

United States District Court,
C.D. California.

PSC COMPUTER PRODUCTS, INC., a California corporation,
Plaintiff.

v.

FOXCONN INTERNATIONAL, INC., a California corporation; et al,
Defendants.

No. CV 01-06414 DDP (CWx)

Oct. 4, 2002.

Paul Adams, Peacock Myers & Adams, San Diego, CA, Stephen Z. Vegh, Chapin Shea McNitt & Carter, Los Angeles, CA, for Plaintiff.

Kenneth D. Watnick, David E. Reynolds, Lewis Brisbois Bisgaard & Smith, Los Angeles, CA, for Defendants.

**ORDER GRANTING DEFENDANTS FOXCONN INTERNATIONAL, INC. AND HON HAI
PRECISION INDUSTRY CO. LTD.'S MOTION FOR SUMMARY JUDGMENT**

DEAN D. PREGERSON, **District Judge.**

This matter comes before the Court on (1) defendants Foxconn International, Inc. and Hon Hai Precision Industry Co. Ltd.'s motion for summary judgment, (2) defendant Foxconn International, Inc.'s motion for summary judgment, and (3) plaintiff PSC Computer Products, Inc.'s cross-motion for summary judgment.

BACKGROUND

This action arises out of alleged patent infringement by the defendants. The plaintiff, PSC Computer Products, Inc. ("PSC"), is the owner of United States Patent No. 6,061,239 (the "'239 patent") for a heat sink and retainer clip for electronic integrated circuits. The plaintiff alleges that defendants Foxconn International, Inc. ("FII") and Hon Hai Precision Industry Co. Ltd. ("Hon Hai") are currently making, using, offering for sale, importing, and/or selling a combination heat sink and heat sink retainer clip that infringes one or more claims of the '239 patent.

The plaintiff filed suit in this case against FII on July 26, 2001. The plaintiff filed a First Amended Complaint ("FAC"), adding Hon Hai as a defendant, on November 11, 2001. The plaintiff's complaint states that the device allegedly marketed by the defendants infringes upon at least claims 1, 4 and 7 of the '239 patent. (FAC at 3.) Each of the specific claims identified in the FAC as grounds for infringement makes either direct or indirect reference to "an elongated, resilient metal strap" (See FAC, Ex. 1 at col. 6.) FN1 Significantly, the specification of the ' 239 patent states that "[t]he elongated strap ... is made of a resilient

metal such as stainless steel although other resilient materials may be suitable for the strap." (*Id.* at col. 4.)

FN1. Claim 1 of the '239 patent, identified specifically by the plaintiff, is illustrative of the other claims and reads, in full, as follows:

1. In a heat sink assembly providing cooling to an electronic semiconductor device wherein the device is mounted in a module, the module having means for engagement with a retainer clip, and the heat sink having a generally flat bottom surface and heat conducting engagement with the semiconductor device upper surface and a plurality of fins on the upper surface defining at least one channel, the improvement comprising a heat sink retainer clip including:

an elongated, resilient metal strap received in one of the channels of the heat sink having holding means at each end engaging the engagement means on the module, the center portion of the strap spaced a pre-determined distance above the upper surface of the heat sink base when the strap is not in tension; and

a cam-type latch pivotally mounted in the center portion of the strap and including a cam with a bearing surface, the distance from the pivot access to the bearing surface of the cam being greater than the distance between the pivot access and the upper surface of the base of the heat sink when said strap is not in tension, and an arm fixedly mounted to said cam, said arm, when rotated, causing said bearing surface of said cam to be forced against the surface of the base of the heat sink placing the strap in tension so as to force the heat sink into heat conducting engagement with the module.

(FAC, Ex. 1 at col. 6.)

On August 9, 2002, the plaintiff requested that the Court stay proceedings in this action because of its application for a reissuance of the '239 patent, which is currently pending with the United States Patent Office. On September 25, 2002, the Court denied the plaintiff's motion for a stay.

On August 5, 2002, FII filed a motion for summary judgment, alleging that FII has not had any involvement with the manufacture, sale, offer for sale, distribution, or importation of the alleged infringing clip at issue in this action. On August 19, 2002, defendants FII and Hon Hai filed a motion for summary judgment on the ground of non-infringement. On September 9, 2002, the plaintiff filed a cross-motion for summary judgment, claiming non-invalidity of the '239 patent and infringement. The Court has considered these motions together, and hereby grants defendants FII and Hon Hai's motion for summary judgment on the basis of noninfringement.

