" at issue as "define[d]" by "the bottoms of the channel sidewalls," and are depicted and referenced in Figure 1 of the '176 Patent as, essentially, recesses cut out of the bottoms of the sidewalls. Further, "[e]ach of the recesses, is configured and dimensioned to receive telescopically therein the upper rod of the front wall of the support shelf." As the patent language states, the claimed "vertical telescopic action" is no more than the "engagement" of the "upper rod" of the underlying support rack in a "relatively snug" fit or "telescopically therein" the recess, and the corresponding ability of the "recesses to receive telescopically therein the upper rod of the support shelf." (Column 7, line 65 to column 8, line 8); (see also Figs. 1 & 6 of the '176 Patent).

As held in more detail in a prior opinion, the Flum GLOBE GLIDE display rack does not literally infringe on the recess claims of the '176 Patent because Flum's rack has no recesses or any other means for telescopic receipt of an underlying support rod. Rather, the Flum GLOBE GLIDE display rack employs an "I-shaped" member that abuts the front rod member of the underlying support shelf. *Display Technologies, Inc. v. Paul Flum Ideas, Inc.*, 75 F.Supp.2d at 296.

Nor does the Flum display rack infringe on Claims 14-16 of the '176 Patent by equivalence. Flum's rack neither performs the same function as the claimed recesses, nor works the same way as the claimed recesses, i.e. by relying on a telescopic support rod. *Id.* at 297. Finally, although the Flum I-beam, like the '176 Patent, enables the rack to be alternatively positioned in a cooler, "equivalence is not established by showing only accomplishment of the same result." *DePaul v. General Instrument Corp.*, 771 F.Supp. 642, 645 (S.D.N.Y.1991).

Accordingly, for the reasons stated above and in the prior opinion of this Court, Flum has not infringed upon Claims 14-16 of the '176 Patent either literally or by equivalence, and summary judgment for noninfringement of Claims 14-16 is warranted.

Conclusion

Flum's motion for summary judgment for invalidity of Claims 2-4, 7-11 and 17 is granted. Flum's motion

for summary judgment for noninfringement of Claims 14-16 is also granted.

It is so ordered.

S.D.N.Y., 2000.

Display Technologies, Inc. v. Paul Flum Ideas, Inc.

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