

United States District Court,
S.D. California.

CONTINENTAL LABORATORY PRODUCTS, INC,
Plaintiff.

v.

MEDAX INTERNATIONAL, INC., Alma A. Timpson, Jr., Paul M. Jessop,
Defendants.

No. 97-CV-359 TW JAH

Aug. 12, 1999.

MEMORANDUM OPINION AND ORDER

WHELAN, J.

I. Introduction

Before the court is a motion for summary judgment filed by Defendants Medax International, Inc. and individual Defendants Alma A. Timpson, Jr. and Paul M. Jessop, seeking judgment against Plaintiff's claims for patent infringement, trade dress infringement, and unfair competition. This court has jurisdiction pursuant to 28 U.S.C. s.s. 1331, 1338(a). For the reasons expressed below, the court GRANTS Defendants' motion as to Continental's claims for patent infringement.

II. Background

Medical and research laboratories often perform large numbers of repetitive tests in which scientists must add a precise amount of certain chemical or biological materials to hundreds of test tubes. This process requires injecting the material through a disposable pipette tip that is attached to a pipetting tool. Pipette tips are typically discarded after use.

To facilitate use, disposable pipette tips are sold in trays with the tips arranged for connection with a multi-headed pipetting tool. The trays may be reused by reloading them with pipette tips after an array of tips has been used.

In the past, manufacturers of disposable pipette tips distributed them in large packages with 10 trays of tips per box, each tray holding 96 tips. The trays and packaging were usually discarded after use, producing significant quantities of solid waste. In recent years, research laboratories have sought to reduce this solid waste by developing systems to package and arrange pipette tips to enable laboratory researchers to reuse the trays and to purchase additional pipette tips without incurring the expense of buying additional trays.

A. Plaintiff's Patent

Plaintiff Continental Laboratories, Inc. ("Continental") manufactures and sells biomedical research products. In 1992, inventor Larry G. Scaramella developed an environmentally-friendly and space-efficient pipette tip packaging system. On June 28, 1994, the Patent and Trademark Office awarded Scaramella U.S. Patent No. 5,324,482 ("the '482 Patent"), which was assigned to David A. White, president of Continental.

The '482 Patent, entitled "Pipette Tip Packaging System," teaches an efficient pipette storage and distribution system that cuts down on packaging materials, reduces the amount of solid waste produced, and uses space more efficiently. This litigation involves Defendants' alleged infringement of this patent.

Continental's pipette tip packaging system consists of a box with a lid for access to the interior of the box. (Col.1, lns.27-29). Within the package numerous "holder plates" are arranged, each plate having holes to hold pipette tips. (Col.1, lns.26-33). Numerous holder plates, each filled with pipette tips, are stacked and nested vertically inside the package. (Id.) To facilitate the removal and transfer of the pipette tip-bearing holder plates from the interior of the package, Continental provides a transfer plate. (Col.1, lns.39-45). The plate secures itself atop the holder cards, engages the pipette tip openings, and supports the holder card. (Col.2, lns.13-31).

For example, Continental's esp tm product includes 10 pipette tip holder cards arranged in two separate stacks of five holder cards, with each holder card holding 96 pipette tips. As described in the '482 Patent, the product includes a transfer plate which is the same size as the holder cards and has an array of bumps (called "bosses") protruding from the bottom of the transfer plate which fit into the openings of the pipette tips. The transfer plate includes a latching mechanism which physically connects the transfer plate to the holder card, allowing the user to lift the holder card and transfer it as one unit.

The '482 Patent includes two independent claims and seven dependent claims. Claim one, the first independent claim, teaches a "pipette tip packaging and dispensing system" which includes three elements: (1) a "pipette holder tray," (2) "a plurality of pipette tip holder cards," and (3) "a transfer member for transferring an uppermost card in the stack to the pipette holder tray." (Col.6, lns.4-37). Claim three, the other independent claim, teaches "a pipette tray loading apparatus" which includes two elements: (1) "at least one pipette tip holder card," and (2) a "transfer device for transferring the holder card to a dispensing tray." (Col. 6, ln. 46-68; col. 7, lns. 1-3). Claims one and three are the sole patent claims at issue in this litigation.

B. Defendant's Product

Defendant Medax International, Inc. ("Medax") also manufactures and sells pipette tips which are mounted in holder cards capable of holding 96 tips. The Medax product, like Continental's patented product line, requires the use of a transfer tool to move and align the pipette tips and holder cards. The difference between the two systems is that the Medax system does not contain a latching mechanism or any other physical structure to connect the transfer tool to the holder card. Rather, when one uses the Medax product, he or she physically grasps the transfer tool and the holding card between his or her thumb and forefinger. With the holder card and transfer tool held and connected manually, not mechanically, the user lifts the tool, card and tips out of a stack of cards and then transfers them to an empty tray. The user then lifts the transfer tool off the pipette array. In sum, the only significant difference between the Medax and Continental products is that Medax's product has no latching mechanism to connect the transfer tool to the holder card.

C. The Instant Action

Continental filed its complaint in this action on March 4, 1997, asserting that the Medax product infringes the '482 Patent. The complaint also asserts a claim for trade dress infringement and unfair competition based on allegations that Medax packages and markets its products to confuse customers as to the origin of the products. FN1 On December 30, 1998, Continental filed a first amended complaint adding individual defendants Alma A. Timpson, Jr., President of Medax, and Paul M. Jessop, Vice President and General Manager of Medax.

FN1. The Honorable Judith N. Keep presided over this case from March 1997 until she transferred it to this court on November 9, 1998.

On April 29, 1999 Defendants collectively moved for summary judgment pursuant to Rule 56 of the Federal Rules of Civil Procedure. The motion argues that Continental cannot establish that the Medax product infringes the '482 Patent, either literally or by equivalents. Medax contends that the '482 Patent's claim language and prosecution history establish that the claimed invention requires an actual structure that physically connects the pipette tip holder card to the transfer device. Since its product relies on a user's fingers and hand to secure the holder card to the transfer device and not a physical structure, Medax contends that its product cannot infringe the '482 Patent as a matter of law. FN2 Plaintiff filed its opposition on June 7, 1999 and Defendants filed their reply on June 14, 1999. The court took the motion under submission and issues this order without oral argument pursuant to Civil Local Rule 7.1.d.1.