DISCUSSION

A. Legal Standard

Summary judgment is appropriate where "there are no genuine issues as to any material fact and ... the moving party is entitled to summary judgment as a matter of law." Fed.R.Civ.P. 56(c). A genuine issue exists if "the evidence is such that a reasonable jury could return a verdict for the nonmoving party," and material facts are those "that might affect the outcome of the suit under the governing law." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247-48, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986). Thus, the "mere

existence of a scintilla of evidence" in support of the nonmoving party's claim is insufficient to defeat summary judgment. *Id.* at 252. In determining a motion for summary judgment, all reasonable inferences from the evidence must be drawn in favor of the nonmoving party. *Id.* at 242.

In a patent case, an infringement analysis involves two steps. "The first step is determining the meaning and scope of the patent claims asserted to be infringed. The second step is comparing the properly construed claims to the device accused of infringing." *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 976 (Fed.Cir.1995) (internal citations omitted), *aff'd*, 517 U.S. 370, 116 S.Ct. 1384, 134 L.Ed.2d 577 (1996). The first step, claim construction, is a matter of law to be decided by the Court. *See id.* at 979. The second step, determination of infringement, is a question of fact. *See Strattec Sec. Corp. v. General Auto. Specialty Co.*, 126 F.3d 1411, 1416 (Fed.Cir.1997). The patentee bears the burden of proof, by a preponderance of the evidence, to establish factual issues relating to infringement. *See Chisum on Patents* s. 18.06 at 18-531 (2000).

Claim construction is a matter of law that may be determined on summary judgment. *See Wolverine World Wide, Inc. v. Nike, Inc.*, 38 F.3d 1192, 1197 (Fed.Cir.1994). In interpreting a claim, the Court must first examine intrinsic evidence: the patent claims, the specification, and, if in evidence, the prosecution history. *See Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed.Cir.1996). If intrinsic evidence does not resolve an ambiguity in a disputed term, the Court may also consider extrinsic evidence such as expert testimony. *See id.* at 1583. Absent an indication that the inventor intended otherwise, claim terms are given their ordinary meaning to those skilled in the art. *See Athletic Alternatives, Inc. v. Prince Mfg., Inc.*, 73 F.3d 1573, 1578 (Fed.Cir.1996); *Quantum Corp. v. Rodime*, 65 F.3d 1577, 1580 (Fed.Cir.1995).

B. Analysis

The dispositive issue in this case relates to the material out of which the allegedly infringing retaining clip is made, plastic. If the Court construes the '239 patent in such a way that it does not cover retainer clips that are manufactured out of plastic, then the defendants' motion for summary judgment on non-infringement will be granted. Based on the analysis below, the Court finds that the '239 patent is limited to devices made out of metal, and therefore the defendants are entitled to summary judgment.

1. The Doctrine of Equivalents and the Public Notice Function of Patents

It is undisputed that the allegedly infringing retainer clip is made out of plastic. The plaintiff therefore concedes that there is no literal infringement of the '239 patent in this case, as the claims of the '239 patent specify that the patented device has a "resilient metal strap." (*See* Pl's Mot. for Stay at 3.) FN2 Instead, the plaintiff's legal theory is based on the doctrine of equivalents. (*Id.*) Under the doctrine of equivalents, "a product or process that does not literally infringe upon the express terms of a patent claim may nonetheless be found to infringe if there is 'equivalence' between the elements of the accused product or process and the claimed elements of the patented invention." *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 21, 117 S.Ct. 1040, 137 L.Ed.2d 146 (1997). "The theory on which it is founded is that 'if two devices do the same work in substantially the same way, and accomplish substantially the same result, they are the same, even though they differ in name, form or shape.' " *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605, 608, 70 S.Ct. 854, 94 L.Ed. 1097 (1950) (quoting *Union Paper-Bag Mach. Co. v. Murphy*, 97 U.S. 120, 125, 24 L.Ed. 935 (1877)).

FN2. Unless otherwise indicated, all citations that generically cite to "Mot." or "Opp." refer to papers filed in connection with FII and Hon Hai's Motion for Summary Judgment of Non-Infringement.

Each element contained in a patent claim is deemed material to defining the scope of the patented invention, and thus the doctrine of equivalents must be applied to individual elements of the claim, not to the invention as a whole. It is important to ensure that the application of the doctrine, even as to an individual element, is not allowed such broad play as to effectively eliminate that element in its entirety.

