United States District Court,
S.D. Ohio, Western Division.

WORKER AUTOMATION, INC,
Plaintiff/Counterclaim Defendant.
v.
GENESIS SYSTEMS GROUP,
Defendant/Counterclaim Plaintiff.

No. 3:02cv241

Oct. 21, 2003.

Barry S. Galen, Attorney at Law, Dayton, OH, for Plaintiff/Counterclaim Defendant.

Joel Robert Chambers, Theodore R. Remaklus, Wood, Herron & Evans, Cincinnati, OH, Jeffrey D. Harty, Michael G. Voorhees, R. Scott Johnson, Mckee Voorhees & Sease PLC, Des Moines, IA, for Defendant/Counterclaim Plaintiff.

REPORT AND RECOMMENDATIONS FN1

FN1. Attached hereto is a NOTICE to the parties regarding objections to this Report and Recommendations.

SHARON L. OVINGTON**, United States Magistrate Judge.**

I. INTRODUCTION

Like many products in the United States, automobiles and trucks are manufactured by a series of assembly-line operations. At various stages of these operations, both machines and humans work on parts of many sizes, preparing them for assembly into what ultimately becomes a car or truck. One specific type of assembly-line machine-the workpiece positioner-is the invention at issue in this case. This invention is used in the automobile manufacturing industry, among others, to position large items, such as truck or car axles, to enable workers or robots to prepare them for assembly by welding or other processes. (Doc. # 44, Hearing Transcript at 9).

On February 23, 1999, Defendant/Counterclaim Plaintiff Genesis Systems Group ("Genesis") obtained a patent for a particular workpiece positioner, Patent Number 5,873,569 (the "the '569 patent"). (Exhibit A). FN2 As described in the background section of the ' 569 patent, Genesis' invention "relates to a device for moving workpieces to predetermined positions with respect to an industrial robot for automated manufacturing operations." (Exh. A at 5).

FN2. The citation to an "Exhibit __" without more refers to an Exhibit attached hereto.

On May 22, 2002, Plaintiff/Counterclaim Defendant Worker Automation, Inc. ("Worker Automation") filed the instant case seeking, in part, Declaratory Judgment holding (1) that Worker Automation has not infringed the '569 patent, (2) the '569 patent is invalid, and (3) the '569 patent is unenforceable. (Doc. # 1 at 4).

Genesis filed a timely Answer along with a Counterclaim seeking, in part, Judgment that Worker Automation has both infringed and willfully infringed the '569 patent. (Doc. # 6 at 5-7).

The case is before the Court upon four Motions:

1. Genesis' Motion for Partial Summary Judgment of No Invalidity under 35 U.S.C. s. 101, 102, and 103 (Doc. # 30);

2. Genesis' Motion for Partial Summary Judgment of Literal Infringement (Doc. # 31);

3. Genesis' Motion for Partial Summary Judgment of No Invalidity under 35 U.S.C. s. 112 (Doc. # 32); and

4. Genesis' Motion for Partial Summary Judgment of No Enforceability for Inequitable Conduct (Doc. # 33).

This case is also before the Court upon Worker Automation's Memorandum in Opposition (Doc. # 39), Genesis' Reply (Doc. # 41), and the record as a whole.

On August 28, 2003, the Court held a hearing on these Motions during which the parties presented oral arguments.

II. BACKGROUND

A. *A Generic Description of the Workpiece Positioner Taught by the* '569 Patent

The '569 patent contains drawings of the preferred embodiment of the invention, a copy of which is attached hereto as Exhibit B. The preferred embodiment consists of a rectangular base, highlighted in purple in Exhibit B, Figure 1. Rising vertically from each end of the base are rectangular columns parallel to and thus facing each other. One column is highlighted in orange and the other is white in Exhibit B, Figures 1 and 5.

Between the columns is a rectangular structure shaped like a picture-frame. The picture-frame structure is composed in part of two horizontal, parallel bars described in the '569 patent as "cross members," which are highlighted in yellow in Exhibit B, Figure 1. The "cross members" are one of the focal points of the parties' infringement contentions in this case. *See infra,* s. IV(C)(2).

When the workpiece positioner is in operation, a drive mechanism rotates the entire picture-frame structure in a manner resembling a ferris wheel. FN3 This rotates workpieces secured to the picture-frame structure along a an axis parallel to the cross members. *See* Exh. A, col. 3, ln. 24-26. This rotation is not continuous but must stop at various points to allow a robot time to perform its pre-programed tasks, such as welding. When the tasks are completed, the drive mechanism again rotates the picture-frame structure to a new location permitting the robot to work on a different area of the workpiece. This ferris-like rotation continuous until the tasks assigned to the robot are completed.

FN3. These drive mechanisms are not depicted in Exhibit B, Figures 1, because they are housed within the orange and white vertical columns.

The workpiece positioner taught by the '569 patent also contains additional drive mechanisms between which workpieces are secured. These drive mechanisms rotate workpieces along an axis different from the axis around which the picture-frame structure causes workpieces to rotate. The workpiece positioner contains two pairs of these drive mechanisms making the positioner capable of simultaneously holding two workpieces. These drive mechanisms are highlighted in red in Exhibit B, Figures 1, 5A, and 5B. They operate as follows: an operator secures a workpiece between one drive mechanism (red) and its opposing drive mechanism on the bar facing it (also red). (Exh. B, Figs.1, 5A, 5B). Once a workpiece is properly secured, the drive mechanisms rotates the workpiece on a horizontal axis that runs between the opposing drive mechanisms. One drive mechanism actively rotates the workpiece while its opposing drive mechanism passively rotates. This reduces or prevents significant torque on workpieces, especially on large workpieces.

A controversial point in the instant case is claim language in the '569 patent requiring each pair of drive mechanisms to be capable of selectively and independently rotating, i.e. spinning, the workpiece it holds. *See infra,* s.s. (IV)(D)(2)-(3). Although these drive mechanisms do not continuously spin workpieces, it is helpful to imagine these drive mechanisms spinning the workpiece a short distance then stopping so a robot can work on it, then spinning the workpiece again a short distance so a robot can again work on it, etc.

In sum, the workpiece positioner taught by the '569 patent is capable of rotating pieces in two ways: first, by rotating the entire picture-frame structure in a manner resembling a ferris wheel, thus causing workpieces to rotate around an axis running parallel to the picture frame's "cross members"; and second, by rotating workpieces between drive mechanisms in a spinning-like manner.

B. *H-shaped Workpiece Positioners*

The '569 patent purports to improve upon H-shaped workpiece positioners that were in use at the time the '569 patent was issued. (Exh. A, col.1, ln.58-59). The two most frequently used types of H-shaped workpiece positioners in existence in November 1996, when Genesis first applied for what matured into the '569 patent, were known as the ferris-wheel positioner or the three-axis table. *Id*. The '569 patent set about to improve upon several problems with these types of positioners.

1.