FN2. Defendants' motion also argues that the Medax product does not infringe Continental's trade dress. The court will address this issue in a separate order.

III. *Legal Standard*

Summary judgment is appropriate when there is no genuine issue as to any material fact, and the moving party is entitled to judgment as a matter of law. *See* FED. R. CIV. P. 56(c); *Celotex Corp. v. Catrett*, 477 U.S. 317, 322, 106 S.Ct. 2548, 2552, 91 L.Ed. 2d 265 (1986). A fact is "material" when, under the governing substantive law, it could affect the outcome of the case. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248, 106 S.Ct. 2505, 2510, 91 L.Ed.2d 202 (1986); *Freeman v. Arpaio*, 125 F.3d 732, 735 (9th Cir.1997). A dispute about a material fact is "genuine" if "the evidence is such that a reasonable jury could return a verdict for the nonmoving party." *Anderson*, 477 U.S. at 248, 106 S.Ct. at 2510.

A party seeking summary judgment always bears the initial burden of establishing the absence of a genuine issue of material fact. *Celotex*, 477 U.S. at 323, 106 S.Ct. at 2553. The moving party can satisfy this burden in two ways: (1) by presenting evidence that negates an essential element of the non-moving party's case or (2) by demonstrating that the nonmoving party failed to make a showing sufficient to establish an element essential to that party's case on which that party will bear the burden of proof at trial. *Id.* at 322-23, 106 S.Ct. at 2552-53. If the moving party fails to discharge this initial burden, summary judgment must be denied and the court need not consider the non-moving party's evidence. *Adickes v. S.H. Kress & Co.*, 398 U.S. 144, 159-60, 90 S.Ct. 1598, 1609-10, 26 L.Ed.2d 142 (1970).

However, once the moving party meets this initial burden, the non-moving party cannot defeat summary judgment by merely demonstrating "that there is some metaphysical doubt as to the material facts." *Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio Corp.*, 475 U.S. 574, 586, 106 S.Ct. 1348, 1356, 89

L.Ed.2d 538 (1986); *Triton Energy Corp. v. Square D Co.*, 68 F.3d 1216, 1221 (9th Cir.1995) (citing *Anderson*, 477 U.S. at 252, 106 S.Ct. at 2512) ("The mere existence of a scintilla of evidence in support of the non-moving party's position is not sufficient."). Rather, the non-moving party must "go beyond the pleadings and by her own affidavits, or by 'the depositions, answers to interrogatories, and admissions on file,' designate 'specific facts showing that there is a genuine issue for trial.'" ' *Celotex*, 477 U.S. at 324, 106 S.Ct. at 2553 (quoting Fed.R.Civ.P. 56(e)).

When making this determination, all inferences drawn from the underlying facts must be viewed in the light most favorable to the party opposing the motion. *See Matsushita Elec. Indus. Co.*, 475 U.S. at 587, 106 S.Ct. at 1356. "Credibility determinations, the weighing of the evidence, and the drawing of legitimate inferences from the facts are jury functions, not those of a judge, [when] he [or she] is ruling on a motion for summary judgment." *Anderson*, 477 U.S. at 255, 106 S.Ct. at 2513.

Rule 56(a) and (b) provide for "summary adjudication of claims," also called "partial summary judgment." Partial summary judgment is appropriate when, employing the standards articulated above, no genuine issue of material fact exists as to a particular claim. When there is no such issue of fact, the court may grant summary judgment in the party's favor "upon all or any part" of a claim. Fed.R.Civ.P. 56(a), (b).

IV. Discussion

A. Plaintiff's Request to Strike Defendants' Motion for Summary Judgment

Continental first argues that the court should strike the instant motion for summary judgment because the motion presents the same arguments Defendants asserted in a motion filed on May 15, 1998 and denied by the court on July 6, 1998. Continental contends that Defendants' motion is actually a disguised motion for reconsideration that fails to set forth any new facts or circumstances that justify reconsidering the previous order. In essence, Continental argues that "law of the case" should preclude the court from passing on issues of claim construction.

Revisiting the issue of claim construction is appropriate for two reasons. First, both sides have extensively briefed claim construction in their memoranda and have presented arguments they did not present at the time the court issued its previous order. Plaintiff's opposition to Defendants' motion for summary judgment, for example, presents an interpretation of independent claim three that it did not present in any previous motion. None of the previous orders issued in this matter provide the comprehensive construction of the disputed claim language this court must provide under *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed.Cir.1995) (en banc), *aff'd*. 517 U.S. 370, 116 S.Ct. 1384, 134 L.Ed.2d 577 (1996). This case has been pending for well over two years; comprehensive and definitive claim construction is long overdue.

Second, the court notes that, to the extent "law of the case" is applicable, it "merely expresses the practice of [a] court[] generally to refuse to reopen what has been decided." *Christianson v. Colt Indus. Operating Corp.*, 486 U.S. 800, 817, 197 S.Ct. 2166, 2178, 199 L.Ed.2d 811 (1988) (quoting *Messinger v. Anderson*, 225 U.S. 436, 444, 32 S.Ct. 739, 740, 56 L.Ed. 1152 (1912)) (Holmes, J.). It is not a limit to the court's power. *Id.*; *Capital Investors Co. v. Executors of Morrison's Estate*, 584 F.2d 652, 654 (4th Cir.1978) ("The principle [of law of the case] is not absolute nor inflexible."). The court retains authority, both under Rule 54(b) and through its inherent power, to revise interim or interlocutory orders any time before judgment, including orders denying motions for summary judgment. *See, e.g.*, Fed.R.Civ.P. 54(b) (any order not certified under as a final judgment which adjudicates fewer than all the claims as to all the parties "is subject to revision at any time before the entry of [final] judgment"); *Balla v. Idaho State Bd. of Corrections*,

869 F.2d 461, 465 (9th Cir.1989) ("Courts have inherent power to modify their interlocutory orders before entering a final judgment."); *Curran v. Kwon*, 153 F.3d 481, 487 (7th Cir.1998) ("When a district judge is presented with additional evidence, therefore, he is free to revisit a denial of summary judgment."). Thus, even assuming the court's previous orders resolved the issue of claim construction, the doctrine of "law of the case" would not preclude this court from revisiting the issue, especially where, as here, the parties have extensively rebriefed the issue and have presented arguments they did not present at the time the court issued its previous orders.