Warner-Jenkinson Co., 520 U.S. at 29. Or, as this idea was express by the Federal Circuit, "[i]nfringement of a claim in a patent requires that all of the limitations of that claim be met either literally or under the doctrine of equivalents." *Gjerlov v. Schuyler Labs., Inc.*, 131 F.3d 1016, 1023 (Fed.Cir.1997); *Carroll Touch, Inc. v. Electro Mech. Sys., Inc.*, 15 F.3d 1573, 1579 (Fed.Cir.1993) (same).

The doctrine of equivalents is in clear tension with the so-called "public notice" function of patents' claims. *See Warner-Jenkinson*, 520 U.S. at 29 ("There can be no denying that the doctrine of equivalents, when applied broadly, conflicts with the definitional and public-notice functions of the statutory claiming requirement."). In other words, a patent's claims provide the information with which the public can determine its rights. This aspect of patents has been expressed by the Supreme Court as follows, "The public is notified and informed, by the most solemn act on the part of the patentee, that his claim to invention is for such and such an element or combination, and for nothing more." *Mahn v. Harwood*, 112 U.S. 354, 361 (1884); *see also Johnson & Johnston Assocs. Inc. v. R.E. Serv. Co.*, 285 F.3d 1046, 1052 (Fed.Cir.2002) ("The claims give notice ... to the public at large, including potential competitors, after the patent has issued."). While a settled and necessary part of patent law, the doctrine of equivalents is in tension with the public notice function of patent claims, because the doctrine may obscure the delineation of rights otherwise established and proclaimed by the language of any given claim.

Because of this tension, case law has limited the applicability of the doctrine of equivalents in important ways. Two related limitations are, in combination, dispositive of this case.

2. The Johnston Decision

A recent Federal Circuit decision in this area, *Johnson & Johnston Associates Inc. v. R.E. Service Co., Inc.* ("*Johnston*"), is directly applicable here. *Johnston* dealt with the scope of a patent's claim and specification, and courts' willingness to invoke the doctrine of equivalents to find infringement. In *Johnston* the material out of which the patented item was made was identified specifically in the claim, but the specification of the patent disclosed other materials that could be used. 285 F.3d at 1055. Specifically, the patent's claims were limited to aluminum, but the specification stated, "While aluminum is currently the preferred material ..., other metals, such as stainless steel or nickel alloys may be used." *Id.* The court held that, "Having disclosed without claiming the [other materials], Johnston cannot now invoke the doctrine of equivalents to extend" the patent to encompass materials beyond the material specifically identified in the claim. *Id.* In other words, "Johnston cannot assert the doctrine of equivalents to cover the disclosed but unclaimed" material. *Id.*FN3

FN3. The court in *Johnston* advised a course of action for patentee's in this situation:

A patentee who inadvertently fails to claim disclosed subject matter, however, is not left without remedy. Within two years from the grant of the original patent, a patentee may file a reissue application and attempt to enlarge the scope of the original claims to include the disclosed but previously unclaimed subject matter.

Johnston, 285 F.3d at 1055. Indeed, in this case the plaintiff has followed this advice and requested a reissue

patent to obtain claims that omit the limitation to metal. (*See* Mot. for Stay at 2.)

The *Johnston* court was concerned about the public notice function of patent's claims. *See id.* at 1054 (citing *Conopco, Inc. v. May Dep't Stores Co.*, 46 F.3d 1556, 1562 (Fed.Cir.1994) ("The doctrine of equivalents cannot be used to erase meaningful structural and functional limitations of the claim on which the public is entitled to rely in avoiding infringement." (internal quotations and citations omitted))); *see also* *Sage Prods., Inc. v. Devon Indus., Inc.*, 126 F.3d 1420, 1424 (Fed.Cir.1997) (where a patentee has claimed an invention narrowly, application of the doctrine of equivalents may be inappropriate for it may reduce claims "to functional abstracts, devoid of meaningful structural limitations on which the public could rely."). The *Johnston* court was also concerned about the danger that patentees might narrowly claim an invention in order to make patent approval easier, only to later utilize the doctrine of equivalents to effectively expand the scope of the claims. As the *Johnston* court stated, "a patentee cannot narrowly claim an invention to avoid prosecution scrutiny by the [Patent and Trademark Office], and then, after patent issuance, use the doctrine of equivalents to establish infringement because the specification discloses equivalents." *Johnston*, 285 F.3d at 1054; *see also* *Genentech, Inc. v. Wellcome Found. Ltd.*, 29 F.3d 1555, 1564 (Fed.Cir.1994) ("An applicant should not be able deliberately to narrow the scope of examination to avoid during prosecution scrutiny by the PTO of subject matter with the objective of more quickly obtaining a patent (or avoiding the risk of an estoppel), and then obtain in court, either literally or under the doctrine of equivalents, a scope of protection which encompasses that subject matter.").