Problems

One problem with traditional ferris-wheel positioners was floor clearance. Floor clearance refers to the ability of the ferris-wheel positioner to rotate a workpiece throughout its full range of motion without hitting the floor. This would enable an industrial robot to perform tasks on all areas of the workpiece. Floor clearance describes a finite space determined by the size of the workpiece. As workpiece size increased, the need for more floor clearance likewise increased. At some point the workpiece would be so large that the traditional ferris-wheel positioner could no longer rotate the workpiece without causing it to hit the floor. The need for sufficient floor clearance thus dictated the size of the workpiece that could be fully rotated by the traditional ferris-wheel positioner. In addition, the larger the workpiece the more floor clearance was required, and hence the higher the centerline of workpiece rotation would become. When this occurred, the

work station's load height and/or robot operation height would become inconveniently (and perhaps dangerously) high. (Exh. A, col.1, ln.31-42).

A problem with traditional three-axis positioners existed with regard to robot clearance. Robot clearance refers to the ability of the positioner to rotate a workpiece throughout is full range without hitting the robot that was assigned to perform tasks on the workpiece. A problem with robot clearance potentially arose when a traditional three-axis positioner needed to rotate a large workpiece. To prevent a large workpiece from bumping into the robot, a worker had two choices: either move the robot out of the way as the positioner rotated the large workpiece; or leave the robot in place, thereby preventing it from performing tasks on areas beyond its reach. (Exh. A at 5).

2.

The Johansson Patents: Drive Mechanisms and a Centerline Beam

The '569 patent's explanation of the H-shaped positioner includes references to prior art in certain patents issued to Johansson. A depiction of these H-shaped Johansson positioners viewed from above shows the centerline of the "H" as a single beam extending between the legs of the "H." Both the centerline and legs of the "H" are highlighted in blue in Exhibit C. A drive mechanism, highlighted in orange in Exhibit C, rotates the entire "H."

In addition, a different drive mechanism, highlighted in green in Exhibit C, rotates workpieces along the horizontal axis on which it rests between each leg of the workpiece. However, the rotation of each workpiece is controlled by this single drive mechanism, and as a result, each workpiece is rotated in the same manner and at the same time. *See* Exh. C. Consequently, unlike the '569 patent, the Johansson patents do not teach a positioner with drive mechanisms capable of independently and selectively rotating the workpieces. *See* Exh. C.

According to Genesis, the Johansson patent's centerline beam created the floor or robot clearance problems and size problems discussed above. *Supra,* s. II(B)(1). Genesis explains that the Johansson patent's H-shaped structure must have a large centerline beam in order to have structural strength needed to rotate one or two large workpieces. The location of a large centerline beam, in the middle of the H-shaped structure, means that in order to rotate a large workpiece without hitting the centerline beam, the workpiece must be a significant distance away from the centerline beam, and hence a significant distance from each other. The Johansson positioner therefore occupies a large amount of valuable floor space, which is at a premium in the industries where workpiece positioners are used. The H-shaped positioner's large size also creates also height and inconvenience problems.

C. *The* '569 Patent'***s Improvements***

The '569 patent sought to improve upon traditional ferris-wheel positioners by occupying less floor space while being able to rotate a greater range of workpiece sizes and weights.

Defendant Genesis explains, "Every workpiece positioner has a frame that has two vertical supports and *at least one horizontal cross-tube or cross-member*." (Doc. # 31, Brief at 2) (emphasis added). The need for some sort of horizontal structural support makes intuitive sense when one considers that workpieces are sometimes very heavy objects, such as truck axles or other large automotive parts. At least one purpose of the horizontal support(s) is to assume much of the torque or stress caused by rotation. Without horizontal

supports, rotation would place much more stress workpieces.

One improvement made in the postitioner taught by the '569 patent was in the horizontal supports-the horizontal bars highlighted in yellow in Exhibit B-in its picture-frame structure. This differed from the centerline location of the horizontal support in the Johansson patents. (Doc. # 44, Hearing Tr. at 13-14). By eliminating the centerline beam, the '569 patent teaches a positioner that is capable of holding workpieces closer together than could earlier H-shaped positioners. It is helpful here to pause and imagine how this occurs.

In the H-shaped design, workpieces were secured between devices at each end of the "H's" legs. This is depicted in Exhibit C, which highlights in red the devices that secure the workpieces. The '569 patent effectively removes the centerline beam in the H-shaped positioner, and instead uses its picture-frame structure. This allows workpieces to be secured closer together than in traditional H-shaped positioners because the centerline beam was no longer in the way as workpieces rotated. The points at which workpieces are secured in the preferred embodiment of the '569 patent are highlighted in blue on Exhibit B, Figure 1.

Because workpieces are close together in the positioner taught by the '569 patent, when the positioner rotates like a ferris wheel, the workpieces sweeps to lower heights than on traditional H-shaped positioner. By reducing the sweep of workpieces in this manner, the '569 patent solves the problems with inconvenient and unsafe height and large floor space inherent in traditional H-shaped positioners. In addition, by moving workpieces close together, the ' 569 patent provides near zero clearance between the workpiece being turned and the industrial robot performing tasks upon it. This solved the problem traditional three-axis positioners had with larger workpieces bumping into robots. *Supra,* s. II(B)(1).

According to Genesis, two things in combination-first, the picture frame structure with its resulting horizontal, parallel cross members; and second, the selective and independent drive mechanisms-led the patent examiner to award the '569 patent. *See* Doc. # 44, Hearing Tr. at 14-15.

D. ***The ARCworker FW-the Alleged Infringing Product***

Worker Automation holds a patent for a positioner known as the ARCworker FW, U.S. Patent No. 6,347,733 issued on February 19, 2002. No genuine dispute exists over the fact that Worker Automation has offered this positioner for sale. (Doc. # 31, Exh. D at 3). A photograph of a partially built ARCworker FW is attached hereto as Exhibit D. The photograph reveals that the ARCworker FW consists of a rectangular base resting from which two parallel columns rise and face each other. Extended between the rectangular columns is a picture-frame structure. *See* Exh. D.

The record does not contain a detailed description of the ARCworker FW, perhaps because Worker Automation has acknowledged that the ARCworker FW contains every element of Claim 1 of the '569 patent, *see* Doc. # 31, Worker Automation's Interrogatory Responses, Exh. D at 3, 5. However, to briefly preview the main literal-infringement issue, Worker Automation contends that the ARCworker FW has a structure-a cross member located outside of the planar area-that distinguishes it from the workpiece positioner taught by the '569 patent. This distinction, according to Worker Automation, defeats Genesis' literal infringement claim. (Doc. # 39 at 18-19).

E. ***The Preston-Eastin Positioner***

Worker Automation's defenses to literal infringement in part involve a workpiece positioner that appears in a brochure apparently prepared by Preston-Eastin, Inc. *See* Doc. 39, Exh. K. The Preston-Eastin brochure depicts several positioners, one of which appears to contain structures capable of holding two workpieces. Doc. 39, Exh. K at 1-2.

Worker Automation contends that the existence of the Preston-Eastin positioner at the time of Genesis' patent application renders the '569 patent invalid either as anticipated or obvious. In addition, Worker Automation contends that the '569 patent is unenforceable because Genesis committed inequitable conduct before the Patent and Trademark Office ("PTO") by not identifying the Preston-Eastin positioner as prior art. This is so, according to Worker Automation, because the Preston-Eastin positioner was capable of selectively and independently rotating workpieces, as taught by the '569 patent. The factual assertion that the Preston-Eastin positioner was capable of selectively and independently rotating workpieces is based on the Preston-Eastin brochure and upon Worker Automation's explanation, through its attorney during oral argument, that the Preston-Eastin positioner contains a workpiece drive means for selectively and independently rotating each workpiece. (Doc. # 44, Hearing Tr. at 68).