Accordingly, in its discretion and pursuant to Civil Local Rule 1.1.d, the court hereby waives the applicability of Local Rule 7.1.i and will pass on the merits of Defendants' motion for summary judgment. To the extent previous orders entered in this case conflict with the claim construction provided by this order, those orders are VACATED.

B. Patent Infringement of the '482 Patent

It is unlawful to make, use, offer to sell or sell any patented technology within the United States during a term of the patent without authorization from the patent owner. 35 U.S.C. s. 271(a). Determining whether a patent claim has been infringed requires a two-step analysis. First, the court must interpret the disputed claim language and determine its scope and meaning, a process known as "claim construction," a pure question of law for the court. *Markman*, 52 F.3d at 979.

In *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576 (Fed.Cir.1996), the Federal Circuit established a hierarchy of sources to review in construing patent claims. From most to least important, the court must consider (1) the claim language itself; (2) the specification of the patent; and (3) the prosecution history. *Id.* at 1582. The court may also consider extrinsic evidence, such as expert testimony, dictionaries, and technical treatises and articles. *Id.* at 1584. Extrinsic evidence, however, may not be used to arrive at a construction clearly contradicted by a patent's claim language or specification. *Id.* at 1583 (if intrinsic evidence "unambiguously describes the scope of the patented invention, reliance on any extrinsic evidence is improper"); *accord Bell & Howell Document Management Prod. Co. v. Altek Sys.*, 132 F.3d 701, 706 (Fed.Cir.1997); *Key Pharms. v. Hercon Labs. Corp.*, 161 F.3d 709, 716 (Fed.Cir.1998). A district court may construe disputed patent language on summary judgment where the parties have extensively briefed the issue and construing the claim is inevitable to the disposition of the motion. *Voice Techs. Group, Inc. v. VMC Sys., Inc.*, 164 F.3d 605, 612 (Fed.Cir.1999); *Mediacom Corp. v. Rates Tech., Inc.*, 4 F.Supp.2d 17, 22-23 (D.Mass.1998) ("the Rule 56 summary judgment motion is a perfectly appropriate vehicle in which to conduct a *Markman* hearing.").

Second, the court must compare the properly construed claims to the device accused of infringing. *Id.* at 976. A product infringes if each and every limitation of the properly interpreted claim is found in the accused product. *Transmatic, Inc. v. Gulton Indus.*, 53 F.3d 1270, 1277 (Fed.Cir.1995). Although infringement is generally a question for the trier of fact, when the material facts are not in dispute the question of infringement collapses into the issue of claim construction and thus becomes amenable to summary judgment. *Athletic Alternatives, Inc. v. Prince Mfg. Inc.*, 73 F.3d 1573, 1578 (Fed.Cir.1996); *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 39 n. 8, 117 S.Ct. 1040, 1053 n. 8, 137 L.Ed.2d 146 (1997) ("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.").

1. Claim 1 of the '482 Patent

Independent claim one of the '482 Patent teaches "[a] pipette tip packaging and dispensing system" that comprises, in pertinent part:

a pipette holder tray having a base wall, side walls and a top wall, the top wall having a number of pipette tip openings for receiving a set of pipette tips in an upright orientation reads for dispensing to a pipette device;

a plurality of pipette tip holder cards ...; and

a transfer member for transferring an uppermost card in the stack to the pipette holder tray so that the openings in the holder tray and the card rests on the upper wall of the tray, *the transfer member having a latching mechanism for releasably securing the transfer member to a holder card as the card is transferred from the stack to a holder tray ...*

(Col.6, Ins.4-28). Thus, the invention disclosed in claim one consists of (1) a pipette holder tray, (2) one or more pipette tip holder cards, and (3) a transfer member. Defendants concede that their product satisfies every element of claim one with the exception of the "latching mechanism" that is part of the transfer member. (*See* Defs.' Mem. P. & A. Supp. Mot. Summ. J. at 11:16-18).

The language of claim one affirmatively requires the "transfer member" to have a "latching mechanism." The claim plainly states that the latching mechanism must secure the transfer member to the pipette tip holder card as the card is being transferred to the holder tray. Continental does not contest either of these findings. (*See* Pl.'s P. & A. Opp'n. Defs.' Mot. Summ. J. at 5 (conceding that the "latching mechanism" within claim one recites a physical latching structure)).

Moving to the infringement analysis, it is undisputed that the Defendants' products contain no latching mechanism or any other physical structure for holding the transfer member to the holder card. Defendants' products rely on the user's hands and fingers to hold the transfer member and the holder card together during transfer. It is well-established that "[p]atent claims do not cover structures in which a human being substitutes for a part of the claimed structure." *Davies v. United States*, 31 Fed. Cl. 769, 778-79, 35 U.S.P.Q.2d 1027 (Ct.Cl.1994) (citing *Brown v. Davis*, 116 U.S. 237, 249, 6 S.Ct. 379, 385, 29 L.Ed. 659 (1886)); *Clintec Nutrition Co. v. Baxa Corp.*, 988 F.Supp. 1109, 1115-16 (N.D.Ill.1997). Since the accused products rely on human hands and fingers and do not contain any structure remotely resembling a "latching mechanism," they lack at least one essential of claim one. Infringement, either literally or under the doctrine of equivalents, cannot be established. FN3 Accordingly, the court GRANTS Defendants' motion for summary judgment as to independent claim one and dependent claim two. FN4

FN3. Continental's memorandum in opposition relies on inventor testimony offered by Mr. David White, President of Continental. (*See* Pl.'s Mem. P. & A. Opp'n. Defs.' Mot. Summ. J. at 17:11-21). While inventor testimony may aid the court in understanding the invention or the underlying technology, the court may not rely on it to vary the meaning of the patent claims from their meaning at the time the patent was filed and granted. *Voice Techs. Group, Inc. v. VMC Sys., Inc.*, 164 F.3d 605, 615 (Fed.Cir.1999). In addition, the court may not rely on inventor testimony or other extrinsic evidence where the intrinsic evidence is unambiguous. *Bell & Howell Document Management Prod. Co. v. Altek Sys.*, 132 F.3d 701, 706 (Fed.Cir.1997). Since the court finds claim one clear on its face as to the requirement of a physical "latching mechanism," the court will not consider Mr. White's declaration or any other extrinsic evidence offered by Continental to construe this claim. *Vitronics Corp.*, 90 F.3d at 1584.