Johnston is applicable to the instant case because here, as in *Johnston*, the claims are explicitly limited to a particular material and the specification acknowledges the possibility of using alternative materials for the device. PSC was clearly aware of the possibility of using alternative materials to construct the retainer clip but, with this knowledge, chose to claim only metal. The public and PSC's competitors are entitled to rely on PSC's claims, and, under these circumstances, they are entitled to believe that the '239 patent covers only metal retainer clips. To allow PSC to now utilize the doctrine of equivalents to "recapture subject matter deliberately left unclaimed would conflict with the primacy of the claims in defining the scope of the patentee's exclusive right." *Johnson*, 285 F.3d at 1054 (internal quotations and citation omitted); *see also* *SciMed Life Sys., Inc. v. Advanced Cardiovascular Sys., Inc.*, 242 F.3d 1337, 1347 (Fed.Cir.2001) ("[T]he patentee had an opportunity to draft the patent in a way that would make clear that dual lumens as well as coaxial lumens were within the scope of the invention, but the patentee did just the opposite, leaving competitors and the public to draw the reasonable conclusion that the patentee was not seeking patent protection for catheters that used a dual lumen configuration."). Consistent with *Johnston*, this Court declines to apply the doctrine of equivalents to allow the breadth of the specifications to expand the patentee's deliberately narrow claims that the Patent and Trademark Office approved. *See id.*

The plaintiff argues that *Johnston* (and related case law) is distinguishable on the ground that, in that case, the allegedly infringing device was made out of one of the materials specifically identified in the specification, whereas, in the instant case, the specification refers more generally to "other resilient materials" beyond metal. (Opp. at 7-11.) In other words, the plaintiff would only have the Court apply *Johnston* if the specifications for the '239 patent read something akin to the following: "The elongated strap is made of a resilient metal such as stainless steel although other resilient materials, *such as plastic*, may be used." The Court is not persuaded by the plaintiff's argument in this regard and finds it inconsistent with the court's reasoning in *Johnston*.

In *Johnston*, a circumscribed universe of alternative materials was disclosed in the specification; this universe was defined by the property of being metallic. Yet only one material out of that universe was claimed in the patent. The instant case is analogous. A limited universe of materials is disclosed in the

specification of the '239 patent; this universe is defined as having the attribute of resiliency. Having identified a universe of materials with this specific attribute, the patentee here nevertheless chose to claim only resilient metal. *Johnston*'s public notice rationale, as well as the threat that patentees might attempt to use the doctrine of equivalents to expand claims to disclosed but unclaimed materials, lead the Court to conclude that *Johnston* is applicable here. The '239 patent's failure to identify plastic as a specific alternative material does not prevent this conclusion. FN4

FN4. Moreover, as discussed more fully below, the '239 patent does in fact specifically identify plastic as a material that has been used to manufacture retainer clips. (FAC, Ex. 1 at col. 2.) Thus, while it is true that no specific alternative materials are mentioned at the point in the specification where the "other resilient materials" language appears, the specification elsewhere identifies plastic as an alternative material.

Were the '239 patent not expressly limited to metal, the allegedly infringing retainer clip may well be covered under the doctrine of equivalents. Alternatively, had the '239 patent not recognized the possibility of using "other resilient materials" to manufacture the retainer clip covered by the '239 patent (although the claim states "metal retainer clip"), the Court would be more inclined to apply the doctrine of equivalents. However, under the circumstances, the Court finds that *Johnston* applies here and precludes the use of the doctrine of equivalents to bring the allegedly infringing device within the scope of the '239 patent.