There is no genuine dispute over the fact that during its patent-application process, Genesis did not disclose to the PTO the Preston-Eastin positioners as prior art. Genesis contends, however, that the Preston-Eastin positioners were cumulative of the other the types of positioners-particularly the Johansson positioner-it identified as prior art and it therefore did not engage in inequitable conduct by not disclosing the Preston-Eastin positioners to the PTO. Genesis therefore concludes that summary judgment in its favor is warranted on Worker Automation's defenses of invalidity and inequitable conduct.

III. MOTIONS FOR SUMMARY JUDGMENT

A motion for summary judgment is granted only when there is no genuine issue as to any material fact and the movant is entitled to judgment as a matter of law. Celotex Corp. v. Catrett, 477 U.S. 317, 322, 106 S.Ct. 2548, 91 L.Ed.2d 265 (1986); Serrano v. Telular Corp., 111 F.3d 1578, 1581 (Fed.Cir.1997). The Court must evaluate the evidence, and all inferences drawn therefrom, in the light most favorable to the non-moving party. Matsushita Elec. Industrial Co. v. Zenith Radio Corp., 475 U.S. 574, 587, 106 S.Ct. 1348, 89 L.Ed.2d 538 (1986); Serrano, 111 F.3d at 1581.

"[S]ummary judgment may be granted when 'no reasonable jury could return a verdict for the nonmoving party.' " Serrano, 111 F.3d at 1581 (quoting in part Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986)). The Court's function is not to weigh the evidence and determine the truth of the matters asserted but to determine if the evidence presents a sufficient disagreement to require submission to a jury, or whether the evidence is so one-sided that one party must prevail as a matter of law. Anderson, 477 U.S. at 251-52; Serrano, 111 F.3d at 1581.

The central issue presented by a Motion for Summary Judgment is a threshold issue-whether the case presents a proper jury question. Anderson, 477 U.S. at 249-50.

IV. ANALYSIS

A. *Patent Infringement*

35 U.S.C. s. 271(a) provides:

[W]hoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States ... during the term of the patent ... infringes the patent.

"Victory in an infringement suit requires a finding that the patent claim 'covers the alleged infringer's product or process,' which in turn necessitates a determination of 'what the words in the claim mean." Markman v. Westview Instruments Inc., 517 U.S. 370, 374, 116 S.Ct. 1384, 134 L.Ed.2d 577 (1996). A two-step analysis applies: "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." Serrano, 111 F.3d at 1582.

The first step of the infringement analysis, construing the claims, is a question of law "exclusively within the province of the court." Markman, 517 U.S. at 372. The second step of the infringement analysis, comparing the claims to the accused devices, presents factual questions. Karlin Technology, Inc. v. Surgical Dynamics, Inc., 177 F.3d 968, 974 (Fed.Cir.1999).

B. ***Claim Construction***

Claim construction begins with the words of the claims for "[i]t is the claims that measure the invention." Sjolund v. Musland, 847 F.2d 1573, 1578 (Fed.Cir.1988). "In construing claims, the analytical focus must begin and remain centered on the language of the claims themselves, for it is the language that the patentee chose to use to particularly point[ ] out and distinctly claim ... the subject matter which the patentee regards as his [or her] invention." Interactive Gift Express, Inc. v. Compuserve, Inc., 256 F.3d 1323, 1331 (Fed.Cir.2001).

A heavy presumption requires the application of the ordinary and accustomed meaning of claim terms. Johnson Worldwide Assc., Inc. v. Zebco Corp., 175 F.3d 985, 989 (Fed.Cir.1999); Carroll Touch, Inc. v. Electro Mechanical Systems, Inc., 15 F.3d 1573, 1577 (Fed.Cir.1993). A technical term is generally given its ordinary meaning as understood "by persons skilled in the art...." Phillips Petroleum Co. v. Huntsman Polymers Corp., 157 F.3d 866, 871 (Fed.Cir.1998).

The ordinary and accustomed meanings may be derived from variety of sources including the claims themselves, *see* Process Control Corp. v. HydReclaim Corp., 190 F.3d 1350, 1357 (Fed.Cir.1999); *see also* Zebco Corp., 175 F.3d at 989; the patent specification, the drawings, and the prosecution history, *see, e.g.,* DeMarini Sports, Inc. v. Worth, Inc., 239 F.3d 1314, 1324 (Fed.Cir.2001); and dictionaries and treatises, Texas Digital Sys., Inc. v. Telegenix, Inc., 308 F.3d 1193, 1202-04 (Fed.Cir.2002). In most situations, the intrinsic evidence-the claim language, the patent specification, the drawings, and prosecution history-alone will resolve disputes over the meaning of claim language. Vitronics Corp. v. Conceptronic, Inc., 90 F.3d 1576, 1583 (Fed.Cir.1996).

"Dictionaries, encyclopedias, and treatises publicly available at the time the patent is issued are objective resources that serve as reliable sources of information on the established meanings that would have been attributed to the terms of the claims by those of ordinary skill in the art.... Indeed, these materials may be the most meaningful sources of information to aid judges in understanding both the technology and terminology used by those skilled in the art to describe the technology." Texas Digital Sys., 308 F.3d at 1203. "As resources and references to inform and aid the courts and judges in understanding technology and terminology, it is entirely proper for both trial and appellate judges to consult these materials at any stage of a litigation, regardless of whether they have been offered by a party in evidence or not." Texas Digital Sys.,

308 F.3d at 1203. The Court, however, may not simply adopt a dictionary definition in a vacuum without consulting the intrinsic record to determine if it overcomes the heavy presumption favoring the ordinary and accustomed meaning of claims terms. Texas Digital Sys., 308 F.3d at 1203-04.

To overcome the heavy burden favoring the ordinary and accustomed meaning of claim language, one of the following situations must exist:

1. The inventor acted as his or her own lexicographer by setting forth a definition of the disputed claim terms in the specification or the prosecution history.

2. "[T]he intrinsic evidence shows that the patentee distinguished that term from prior art on the basis of a particular embodiment, expressly disclaimed subject matter, or described a particular embodiment as important to the invention."

3. The inventor's chosen definition "so deprive[s] the claim of clarity as to require resort to the other intrinsic evidence of record for a definite meaning."

4. "[A] claim term ... cover[s] nothing more than the corresponding structure or step disclosed in the specification, as well as equivalents thereto, if the patentee phrased the claim in step- or means-plus function format."

Css Fitness, Inc. v. Brunswick Corp., 288 F.3d 1359, 1367 (Fed.Cir.2002) (citations and internal punctuation omitted).

"Ultimately, the interpretation to be given a term can only be determined and confirmed with a full understanding of what the invention actually invented and intended to envelop with the claim.... The construction that stays true to the claim language and most naturally aligns with the patent's description of the invention will be, in the end, the correct construction." Renishaw PLC v. Marposs Societa' per Azioni, 158 F.3d 1243, 1250 (Fed.Cir.1998).

C. *The* '569 Patent***-Claim 1***

1.