FN4. The parties did not address whether the "latching mechanism" of claim one constitutes a "means plus function" claim element invoking the requirements of 35 U.S.C. s. 112 para. 6. The court need not reach this issue since it is undisputed that the Defendants' products lack a latching mechanism or any other equivalent structure for fastening the transfer member to the holder card. Defendants' products thus do not infringe claim one even if "latching mechanism" could be construed to recite a means plus function element.

2. Claim 3 of the '482 Patent

The second independent claim at issue, claim three, teaches a pipette tray loading apparatus. Like claim one, claim three includes a device for transferring a pipette holder card to a dispensing tray. Claim three, however, does not explicitly require a "latching mechanism" to fasten the holder card to the transfer device. It instead requires a "*card holding means* for releasably engaging and holding the pipette holder card in a transfer position ..." (Col.6, lns.54-56). Properly construing this language requires the court to analyze the claim under a special set of rules applicable to "means plus function" claim elements.

a. Means Plus Function Patent Claims

The Patent Act of 1952 included, as the last paragraph of Section 112 (at that time the third paragraph) the following provision:

An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.

35 U.S.C. s. 112 para. 6 (hereinafter " s. 112 para. 6" or "paragraph six"). Congress enacted this statute to encourage inventors to describe claim elements in functional terms to avoid having to provide an exhaustive list of all possible structures that might be used to perform a specific function. *O.I. Corp. v. Tekmar Co., Inc.*, 115 F.3d 1576, 1583 (Fed.Cir.1997); *Chiuminatta Concrete Concepts, Inc. v. Cardinal Indus., Inc.*, 145 F.3d 1303, 1308 (Fed.Cir.1998) ("[T]he 'means' term in a means-plus-function limitation is essentially a generic reference for the corresponding structure disclosed in the specification."). An inventor who chooses to employ the convenience of this statute has an affirmative duty to *clearly* link the function described in the claim with at least one "corresponding structure" in the specification. *See, e.g.*, *B. Braun Med., Inc. v. Abbott Lab.*, 124 F.3d 1419, 1424-25 (Fed.Cir.1997) (holding that "structure disclosed in the specification is 'corresponding' structure only if the specification or prosecution history clearly links or associates that structure to the function recited in the claim."); *In re Donaldson Co.*, 16 F.3d 1189, 1195 (Fed.Cir.1994) (en banc) ("Although paragraph six statutorily provides that one may use means-plus-function language in a claim, one is still subject to the requirement that a claim 'particularly point out and distinctly claim' the invention."). "This duty to link or associate structure to function is the *quid pro quo* for the convenience of employing s. 112, para. 6." *B. Braun Medical, Inc.*, 124 F.3d at 1425.

The inventor must also accept the statute's significant limitation on the scope of a means plus function element; the court will construe the element to cover only the disclosed corresponding structure or material and "equivalents thereof." 35 U.S.C. s. 112 para. 6. Thus, when construing a "means plus function" element, the court must first "look to the patent specification to determine the 'corresponding structure' that performs

the claimed function," then construe the claim "to cover that corresponding structure as well as 'equivalents thereof.'" *Smiths Indus. Med. Sys., Inc. v. Vital Signs, Inc.*, 183 F.3d 1347, 1357 (Fed.Cir.1999).

Continental argues that a means plus function claim is not limited to corresponding "structure[s]" or "material[s]" disclosed in the specification. It insists that a means plus function claim can also cover any disclosed "acts" that perform the identified function. (*See* Pl.'s Mem. P. & A. Opp'n. Defs.' Mot. Summ. J. at 8:12-21). The Federal Circuit foreclosed this argument in *O.I. Corp. v. Tekmar Co., Inc.*, *supra*, where the court explained:

The statute of course uses terms that might be viewed as having a similar meaning, namely, steps and acts. It refers to means and steps, which must be supported by structure, material, or acts. It does not state which goes with which. The word "means" clearly refers to the generic description of an apparatus element, and the implementation of such a concept is obviously by structure or material ... *In this paragraph, structure and material go with means, acts go with steps.*

115 F.3d at 1582-83 (emphasis added). Thus, "means" for purposes of s. 112 para. 6 covers corresponding *structures and materials* disclosed in the specification- *not acts. Id.*

Continental's construction of paragraph six not only conflicts with controlling case law, but would eliminate the distinction between "means" and "step" plus function claim elements and render superfluous the statutory provision authorizing "step" claim elements. *See, e.g., Pennsylvania Dept. of Public Welfare v. Davenport*, 495 U.S. 552, 562, 110 S.Ct. 2126, 2133, 109 L.Ed.2d 588 (1990) (noting the "deep reluctance" to interpret statutory provisions "so as to render superfluous other provisions in the same enactment"); *Connecticut Nat. Bank v. Germain*, 503 U.S. 249, 253, 112 S.Ct. 1146, 1149, 117 L.Ed.2d 391 (1992) (noting that courts generally "disfavor interpretations of statutes that render language superfluous.").