3. The Plaintiff's Disclaimer of Plastic

The '239 patent's specific rejection of plastic as a material for the strap provides additional support for this outcome. Where a patentee disclaims a certain design in the specification of a patent, that patentee may not later invoke the doctrine of equivalents to embrace the disclaimed design. *SciMed*, 242 F.3d at 1341 ("Where the specification makes clear that the invention does not include a particular feature, that feature is deemed to be outside the reach of the claims of the patent, even though the language of the claims, read without reference to the specification, might be considered broad enough to encompass the feature in question."); *see, e.g., id.* at 1345 ("Having specifically identified, criticized, and disclaimed the dual lumen configuration, the patentee cannot now invoke the doctrine of equivalents to embrace a structure that was specifically excluded from the claims." (internal quotations and citation omitted)); *Cultor Corp. v. A.E. Staley Mfg. Co.*, 224 F.3d 1328, 1331 (Fed.Cir.2000) (a specification limiting the invention to a process prepared with the citric acid catalyst "effected a disclaimer of the other prior art acids. Claims are not correctly construed to cover what was expressly disclaimed."); *see also Watts v. XL Sys., Inc.*, 232 F.3d 877, 882 (Fed.Cir.2001) ("One purpose for examining the specification is to determine if the patentee has limited the scope of the claims.").

In its "Background of the Invention" section, the '239 patent identifies the use of stamped metal as an improvement over other prior methods of manufacturing retainer clips, which included molded plastic. The relevant section of the '239 patent reads:

Still another problem with prior art devices is the cost of the retainer clip itself. Many proposed prior art devices require complex machining operations which greatly increase the price of the clip. It is highly desirable to make the clip using only the simplest metal forming devices such as a stamping machine. Wires are particularly unsuitable for the construction of retainer clips; although they are simple in appearance, the bending and forming of wire is a more complex and expensive forming operation than simple stamping. Other prior art devices use molded plastic and/or metal parts that must be cast or forged which again are

more expensive metal forming operations.

(FAC, Ex. 1 at col. 2.) FN5

FN5. The parties, in their briefs, have quoted selectively from this paragraph, disputing the meaning of the final sentence. The Court sets forth the entire paragraph for purposes of context, which the Court feels is important in determining whether plastic is disclaimed by the '239 patent.

The Court interprets this paragraph to mean that the stamped metal design of the '239 patent is an improvement over prior art devices, including molded plastic retainer clips. PSC disagrees and argues that the final sentence has been misconstrued by the defendants. PSC contends, based on its expert's parsing of the sentence, that a proper understanding of the final sentence's reference to molded plastic retainer clips yields only the comment: "Other prior art devices use molded plastic." (Opp. at 14.)

Even if this is a proper understanding of the specification's reference to plastic retainer clips, the Court still reaches the conclusion that the paragraph claims the stamped metal design's improvement over prior art devices, including those made of molded plastic. The paragraph states the invention's reduced costs compared to prior art devices and continues to state that prior art devices included those made of molded plastic. The specific reference to molded plastic retainer clips would be wholly unnecessary were the patent not claiming benefits of the stamped metal design over molded plastic. The reference to molded plastic prior art devices would be inexplicable were the specification only claiming cost reductions as compared to wire retainer clips and those using cast or forged metal parts. Moreover, if molded plastic designs were in fact less expensive, then the specification would almost certainly have distinguished molded plastic designs in this regard. Thus, even in the absence of a direct comparison of the cost of molded plastic processes to stamped metal processes, the Court finds that the specification effectively disclaims molded plastic prior art devices as inferior to stamped metal devices. As such, the doctrine of equivalents cannot be invoked here to expand the '239 patent to cover plastic retainer clips. *SciMed*, 242 F.3d at 1345 ("A particular structure can be deemed outside the reach of the doctrine of equivalents because that structure is clearly excluded from the claims whether the exclusion is express or implied.").FN6

FN6. As the Federal Circuit has, aptly, stated in a situation similar to the instant case: [T]he doctrine of equivalents cannot be employed in a manner that wholly vitiates a claim limitation. [Citations.] Thus, if a patent states that the claimed device must be 'non-metallic,' the patentee cannot assert the patent against a metallic device on the ground that a metallic device is equivalent to a non-metallic device.

Id. at 1346-47.

CONCLUSION

Having construed the '239 patent in accordance with the relevant case law, the Court finds that the allegedly infringing device is not covered under the '239 patent under the doctrine of equivalents. As there are no genuine issues of material fact, and the defendants are entitled to summary judgment. FN7

FN7. This conclusion effectively decides PSC's cross-motion for summary judgment. As this decision renders adjudication of FII's independent motion for summary judgment unnecessary, the Court declines to

reach the merits of that motion.

IT IS SO ORDERED.

C.D.Cal.,2002.

PSC Computer Products, Inc. v. Foxconn Intern., Inc.

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