Claim 1

Claim 1 of the'569 patent is an independent claim describing the structural requirements of a workpiece positioner. It describes this invention as follows:

1. A workpiece positioner comprising:

a base;

a rotary workpiece holder operatively connected to said base capable of supporting at least two sets of workpiece supports and having a first end and a second end;

at least two sets of workpiece supports located on said holder, each set comprising a first support and a second support and capable of supporting a workpiece therebetween, whereby each workpiece can be supported at a first end by said first support and at a second end by said second support;

holder drive means for selectively rotating said rotary workpiece holder about a first axis;

workpiece drive means for selectively and independently rotating each piece about a second axis;

said rotary workpiece holder having a cross member fixed to the first holder end and the second holder end, ***said cross member being located substantially outside of a planar area defined by any two sets of workpiece supports.***

(Exh. A, col.4, ln.44-65) (emphasis added).

2.

"***Cross Member***"

Genesis contends that the proper construction of the phrase "cross member" is "a member that crosses between the drive end section and the tailstock section." (Doc. # 31, Brief at 7). To support this construction, Genesis in part points out that the '569 patent specification defines a "cross member" as follows:

The workpiece positioner assembly **14** has a headstock drive end section **16** and a tailstock idler end section **18** with *upper and lower cross tubes or tie bars* **20, 22** extending there between.

(Exh. A, col.2, ln.57-59).

Worker Automation argues, "A cross member goes by its plain meaning which means that a cross member is a cross member, i.e., anything which extends across the plane." (Doc. # 39 at 14). This argument contains a seed of merit in its apparent recognition that a "member" is a "member." Yet, this begs a question: How would an ordinary person skilled in the art define the word "member."

Although neither party has offered a definition of the word "member" by itself, an understanding of this word is a necessary to achieve the proper construction of the phrase "cross member." The definition of the word "member," moreover, is straightforward in light of the resources publicly available in February 1999, when the '569 patent issued.

A " 'member,' as defined by common and technical dictionaries, refers to a 'structural unit such as a ... beam or tie, or combination of these...." *Css* Fitness, 288 F.3d at 1367 (quoting in part McGraw-Hill Dictionary of Scientific and Technical Terms 1237 (5th ed.1994)). Claim 1 and the specification use the "member" in a manner consistent with this definition, and therefore a person skilled in the art would understand the ordinary and accustomed meaning of the word "member" in Claim as referring to "structural units that are beams or a ties or a combination of these." *See Css* Fitness, 288 F.3d at 1367.

The parties' dispute arises from Claim 1's modification of the word "member" with the word "cross." ' Worker Automation errs in viewing the phrase "cross member" as used in Claim 1 as denoting "anything which extends across the plane" (Doc. # 39 at 14), because this does not recognize the limitation regarding

the cross member's location that is described in Claim 1-"said cross member being located substantially outside of a planar area defined by any two sets of workpiece supports." FN4 (Exh. A, col.4, ln.62-65). Given this language, Claim 1 identifies a particular location where the cross members must be located. No doubt about this remains when Claim 1 is read as a whole revealing an additional location requirement, namely "a cross member fixed to the first holder end and the second holder end." (Exh. A, col.4, ln.61-62). Both the specification and drawings of the preferred embodiment confirm that Claim 1's use of the phrase "cross members" refers to upper and lower cross members in specific locations. *See* Exh. A, col. 5, ln. 56-59; Exh. B (cross members highlighted in yellow).

FN4. A helpful example of where this planar area is located is depicted in the drawing of the preferred embodiment. In the copy of this drawing in Exhibit B, Figure 5(A) shows the "planar area" as the horizontal green line. It is helpful here to compare the location of the horizontal green line added to Exhibit B, Figure 5A with the drawing of the entire positioner in Exhibit B, Figure 1. This shows how the planar area runs through the center of the preferred embodiment. This also shows that one cross member is above and one cross member is below the planar area, thus placing them both outside the planar area in a manner consistent with Claim 1's "substantially outside of a planar area ..." limitation. The Court is well aware that the drawings alone of an invention's preferred embodiment do not limit the patent claims to that specific configuration. Anchor Wall Systems, Inc. v. Rockwood Retaining Walls, Inc., 340 F.3d 1298, 1306-07 (Fed.Cir.2003). This is merely a helpful example, which is consistent with the ordinary and accustomed meaning of Claim 1.

Worker Automation has not pointed to any ambiguity or vagueness in Claim 1's required locations of its cross members. Worker Automation has also not identified a conflict between this language in Claim 1 and the specification, most likely because none appears to exist. Lastly, Worker Automation has not contended that any of the four circumstances exist in this case that would justify a departure from the ordinary and accustomed meaning of Claim 1's language. *See supra* at p. 13.

For all the above reasons, the proper construction of the phrase "cross member" concerns its required location. When Claim 1 is read in light of the specification's further description (Exh. A, col. 2, lines 57-59) and the drawing of the preferred embodiment (Exh. B, Fig.1), a person skilled in the art would understand the ordinary and accustomed meaning of the phrase "cross member" as use in Claim 1 to refer to the following:

"upper and lower beam-like structures fixed to and extending between a first holder end and a second holder end, said cross members being located substantially outside of a planar area defined by any two sets of workpiece supports."

Cf. Css Fitness, Inc., 288 F.3d at 1367 (finding ordinary meaning of term "member" to a person skilled in the art refers to a "beam-like structure"). The copy, attached hereto, of the drawing depicting the preferred embodiment shows "cross members" highlighted in yellow. *See* Exh. B., Figs. 1, 5.

Claim 1's requirements of cross members substantially outside a specific planar area is significant to the issue of whether Worker Automation's ARCworker FW literally infringes Claim 1. This is so because the ARCworker FW apparently contains a cross member within the planar area.FN5 This leads to Worker Automation's contention that ARCworker FW's cross member located within the planar area renders it a non-infringing workpiece positioner, a contention to which the Court turns next.

FN5. This fact is not clear from the record. However, accepting it as true for the purpose of resolving the present Motions favors Worker Automation, the party opposing summary judgment.

3.

Literal Infringement

Genesis argues that it is entitled to summary judgment on its claim that the ARCworker FW literally infringes Claim 1 because Worker Automation has conceded that the ARCworker FW contains each and every element of Claim 1 and because the ARCworker FW's cross member withing Claim 1's planar areas merely identifies an additional structure, a fact insufficient to render it a non-infringing positioner.FN6 These contentions are well taken.

FN6. Genesis' Motion for Partial Summary Judgment does not relate to the remaining Claims of the '569 patent. (Doc. # 31, Brief at 3 n. 3).

To prove literal infringement, Genesis, the patent holder, must show by a preponderance of the evidence that the ARCworker FW contains every limitation in Claim 1. Conroy v. Reebok Int'l. Inc ., 14 F.3d 1570, 1573 (Fed.Cir.1994). "If even one limitation is missing or not met as claimed, there is not literal infringement." Mas-Hamilton Group v. LaGard, Inc., 156 F.3d 1206, 1211 (Fed.Cir.1998) (internal citations omitted).

Although comparing the claims to the accused devices presents factual questions, a motion for summary judgment on infringement or non-infringement shall be granted if no genuine issue of material fact exists and the movant is entitled to judgment as a matter of law. *See* Karlin Technology, 177 F.3d at 974; *see also* Cole v. Kimberly-Clark Corp., 102 F.3d 524, 528 (Fed.Cir.1996).