Finally, Continental's argument conflicts with the well-established rule that a claim requiring specific structure is not infringed by an accused device that substitutes the structure with an act performed by a human being. The Supreme Court first articulated this rule in *Brown v. Davis*, 116 U.S. 237, 6 S.Ct. 379, 29 L.Ed. 659 (1886), a case involving grain drills. The patented grain drills were pushed by a structural mechanism that included a suitably configured lever and rod assembly. The accused device, however, had no lever and required the user to push the rod by hand. The Supreme Court rejected plaintiff's infringement claim, holding that "dispensing with a lever, and using instead the human hand is not the use of an equivalent." *Id.* at 249, 6 S.Ct. at 386. Subsequent decisions have applied the holding of *Brown* to means plus function claim elements and have found noninfringement where an accused product lacks structure for performing the function recited by a means plus function element. *Davies v. United States*, 31 Fed. Cl. 769, 778-79, 35 U.S.P.Q.2d 1027 (Ct.Cl.1994) (finding noninfringement of means plus function claim where no structure in the accused device performed the same function as the structure claimed in the patent and noting: "[p]atent claims do not cover structures in which a human being substitutes for a part of the claimed structure."); *Application of Prater*, 415 F.2d 1393, 1406 (C.C.P.A.1969) (observing that typical means plus function language "does not encompass the human being as the 'means' or any part thereof."); *FN5 Clintec Nutrition Co. v. Baxa Corp.*, 988 F.Supp. 1109, 1115-16 (N.D.Ill.1997) (same). Accordingly, the court rejects all arguments appearing in Continental's brief which rely on its contrary construction of paragraph six. (*See* Pl.'s Mem. P. & A. Opp'n. Defs.' Mot. Summ. J. at 3:13-16, 3:26-28, 5:28-6:2, 8:12-14, 8:18-20, 10:1-2).

FN5. Decisions from the Court of Customs and Patent Appeals (CCPA), such as *Prater*, are binding on the

Federal Circuit and this court. *See* South Corp. v. United States, 690 F.2d 1368, 1370-71 (Fed.Cir.1982) (en banc).

Having articulated the legal principles applicable to construction of a means plus function claim element, the court next applies them to claim three.

b. Application of "Means Plus Function" to Claim 3

i. Claim Construction

Independent claim three teaches "[a] pipette tip tray loading apparatus," that comprises, in pertinent part:

at least one pipette tip holder card having a plurality of pipette tip openings dimensioned and positioned to match the dimensions and positions of openings in an upper wall of a pipette tip dispensing tray, the pipette tip openings holding pipette tips projecting partially through the openings at a location intermediate the ends of the tips; and

a transfer device for transferring the holder card to a dispensing tray, the transfer device including card holding means for releasably engaging and holding the card in a transfer position, and alignment means for holding pipette tips in the holder card in an upright vertical orientation in the transfer position of said transfer device ...

(Col.6, lns.46-60) (emphasis added). To summarize, claim three teaches a pipette tip tray loading apparatus that consists of two elements: (1) one or more holder cards, and (2) a transfer device. The parties agree as to the construction of every element of this claim except the "card holding means" included as part of the transfer device. The court therefore confines its analysis to the construction of the phrase: "transfer device including card holding means for releasably engaging and holding the card in a transfer position." (Col.6, lns.55-57).

Continental argues that this language recites a "means plus function" claim element because claim three does not recite a definite structure capable of engaging and holding a pipette holder card as it is being transferred to a dispensing tray. *Cole v. Kimberly Clark Corp.*, 102 F.3d 524, 531 (Fed.Cir.1996). Medax does not dispute this contention, and the court agrees. The court holds that "card holding means" recites a means plus function claim element that triggers s. 112 para. 6. To properly construe this claim element, therefore, the court must (1) analyze the function served by the "card holding means," and then (2) identify the structures in the specification that correspond to that function. *See, e.g., Khan v. General Motors Corp.*, 135 F.3d 1472, 1476 (Fed.Cir.1998).

Claim three states that the "transfer device" includes a "card holding means" which functions to "releasably engag[e] and hold[] the [pipette holder] card in a transfer position." This language reveals that the "card holding means" is part of the transfer device. The elements "engaging" and "holding," when used together, contemplate releasably attaching the transfer device to the pipette holder card. The "transfer position" element contemplates maintaining the transfer device and holder card, once attached, in an orientation that facilitates transfer to a dispensing tray. The court therefore finds that the function of the "card holding means" is to releasably attach the transfer device to the holder card and to maintain both in a physical orientation facilitating transfer to a dispensing tray.

The specification associates a definite structure with this function; it describes "a releasable latching mechanism ... between the transfer plate and holder plate so that they can be lifted together as one unit," this latching mechanism "compris[ing] a latch pin projecting from the transfer plate for releasable latching engagement in a corresponding latch opening provided in all the holder plates." (Col.2, lns.8-12). The specification does not link or associate any other structure to the function of attaching the transfer device to the pipette tip holder card. Since the latch pin is the only corresponding structure disclosed in the specification, the court construes the claim element "card holding means" to cover a releasable latch pin and "equivalents thereof." 35 U.S.C. s. 112 para. 6.

This construction of "card holding means" derives additional support from the '482 Patent's prosecution history. Original claim twelve, the predecessor to claim three at issue here, FN6 did not include any language reciting a "latching mechanism" or "card holding means." On May 12, 1993, the patent examiner rejected original claim twelve in light of U.S. Patent No. 4,349,109 issued to Emil A. Scordato and explained that the claim was either anticipated by or obvious in light of Scordato. (*See* Defs.' Exh. 17, at 49-50). On October 12, 1993, the inventor responded with a 16-page memorandum containing various arguments for allowance, providing amended claims that, once again, did not recite a latching mechanism, a card holding means, or any other structure for attaching the transfer device to the pipette holder card. (*See* *id.* at 57-60). On December 8, 1993, the examiner conducted an interview with the inventor and subsequently summarized the interview, in his own handwriting, as follows:

FN6. In February 1993, the Patent Office issued a restriction indicating that claims one through eight in the initial application disclosed an invention distinct from claims nine through fourteen. (*See* Defs.' Exh. 17, at 40). The inventor subsequently elected to cancel claims one through eight and proceed with claims nine through fourteen. (*Id.* at 44).