Resolving whether partial summary judgment is warranted on Genesis' claim of literal infringement depends on whether the ARCworker FW's cross member *within* the planar area defined in Claim 1 rescues Worker Automation from the undisputed fact that the ARCworker FW otherwise contains every element of Claim 1, *see* Doc. # 31, Exh. D at 3, 5. It does not.

Although the Court accepts as true Worker Automation's assertion that the ARCworker FW contains a cross member within Claim 1's planar area, this merely constitutes a structure in addition to those in the ARCworker FW that satisfy each and every element of Claim 1. "It is fundamental that one cannot avoid infringement merely by adding elements if each element recited in the claims is found in the accused device." Stiftung v. Renishaw PLC, 945 F.2d 1173, 1178 (Fed.Cir.1991) (citation omitted); *see* Vivid Technologies, Inc. v. American Science, 200 F.3d 795, 811 (Fed.Cir.1999). This principle applies to Claim 1 because it is an open claim, so designated by its of the transition word "comprising." FN7 AFG Industries, Inc. v. Cardinal IG Co., Inc., 239 F.3d 1239, 1244-45 (Fed.Cir.2001). "When a claim uses an 'open' transition phrase, its scope may cover devices that employ additional, unrecited elements." AFG Industries, 239 F.3d at 1244. Consequently, the fact that the ARCworker adds an additional cross member that is within the planar area defined by Claim 1, does not avoid the existence of its other literally infringing components. *See* AFG Industries, 239 F.3d at 1244-45; *see also* Stiftung, 945 F.2d at 1178.

FN7. Conversely, a "closed" claim is "understood to exclude any elements, steps, or ingredients not

specified in the claims." AFG Industries, 239 F.3d at 1245.

Accordingly, Genesis' Motion for Partial Summary Judgment of Literal Infringement is well taken.

4.

Prosecution History Estoppel

Worker Automation contends that Genesis errs in its reliance on Claim 1's requirement that cross members be located substantially outside the planar area. According to Worker Automation, this limitation was not the basis upon which the '569 patent was issued, and consequently, the doctrine of prosecution history estoppel bars Genesis from recapturing a limitation it relinquished during the prosecution history in order to obtain the '569 patent. (Doc. # 39 at 12-13, 18-19). This contention lacks merit because prosecution history estoppel does not apply to issues of claim construction or when-as here-a patent is literally infringed. *See* Accuscan, Inc. v. Xerox Corp., 2003 WL 22148905 at (Fed.Cir. Sept.17, 2003). Instead, prosecution history estoppel is "a legal limitation on the doctrine of equivalents." *Id*. (quoting Warner-Jenkinson Co. v. Hilton Davis Chemical Co., 520 U.S. 17, 30, 117 S.Ct. 1040, 137 L.Ed.2d 146 (1997)).

In support of its reliance on prosecution history estoppel, Worker Automation cites two cases: Kinzoku Kogyo Kabushiki Co. Ltd. ., 535 U.S. 722, 122 S.Ct. 1831, 152 L.Ed.2d 944 (2002) and Warner-Jenkinson, 520 U.S. at 29. Both of these cases are distinguished from the instant case, however, because the each address the application of prosecution history estoppel in equivalent infringement cases.

Consequently, Worker Automation's reliance on the doctrine of prosecution history estoppel to defeat Genesis' claim of literal infringement lacks merit. Despite this conclusion, Worker Automation's contentions also raise the possibility that prosecution disclaimer applies and defeats Genesis' claim of literal infringement.

5.

Prosecution Disclaimer

"[W]here the patentee has unequivocally disavowed a certain meaning to obtain his patent, the doctrine of prosecution disclaimer attaches and narrows the ordinary meaning of the claim congruent with the scope of the surrender." Omega Eng'g, Inc. v. Raytek Corp., 334 F.3d 1314, 1324 (Fed.Cir.2003). Prosecution disclaimer does not apply where the alleged disavowal of claim scope is ambiguous or too vague to qualify as a disavowal. Id. at 1324-25.

To support its contentions along this line, Worker Automation mainly points to the letter of William Graham, Esq. concerning his analysis of the '569 patent's history. (Doc. # 39 at 13, 18). Attorney Graham's letter describes his thoughtful review of and opinions regarding the '569 patent's prosecution history. (Doc. # 39, Exh. J). Graham's letter is not, however, the prosecution history itself but is essentially a secondary source of information about the prosecution history. Graham's letter, moreover, contains no citation to the portions of the prosecution history upon which he based his opinions.FN8 Worker Automation has not provided any legal authority to support the proposition that such materials can be used in lieu of the actual prosecution-history records to contradict the ordinary and accustomed meaning of claim language. As a result, Worker Automation's reliance on Graham's letter does not show that Genesis unequivocally

disavowed any particular meaning or requirement in Claim 1 of the ' 569 patent.

FN8. This is not meant as a criticism of attorney Graham's letter as it appears to be a letter to a client where such citations are unnecessary rather than a report prepared for use during litigation. *See* Doc. # 39, Exh. J.

Worker Automation further states, "Genesis even went to great lengths to distinguish the fact that their invention had no cross member within the planar area citing Carswell at page 4 of Paper 16 which Genesis stated [sic] because a 'cross member lies in the same plane as any construed workpiece support, **it falls squarely outside of the language of the claims** as amended.' " (Doc. # 39 at 10) (quoting Exh. I, vol. 1) (Worker Automation's emphasis). Worker Automation has not shown how this purported statement by Genesis in Paper 16 constituted a prosecution disclaimer because it is impossible to read the statement in context. This is Worker Automation's citation to Paper 16 is inaccurate given the fact that Exhibit I, Volume 1 does not contain Paper 16 (ending instead at Paper 15). *See* Doc. # 39, Exh. I(1)-(15).

In addition, reading Genesis' purported statement in isolation-"[if or when a] cross member lies in the same plane as any construed workpiece support, **it falls squarely outside of the language of the claims** as amended"-is unclear. It may mean that a positioner does not infringe Claim 1 when it has at least a single cross member within the planar area (as in the ARCworker FW). It may also mean that a positioner infringes Claim 1 as long as it has cross members substantially outside the planar area, even if the positioner contains an additional cross member within the planar area (as Genesis urges). The inherent difficulty with understanding each of these constructions proves the point-Genesis' purported statements to the PTO must be read in the context and in light of the prosecution history as a whole. Because Worker Automation has not provided this information, it has failed to show that Genesis unequivocally disavowed the possibility that an invention would infringe Claim 1 by containing a cross member within the planar area.

Worker Automation neither explains nor cites to other specific portions of the prosecution history sufficient to show that Genesis unequivocally disavowed limiting language concerning cross members in order to obtain the '569 patent. Consequently, Worker Automation has not provided a basis for relying on prosecution disclaimer to overcome the heavy presumption in favor of applying the ordinary and accustomed meaning to the language of Claim.

Accordingly, prosecution disclaimer does not assist Worker Automation in avoiding the ARCworker's literal infringement of Claim 1.

D. ***Invalidity under*** 35 U.S.C. s.s. 101-03

1.

Anticipation and Obviousness

Only new inventions can be patented. *See* 35 U.S.C. s. 102. Consequently, once a patent is awarded, it is presumptively valid. 35 U.S.C. s. 282. This presumption, while statutory, is not absolute in light of the doctrines of anticipation and obviousness.

Anticipation: If inventions-specifically prior art-already existed before a patented invention, the patented

invention is not new and is consequently invalid as anticipated by prior art. Verve, LLC v. Crane Cams, Inc., 311 F.3d 1116, 1120 (Fed.Cir.2002); *e.g.,* Akamai Technologies, Inc. v. Cable & Wireless Internet Services, Inc., 344 F.3d 1186, ----, 2003 WL 22121694 at *6-8 (Fed.Cir., Sept.15, 2003).

Obviousness: If a patented invention was not anticipated, its patent will also be declared invalid if "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." 35 U.S.C. s. 103(a).

The affirmative defenses of anticipation or obviousness each require proof by clear and convincing evidence. *See* Mas-Hamilton Group v. LaGard, Inc., 156 F.3d 1206, 1216 (Fed.Cir.1998).

2.

Anticipation

To determine if a presumptively valid patent describes an anticipated invention, a two-step analysis applies: "the first step involves the proper interpretation of the claims. The second step involves determining whether the limitations of the claims as properly interpreted are met by the prior art." Elmer v. ICC Fabricating Inc., 67 F.3d 1571, 1574 (Fed.Cir.1995).

Claims must be construed to provide the same meaning for purposes of both infringement and invalidity analyses. Smithkline Diagnostics, Inc. v. Helena Laboratories Corp., 859 F.2d 878, 882 (Fed.Cir.1988). Claim construction therefore remains a question of law during the anticipation analysis. *See* Akamai Technologies, Inc., 344 F.3d at ----, 2003 WL 22121694 at *5. Having previously construed the only disputed phrase ("cross member") in Claim1, the anticipation analysis proceeds to its second step.

Step two of the anticipation analysis resolves whether a single prior art reference "describe[d] the claimed invention with sufficient precision and detail to establish that the subject matter existed in the prior art." Verve, 311 F.3d at 1120. The key here is that the single reference of prior art must meet each and every limitation, either expressly or inherently, set forth in the challenged patent claim. *See* In re Graves, 69 F.3d 1147, 1152 (Fed.Cir.1995); *see also* Elmer, 67 F.3d at 1574. This present questions of fact. Akamai Technologies, Inc., 344 F.3d at ----, 2003 WL 22121694 at *5 (citing Eaton Corp. v. Rockwell Int'l Corp., 323 F.3d 1332, 1343 (Fed.Cir.2003)). "A claim limit is inherent in the prior art if it is necessarily present in the prior art, not merely probably or possibly present." *Id*. (citing Rosco v. Mirror Lite Co., 304 F.3d 1373, 1380 (Fed.Cir.2002)).

"The dispositive question regarding anticipation is whether one skilled in the art would reasonably understand or infer from the prior art reference's teaching that every claim [limitation] was disclosed in that single reference." Dayco Prods., Inc. v. Total Containment, Inc., 329 F.3d 1358, 1368 (Fed.Cir.2003).

Worker Automation contends that the '569 patent is invalid as anticipated because Genesis knew about the existence of prior art-particularly the Preston-Eastin workpiece positioners-as early as April 1993.

Genesis contends that Worker Automation has admitted it does not know of any single prior art reference or device teaching all of the elements of the ' 569 patent.

Genesis is entitled to partial summary judgment in its favor on Worker Automation's defense of anticipation because no trier of fact could reasonably conclude that the '569 patent was anticipated by the Preston-Eastin

workpiece positioners or by any other single prior art reference. Worker Automation has produced precious little evidence in support of its anticipation defense. The copy of the Preston-Eastin brochure contains grainy photographs of several types of workpiece positioners that purportedly existed at the time of Genesis filed its relevant patent application.FN9 (Doc. # 39, Exh. K). The photograph most closely approximating the positioner taught by the ' 569 patent depicts a positioner described as a "twin table three (3) axis headstock/tailstock positioner with one main sweep axis, and two rotational axis." (Doc. # 39, Exh. K at 2). The brochure further describes certain characteristics of this three axis positioner. Id.

FN9. The Court indulges in this presumption in deference to Worker Automation even though the record does not appear to contain evidence showing when the Preston-Eastin brochure was produced.

Worker Automation has not produced affirmative evidence (such as an affidavit from the Preston-Eastin inventor, an expert report, or other testimony) explaining the meaning of these descriptions, or explaining the specific structures of this or any other Preston-Eastin positioner. This is significant because without such information, a jury would be left to speculate about what structures the Preston-Eastin positioners contained and how they operated. This simply cannot be gleaned from the Preston-Eastin brochure alone.

During oral argument concerning the pending motions, Worker Automation's attorney stated that the Preston-Eastin positioner contained workpiece drive mechanisms for selectively and independently rotating each workpiece. (Doc. # 44, Hearing Tr. at 68). In response, Genesis' counsel stated the following:

There is actually a picture of the brochure that was provided by Worker's counsel that describes the Preston-Eastin brochure and it's unclear from that brochure whether it does, in fact, provide this selectively and independently rotating drive means.

(Doc. # 44, Hearing Tr. at 68). This contention is well taken. No juror could reasonably conclude without further evidence explaining what structures the Preston-Eastin three-axis positioner or any other Preston-Eastin positioner contained, especially whether it contained drive mechanisms capable of selectively and independently rotating workpieces. Because Worker Automation has not presented evidence beyond the Preston-Eastin brochure but instead has merely presented its attorney's assertion that the Preston-Eastin positioner contained devices capable of selectively and independently rotating workpieces, Worker Automation has not met its burden of production at the summary-judgment stage.FN10 *See* Anderson, 477 U.S. at 250. Without evidence beyond the brochure, no juror could reasonably conclude that the Preston-Eastin positioner contained, either expressly or inherently, this element of Claim 1. Genesis is therefore entitled to partial summary judgment in its favor on Worker Automation's anticipation defense. *See* Verve, LLC, 311 F.3d at 1120 (prior art must describe the claimed invention with sufficient precision and detail to show that subject matter existed in the prior art); *see also* In re Graves, 69 F.3d at 1152 (single reference of prior art must meet each and every limitation, either expressly or inherently, set forth in the challenged patent Claim).

FN10. The discovery phase of the litigation ended in May 2003, approximately one year after this case began.

In addition, even assuming that a Preston-Eastin positioner contained drive mechanisms capable of selectively and independently rotating workpieces, the record does not contain affirmative evidence showing

that the Preston-Eastin positioner contains the other elements of Claim 1. Again, the brochure is inadequate to create a genuine issue of material fact in this regard because the record is void of evidence explaining what structures the Preston-Eastin positioner contained or how it operated. The record further lacks evidence of this type concerning any other alleged prior art reference. As a result, no jury could reasonably conclude that a prior art reference anticipated, either expressly or inherently, each and every element of Claim 1. *See* In re Graves, 69 F.3d 1147, 1152 (Fed.Cir.1995); *see also* Elmer, 67 F.3d at 1574.

Accordingly, Genesis is entitled to partial summary judgment in its favor on Worker Automation's defense of anticipation.

3.

Obviousness

Genesis contends that it is entitled to partial summary judgment in its favor on Worker Automation's obviousness defense because the record lacks any evidence of obviousness.