Discussed inclusion of a positive recitation of pipette tips in the claims as well as a *limitation on the independent claims* directed to a *means for releasably securing the transfer member to the holder card* upon transfer of the card to the dispensing tray *to define over the art*.

(*See* *id.* at 73) (emphasis added). The two independent claims were subsequently amended to recite a limitation for attaching the transfer tool to the pipette tip holder card. After a "*latching mechanism*" was added to the claim that became claim one and a "*card holding means*" was added to the claim that became claim three, the examiner allowed both claims. In the Statement of Reasons for Allowance, the examiner explained:

The prior art fails to teach or render obvious a pipette tip packaging and dispensing system comprising a pipette tip holder tray, a plurality of pipette tip holder cards holding a set of pipette tips and a transfer member for transferring an uppermost card *having latching mechanism or card holding means for releasably securing the transfer member to a holder card as the card is transferred from the stack to a holder tray*.

(*See* *id.* at 75). Review of the patent examiner's interview summary, the Statement of Reasons for Allowance, the differences between the initial and issued claims, and the manner in which the two independent claims were amended confirm that claim three's "card holding means" was (1) necessary to secure allowance for the claim and (2) intended as a broader means plus function variant of the "latching mechanism" recited in claim one.

ii. Infringement

To meet a means plus function limitation, "an accused device must (1) perform the identical function recited in the means limitation and (2) perform that function using the structure disclosed in the specification or an equivalent structure." *Carroll Touch, Inc. v. Electro Mechanical Sys., Inc.*, 15 F.3d 1573, 1578 (Fed.Cir.1993).

It is undisputed that the transfer device included with Defendants' products has never included any structure for attaching the transfer device to the pipette holder card. Defendants' transfer device does not directly engage or attach to the holder card; it only indirectly connects through the pipette tips. It relies entirely on the user to hold both the transfer device *and* the holder card with his or her fingers during transfer. If a user attached the Defendants' transfer device to the pipette tips of a loaded holder card and lifted only the transfer device, the holder card would never make it to the dispensing tray; the transfer device would immediately disconnect from the pipette tips. Therefore, the accused product cannot infringe because its "card holding means" is a human hand. *E.g.*, *Prater*, 415 F.2d at 1406.

Continental has failed to identify any structure of the accused product that is, or remotely functions as, a card holding means.FN7 The accused product therefore lacks at least one element of claim three. Infringement, directly or under the doctrine of equivalents,FN8 cannot be established. Accordingly, the court GRANTS Defendants' motion for summary judgment as to independent claim three and dependent claims four, five, six, seven, eight, and nine, all of which depend directly or indirectly on claim three.

FN7. As with claim one, Continental offers inventor testimony to argue that claim three should be broadly construed beyond the latching mechanism disclosed in the specification. The court cannot consider this evidence for the reasons stated in footnote 3.

FN8. The Federal Circuit has admonished courts that the word "equivalents" within s. 112 para. 6 should not be confused with the "doctrine of equivalents" used to determine whether an accused product infringes a claimed invention. *In re Donaldson Co., Inc.*, 16 F.3d 1189, 1195 n. 8 (Fed.Cir.1994). The two tests of equivalency are, however, related. *Warner-Jenkinson Co., Inc. v. Hilton Davis Chem, Co.*, 520 U.S. 17, 28, 117 S.Ct. 1040, 1048, 137 L.Ed.2d 146 (1997); *Chiuminatta Concrete Concepts, Inc. v. Cardinal Indus., Inc.*, 145 F.3d 1303, 1310 (Fed.Cir.1998). The distinction between the two has no significance here because Defendants' products lack any structure performing the "card holding" function. Continental could not establish infringement under any theory of equivalence.

c. Continental's Arguments

Continental's memorandum in opposition to Defendants' motion for summary judgment presents three main arguments to support its position that the court must construe "card holding means" in claim three to cover much more than the disclosed latching mechanism. First, Continental argues that claim three's "card holding means" claim element covers any disclosed structure physically capable of performing the function of securing the pipette holder card. Second, Continental contends that the doctrine of "claim differentiation" requires a broad construction of "card holding means" because a latching mechanism is specifically disclosed in a claim dependent on claim three. Third, Continental contends the specification clearly establishes that the "latching mechanism" was a mere preferred embodiment that cannot be construed as a limitation to claim three. For the reasons set forth below, the court finds that all three of these arguments lack merit.

i. Coverage of "Card Holding Means"

As its first argument, Continental argues: "Card holding means covers *any* disclosed structure, material or acts *allowing* the function of releasably engaging and holding the card in a transfer position, or its equivalent." (*See* Pl.'s P. & A. Opp'n. Defs.' Mot. Summ. J. at 8:18-20 (emphasis in original)). Continental appears to argue that a means plus function claim element covers any structure, disclosed in the specification, that can conceivably be used to carry out the function recited in the claim. As a related argument, Continental asserts that "card holding means" covers not just the associated latching mechanism disclosed in the specification, but the "plurality of bosses" attached to the transfer device that maintain the pipette tips' vertical orientation during transfer. (*See* Pl.'s Mem. P. & A. Opp'n. Mot. Summ. J. at 7:22-24).

These arguments are without merit. As discussed previously, a disclosed structure is not "corresponding" within the meaning of 35 U.S.C. s. 112 para. 6 unless "the specification or prosecution history clearly links or associates the structure with the function recited in the claim." *B.Braun Med., Inc.*, 124 F.3d at 1424; *Kahn*, 135 F.3d at 1476. Paragraph six does not permit an inventor to expand the scope of its means plus function claim element by connecting the recited function, after-the-fact, with every other structure disclosed in the specification. Here, the only definite structure the specification and prosecution history associate with the function of attaching the transfer device to the pipette holder card is the releasable latch pin. As for the rows of bosses extending from the transfer device, they are the corresponding structure for the "alignment means" in claim three. (Col. 1, lns. 42-47; col. 6, lns. 57-59). The sole purpose disclosed in the specification for the bosses is to "maintain the pipette tips in a vertical orientation" during transfer. (Col.1, lns.42-47). Nothing in the specification or prosecution history suggests that the bosses can-without the aid of human fingers-perform the dual role of maintaining the pipette tips' vertical orientation *and* securing the transfer device to the holder card during transfer. This lack of association between the "card holding means" and the bosses precludes the bosses from serving as a corresponding structure under s. 112 para. 6. *FN9 Chiuminatta*, 145 F.3d at 1308-09.