Worker Automation contends that summary judgment is unwarranted because "[g]iven the prior art references of Johansson and Preston-Easton [sic] it is easy to see that the '569 patent is obvious...." (Doc. # 39 at 10).

In determining obviousness, the invention must be considered as a whole without the benefit of hindsight, and the claims must be considered in their entirety.... Throughout the obviousness determination, the patent retains its presumption of validity...." Rockwell Intern. Corp. v. United States, 147 F.3d 1358, 1364 (Fed.Cir.1998). The ultimate determination of obviousness is a question of law reached after an analysis of the following factors:

1. The scope and content of the prior art;

2. The differences between the claims and the prior art;

3. The level of ordinary skill in the pertinent art; and

4. Secondary consideration, if any, of nonobviousness.

McGinley v. Franklin Sports, Inc., 262 F.3d 1339, 1349 (Fed.Cir.2001).

Genesis is entitled to summary judgment because Worker Automation has not produced affirmative evidence regarding the scope and content of prior art. As discussed in detail above, *supra,* s. IV(D)(2), the record does not contain evidence explaining what structures the PrestonEastin positioner contained or how it operated. The Preston-Eastin brochure by itself does not create a genuine issue of material fact regarding this factual information. In addition, Worker Automation has not presented evidence or analysis in support of the other factual underpinnings of obviousness. Worker Automation has therefore failed to meet its burden of showing the existence of a genuine issue regarding these factors. In short, there is simply no probative evidence in the record about a single piece of prior art that can be compared to Claim 1 of the ' 569 patent.

Worker Automation also refers in its Memorandum to the limitations purportedly relinquished by Genesis

during the '569 patent's prosecution history. (Doc. # 39 at 9-10). However, assuming (in Worker Automation's favor) that Genesis relinquished these limitations, the record still lacks evidence of prior art that was comparable in scope and content with the '569 patent, minus the purportedly relinquished limitations.

Accordingly, Genesis is entitled to partial summary judgment in its favor on Worker Automation's defense of obviousness.

E. ***Invalidity under*** 35 U.S.C. s. 112

Genesis contends that it is entitled to partial summary judgment on Worker Automation's defense of indefiniteness because the '569 patent meets the definiteness requirements of 35 U.S.C. s. 112.

Worker Automation contends that the '569 patent fails to meet the definiteness requirements of s. 112 because it contains the unclear and undefined phrase "cross member."

Section 112 mandates in pertinent part:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Whether the '569 patent is indefinite in violation of s. 112 is a question of law "drawn from the court's performance of its duty as the construer of patent claims...." Intellectual Property Development, Inc. v. UA-Columbia Cable, 336 F.3d 1308, 1318 (Fed.Cir.2003). Worker Automation bears the burden of producing clear and convincing evidence sufficient to genuine issue of fact regarding any fact critical to a holding on indefiniteness. *See* Intel Corp. v. VIA Technologies, Inc., 319 F.3d 1357, 1367 (Fed.Cir.2003); *see also* Anderson, 477 U.S. at 250.

"If one skilled in the art would understand the bounds of the claim when read in light of the specification, then the claim satisfies section 112...." Exxon Research and Engineering Co. v. U.S., 265 F.3d 1371, 1375 (Fed.Cir.2001). The meaning of a patent claim need not be plain on its face; instead, definiteness under s. 112 requires "that the claims be amenable to construction, however, difficult that task may be. If a claim is insolubly ambiguous, and no narrowing construction can be properly adopted, ... [it is] indefinite." Exxon Research, 265 F.3d at 1375. Indeed, the inventive contribution of patentees is protected from indefiniteness even when patent drafting has been less than ideal. *Id*.

Worker Automation has not shown indefiniteness in the phrase "cross member" or any other language of the '569 patent. Worker Automation has, at most, pointed to the parties' dispute between the meaning of "cross members." This fails to show indefiniteness. Verve, LLC, 311 F.3d at 1120.

Worker Automation, moreover, has not pointed to any insoluble ambiguity regarding the phrase "cross member" or any other language of Claim 1. No conflict exists between the phrase "cross member" and the other language of Claim 1 or the specification. Indeed, as discussed in detail above, *supra,* s. IV(C)(2), the phrase "cross member" in Claim 1 is amendable to a particular construction under its ordinary and accustomed meaning to one skilled in the art. Because Claim 1 is amenable to the particular construction set forth above, it is not indefinite. *See* Exxon Research, 265 F.3d at 1375.

Accordingly, as a matter of law, the '569 patent is not indefinite in violation of s. 112. Genesis is therefore entitled to partial summary judgment on Worker Automation's indefiniteness defense.

F. ***Inequitable Conduct***

1.

Background

Worker Automation contends that the '569 patent is unenforceable due to Genesis' inequitable conduct before the PTO during the prosecution of the patent applications that matured in to the '569 patent. This inequitable conduct occurred, according to Worker Automation, when Genesis failed to disclose material prior art-particularly the Preston-Eastin positioner(s). These contentions lack merit, and Genesis is entitled to summary judgment on this defense because Worker Automation has not produced sufficient evidence to support a threshold showing of the two required elements of inequitable conduct: materiality and intent.

"Applicants for patents are required to prosecute patent applications in the PTO with condor, good faith, and honesty.... This duty extends also to the applicant's representative.... A breach of this duty constitutes inequitable conduct." Molins PLC v. Textron, 48 F.3d 1172, 1178 (Fed.Cir.1995). A patent secured through inequitable conduct is unenforceable. Kingsdown Medical Consultants, Ltd. v. Hollister Inc., 863 F.2d 867, 874 (Fed.Cir.1988). "Similarly, a valid patent may be (in the abstract) infringed, that is the accused device may fall within the scope of the claim, but there will be no liability to the patentee when the patent is unenforceable." Gardo Mfg., Inc. v. Herst Lighting Co., 820 F.2d 1209, 1213 (Fed.Cir.1987).

Inequitable conduct before the PTO is an equitable defense committed to the Court's discretion. Brasseler, U.S.A. I, L.P. v. Stryker Sales Corp., 267 F.3d 1370, 1379 (Fed.Cir.2001); PerSpective Biosystems, Inc. v. Pharmacia Biotech, Inc., 225 F.3d 1315, 1318 (Fed.Cir.2000). However, when genuine issues of material fact exist concerning the elements of inequitable conduct, trial to the Court is warranted. *E.g.,* Key Pharmaceuticals v. Hercon Labs. Corp., 161 F.3d 709, 719 (Fed.Cir.1998) (recognizing that findings on intent depended heavily on the presentation of evidence and witness testimony at trial and that the district court was able to hear these matters first hand and assess witness credibility.)

The defense of inequitable conduct consists of two elements: first, the patent holder failed to disclose material information or prior art to the PTO during the patent prosecution; and second, the patent holder intended to deceive the PTO. Baxter Int'l. v. McGaw, Inc., 149 F.3d 1321, 1327 (Fed.Cir.1998); *see also* PerSpective Biosystems, 225 F.3d at 1318-19. The alleged infringer bears the burden of proving the existence of these elements by clear and convincing evidence. Elk Corp. v. GAF Bldg. Materials Corp., 168 F.3d 28, 30 (Fed.Cir.1999). Absent a threshold finding of materiality and intent, the defense of inequitable conduct does not apply. Key Pharmaceuticals, 161 F.3d at 719.FN11

FN11. Once a party makes a threshold showing of materiality and intent, the district court must exercise its discretion by weighing these elements to determine if inequitable conduct occurred. Molins, 48 F.3d at 1178. Weighing is unnecessary in the instant case because Worker Automation has not made a threshold showing of materiality and intent.

2.

Materiality

"Information is 'material' when there is a substantial likelihood that a reasonable examiner would have considered the information important in deciding whether to allow the application to issue as a patent." Elk Corp., 168 F.3d at 31. A reference to prior art is not material when it is merely cumulative to or less material than other references submitted to the PTO. Upjohn Co. v. Mova Pharmaceutical Corp., 225 F.3d 1306, 1312 (Fed.Cir.2000).

Genesis' Motion for Partial Summary Judgment on inequitable conduct is well taken because Worker Automation has not produced affirmative evidence indicating that Genesis either failed to withhold material evidence or acted with an intent to deceive the PTO. As reviewed above, *supra,* p. 26, the record lacks probative evidence concerning what structures the Preston-Eastin positioners contained or how they operated. Absent such evidence, there is no basis from which to infer that it was substantially likely "that a reasonable examiner would have considered the information important in deciding whether to allow the application to issue as a patent." Elk Corp., 168 F.3d at 31. Consequently, Worker Automation's inequitable conduct defense fails for absence of probative evidence concerning the existence of material prior art.

Relying on Brasseler, U.S.A. I, 267 F.3d 1370 (Fed.Cir.2001), Worker Automation contends, "Where an applicant knows of information the materiality of which may so readily be determined, he or she cannot intentionally avoid learning of its materiality, even through gross negligence; in such cases the district court may find that the applicant should have known of the materiality of the information." (Doc. # 39 at 19). Worker Automation is correct that *Brasseler* supports its statement regarding the materiality analysis. In the instant case, however, given the lack of probative evidence showing the materiality of the Preston-Eastin positioners, or any other positioner, no finder of fact could conclude that Genesis intentionally, or through gross negligence, avoided learning about material prior art. Worker Automation's reliance on *Brasseler* is therefore unavailing.

Accordingly, the record does not include evidence sufficient to make a threshold showing regarding the existence of material information or prior art that Genesis should have reported to the PTO.

3.

Intent

In the context of inequitable conduct, a patent applicant's intent "must generally be inferred from the facts and circumstances surrounding the applicants' overall conduct." Elk Corp., 168 F.3d at 32. "[T]he more material the omission, the less the degree of intent that must be shown to reach the conclusion of inequitable conduct." Elk Corp., 168 F.3d at 32.

Accepting as true the fact that Genesis had the Preston-Eastin brochure in its possession, it is reasonable to infer that Genesis knew about the existence of the Preston-Eastin positioners during the patent application process. This, however, is insufficient to establish Genesis had an intent to deceive the PTO by not disclosing the Preston-Eastin positioners, because the record lacks probative evidence record about the structures the Preston-Eastin positioners contained.

Worker Automation relies in large part on the Preston-Eastin positioner's purported ability to selectively and

independently rotate workpieces. This, however, is a factual allegation without evidentiary support in the record of the instant case, and as a result, it is insufficient to support the conclusion that Genesis intended to deceive the PTO by failing to disclose the existence of the Preston-Eastin positioners. Similarly, as reviewed above, *surpa,* s. IV(C)(5), Worker Automation's assertion that Genesis obtained the '569 patent by emphasizing to the PTO that its invention did not have a cross member within the planar area fails for lack of evidentiary support. Consequently, Worker Automation has not shown that Genesis intended to deceive the PTO with regard to the '569 patent's requirement of devices that selectively and independently rotate workpieces.

Worker Automation lastly contends that Genesis' failure to disclose the Preston-Eastin positioners violated its duty under 37 C .F.R. s. 1.56 and that such conduct is tantamount to inequitable conduct. This contention lacks merit. Section 1.56 states in pertinent part, "Each individual associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the ... [PTO], which includes a duty to disclose to the ... [PTO], all information known to that individual to be material to patentability as defined in this section.... There is no duty to submit information which is not material to the patentability of any existing claim." 37 C.F.R. s. 1.56(a).

Worker Automation's reliance on 37 C.F.R. s. 1.56 lacks merit because it has not cited to case law supporting the proposition that a violation of s. 1.56 is tantamount to inequitable conduct. Similarly, Worker Automation has not cited to case law applying standards under s. 1.56 different than those applicable to showing materiality and intent under the defense of inequitable conduct. Indeed, the only case Worker Automation cites in its analysis of this issue, Brasseler, 267 F.3d 1370 (Fed.Cir.2001), applies the inequitable-conduct standards with no mention of 37 C.F.R. s. 1.56 and no discussion of whether a violation of s. 1.56 is tantamount to inequitable conduct. As a result, Worker Automation's contentions regarding Genesis alleged violation of its duty under s. 1.56 lack merit.

Accordingly, the record lacks evidence sufficient to support a threshold showing of Genesis' alleged intent to deceive the PTO.

4.

Conclusion

Worker Automation has not produced clear and convincing evidence in support of its allegations that Genesis intentionally deceived the PTO by failing to disclose material prior art during the patent application process. Without such evidentiary backing, Worker Automation has not made the threshold showing of materiality and intent necessary to support an inequitable conduct defense. Under these circumstances, it would constitute clear error to exercise judicial discretion by declaring the '569 patent unenforceable based on the defense of inequitable conduct. *See* Key Pharmaceuticals, 161 F.3d at 719 (inequitable conduct does not apply without proof of materiality and intent).

Accordingly, Genesis is entitled to partial summary judgment on Worker Automation's defense inequitable conduct.

IT IS THEREFORE RECOMMENDED THAT:

1. Genesis Systems Group's Motion for Partial Summary Judgment of Literal Infringement (Doc. # 31) be **GRANTED,** and the Court **DECLARE** that each and every element in Claim 1 of United States Patent

Number 5,873,569 patent is found in Worker Automation, Inc.'s accused workpiece positioner known as ARCworker FW in violation of 35 U.S.C. s. 271(a);

2. Genesis Systems Group's Motion for Partial Summary Judgment of No Invalidity (Doc. # 30) be **GRANTED,** and the Court **DECLARE** that United States Patent Number 5,873,569 is not invalid under 35 U.S.C. s.s. 101, 102, and 103;

3. Genesis' Motion for Partial Summary Judgment of No Invalidity under 35 U.S.C. s. 112 (Doc. # 32) be **GRANTED,** and the Court **DECLARE** that United States Patent Number 5,873,569 is not invalid under 35 U.S.C. s. 112; and

4. Genesis' Motion for Partial Summary Judgment of No Enforceability for Inequitable Conduct (Doc. # 33) be **GRANTED,** and the Court **DECLARE** that United States Patent Number 5,873,569 is not unenforceable due to inequitable conduct.

This Judicial Officer notes that the above conclusions only resolve the pending Motions, which did not seek complete resolution of this case. Some issues therefore remain pending such as issues related to damages and to Genesis' claim of willful infringement.

S.D.Ohio,2003.
Worker Automation, Inc. v. Genesis Systems Group