FN9. Even assuming the bosses constituted a "corresponding structure" for the "card holding means," there could be no infringement unless the bosses on Defendants' product "perform[ed] the identical function recited in the means limitation," *Carroll Touch, Inc. v. Electro Mechanical Sys., Inc.*, 15 F.3d 1573, 1578 (Fed.Cir.1993), in this case securing the pipette holder card to the transfer device during transfer. It is undisputed that the bosses on the Medax product do not engage the pipette holder card and cannot physically hold it during transfer; the user must grasp the holder card with his or her fingers or the card will fall to the ground. If a user connected the bosses on the Medax transfer device to the pipette tips on a loaded holder card and lifted only the transfer device, the pipette tips would disconnect from the bosses.

ii. Continental's "Claim Differentiation" Argument

As its second argument, Continental contends that the doctrine of "claim differentiation" requires a broad reading of the "card holding means" recited in claim three. Continental observes that the fifth claim, which depends on the third, specifically recites that the card holding means comprises "releasable latching means for releasably latching the alignment plate ..." (Col.7, lns.15-16). Continental contends that the judicial doctrine of "claim differentiation," which provides that a limitation recited in a dependent claim cannot be read into an independent claim, requires a construction of claim three's "card holding means" broader than the "releasable latching means" recited in claim five. To do otherwise, Continental contends, would impermissibly render claim five superfluous. (*See* Pl.'s Mem. P. & A. Opp'n. Defs.' Mot. Summ. J. at 10:7-

The Federal Circuit rejected a similar argument in *Laitram Corp. v. Rexnord, Inc.*, 939 F.2d 1533 (Fed.Cir.1991). The patent claim at issue in *Laitram* defined a "means for joining." A dependent claim, not at issue, defined a structure of the "means for joining" similar to a structure disclosed in the specification. The patent owner argued that the doctrine of claim differentiation prevented the structure recited in the dependent claim from being read into the independent claim. The Federal Circuit rejected this argument, noting at the outset that the doctrine of claim differentiation "is a guide, not a rigid rule." *Id.* at 1538. The court went on to hold that application of claim differentiation was inappropriate where it conflicted with s. 112 para. 6:

Simply stated, the judicially developed guide to claim interpretation known as "claim differentiation" cannot override [35 U.S.C. s. 112 para. 6]. A means-plus-function limitation is not made open-ended by the presence of another claim specifically claiming the disclosed structure which underlies the means clause or an equivalent of that structure. If [plaintiff's] argument were adopted, it would provide a convenient way of avoiding the express mandate of section 112(6). We hold that one cannot escape that mandate by merely adding a claim or claims specifically reciting such structure or structures.

Id. In other words, a party may not invoke claim differentiation to circumvent the operation of paragraph six by relying on a dependent claim that merely repeats the "corresponding structure" disclosed in the specification. The doctrine of claim differentiation cannot impede the operation of paragraph six, even where the statute mandates a construction that renders a dependent claim superfluous. *Id.*

Proper construction of claim three under s. 112 para. 6 may render claim five superfluous. The latching structure disclosed in the specification is the only structure that could correspond to claim three's "card holding means" and claim five's "latching means." Since there is only one corresponding structure disclosed in the specification, claim differentiation provides no basis to broaden the means plus function element in claim three. *C.R. Bard, Inc. v. M3 Sys., Inc.*, 157 F.3d 1340, 1363-64 (Fed.Cir.1998).

iii. Continental's "Preferred Embodiment" Argument

As its final argument, Continental argues that the "latching mechanism" disclosed in the specification of the '482 Patent was "only a preferred embodiment." It insists that "[a]s a matter of law, claims are not limited to a single embodiment and it is legal error to hold otherwise." (*See* Pl.'s Mem. P. & A. Opp'n. Defs.' Mot. Summ. J. at 6:2-25).

It is well-established that "[r]eferences to a preferred embodiment, such as those often present in a specification, are not claim limitations." *Laitram Corp. v. Cambridge Wire Cloth Co.*, 863 F.2d 855, 865 (Fed.Cir.1988). As a matter of claim construction, "the specification may aid the court in interpreting the meaning of disputed claim language," but "particular embodiments and examples appearing in the specification will not generally be read into the claims." *Comark Communications, Inc. v. Harris Corp.*, 156 F.3d 1182, 1187 (Fed.Cir.1998); *Sport Squeeze, Inc. v. Pro-Innovative Concepts, Inc.*, No. 97-CV-115 TW (JFS), 1999 WL 395328, at *4-5 (S.D.Cal. Apr. 1, 1999) (same). However, this rule has a more limited application to claims containing means plus function elements. As the Federal Circuit recently observed:

Although patentees are not necessarily limited to their preferred embodiment ... interpretation of a means-plus-function element requires this court to consult the structure disclosed in the specification, which often,

as in this case, describes little more than the preferred embodiment.

Signtech USA, Ltd. v. Vutek, Inc., 174 F.3d 1352, 1356 (Fed.Cir.1999) (citation omitted); *accord* Khan, 135 F.3d at 1476 (noting that means plus function elements are "[u]nlike the ordinary situation in which claims may not be limited by functions or elements disclosed in the specification"). A disclosed preferred embodiment *may* constitute the structure corresponding to a means plus function element; when the preferred embodiment is the *only* corresponding structure disclosed in the specification, the court will limit the means plus function element to cover the preferred embodiment and its "equivalents thereof." 35 U.S.C. s. 112 para. 6.

Here, Continental correctly observes that the specification consistently refers to the latching mechanism and latch pin as a "preferred embodiment" of the invention. (Col. 3, lns. 58-61, 66-68; col. 4, lns. 1-15). Continental points to the '482 Patent specification's "Summary of the Invention," which reads in pertinent part:

As a preferred embodiment of the invention, a releasable latching mechanism is provided between the transfer plate so that they can be lifted together as one unit. The latching mechanism may comprise a latch pin from the transfer plate for releasable latching engagement in a corresponding latch opening provided in all the holder plates.

(Col.2, lns.5-12) (emphasis added). Continental emphasizes the prepositional phrase, "[a]s a preferred embodiment of the invention" and the admonition that the latching mechanism "may" comprise a latch pin. These statements do not persuade the court to depart from its previous construction of claim three. Continental cannot evade the requirements of s. 112 para. 6 by characterizing the only corresponding structure described in the specification as a mere preferred embodiment any more than it can rely on the doctrine of claim differentiation by repeating the corresponding structure within a dependent claim. *See* Laitram, 939 F.2d at 1538. Where, as here, the preferred embodiment is the only corresponding structure described in the specification, the inventor's attempt to portray it as a "mere preferred embodiment" will not expand the coverage of a means plus function element beyond that embodiment and its equivalents.

The prosecution history of the '482 Patent further erodes Continental's reliance on the "preferred embodiment" admonitions in the specification. The specification for the '482 Patent was never changed, even one word, between the initial patent application filed in 1992 and the issuance of the '482 Patent in 1994. (*Compare* Defs.' Exh. 17, at 15-18 (specification for initial application) *with* col. 1, lns. 22-col. 2, lns. 1-41 (specification for issued patent)). The original claim twelve filed with the 1992 application-the predecessor to claim three at issue here-did not contain a "card holding means" restriction. (*See* Defs.' Exh. 17, at 15-18). The inventor added that limitation to gain allowance for the claim after the patent office rejected it, (*see* Defs.' Exh. 17, at 73 & 75), but did not make any change to the specification. At the time the inventor filed the 1992 application, the disclosed latching mechanism probably *was* merely a preferred embodiment of the invention. However, once the inventor added a means plus function element to the claim and failed to add any other corresponding structures to the specification, he limited the claim to the preferred embodiment and its equivalents.

C. Order to Show Case re: Trade Dress Motion

On April 26, 1999 Continental filed a motion for partial summary judgment, seeking to establish, as a matter of law, that Defendants' products infringe Continental's trade dress. The motion asserted that evidence

suggesting that the Defendants deliberately copied Continental's product design was sufficient to establish trade dress infringement on summary judgment.

On July 14, 1999, this court issued an order denying Continental's motion in its entirety. In its order, the court on several occasions noted that (1) Continental's motion either ignored or mischaracterized controlling Ninth Circuit authority, and in fact (2) relied on a legal position directly contradicted by controlling case law. In a footnote, the court indicated that it was "surprise[d]" with the manner in which Continental's motion misconstrued controlling Ninth Circuit authority, and indicated that it would address that issue in an upcoming order. (*See* Order Denying Plaintiff's Motion for Summary Judgment re: Trade Dress Claim ("July 14 Order") at 7 n. 4). The court addresses this issue here.

Under the rules of practice applicable in federal court and the courts of virtually every state, an attorney may not knowingly fail to disclose controlling authority directly adverse to the position it advocates. *See, e.g.,* Cal. Rules Prof. Conduct, Rule 5-200(B) (counsel shall not mislead the court regarding the facts or law); ABA Model Code Prof. Responsibility, DR 7-106(B)(1) (lawyer shall disclose to the court legal authority in the controlling jurisdiction known to him to be directly adverse to the position of his client and which is not disclosed by opposing counsel); ABA Model Rules Prof. Conduct, Rule 3.3 (lawyer shall not knowingly fail to disclose to the tribunal legal authority in the controlling jurisdiction known to the lawyer to be directly adverse to the position of the client and not disclosed by opposing counsel).FN10 The Ninth Circuit has observed that this rule "is an important one, especially in the district courts, where its faithful observance by attorneys assures that judges are not the victims of lawyers hiding the legal ball." *Transamerica Leasing, Inc v. Compania Anonima Venezolana de Navegacion*, 93 F.3d 675, 675-76 (9th Cir.1996). Ensuring candor toward the tribunal is even more important in intellectual property cases, where attorneys may be tempted to exploit the perceived technical naivete of the federal courts.

FN10. The Ninth Circuit has held that federal courts need not apply state law as it relates to attorney conduct and discipline. *Unified Sewerage Agency of Washington County, Or. v. Jelco Inc.*, 646 F.2d 1339, 1342 n. 1 (9th Cir.1981). Civil Local Rule 83.4.b provides, however, that attorneys shall follow the California Rules of Professional Conduct and, where relevant, the ABA's Code of Professional Responsibility. For purposes of this order, the court need not determine precisely which ethical standard applies. As stated in the text, knowingly failing to disclose controlling and directly adverse authority violates the ethical rules under California law and both sets of rules promulgated by the ABA.

Time and time again, courts have approved disciplinary action against attorneys who knowingly fail to disclose controlling authority. *See, e.g.,* *Southern Pacific Transp. Co. v. Public Utilities Comm'n. of State of Cal.*, 716 F.2d 1285, 1291 (9th Cir.1983) (characterizing an attorney's failure to acknowledge controlling precedent as "a dereliction of [its] duty to the court ..."); *United States v. Stringfellow*, 911 F.2d 225, 226 (9th Cir.1990) (where counsel fails to cite controlling case law that renders its position frivolous, he or she "should not be able to proceed with impunity in real or feigned ignorance of them, and sanctions should be upheld."); *Malhiot v. Southern California Retail Clerks Union*, 735 F.2d 1133, 1138 (9th Cir.1984) (sanctioning party *sua sponte* under 28 U.S.C. s. 1927 for deliberately misquoting statute); *Coastal Transfer Co. v. Toyota Motor Sales, U.S.A.*, 833 F.2d 208, 212 (9th Cir.1987) (awarding sanctions in part because argument on appeal ignored controlling Supreme Court authority); *McEnery v. Merit Sys. Protection Bd.*, 963 F.2d 1512, 1516-17 (Fed.Cir.1992) (awarding sanctions on appeal for failing to reference or discuss controlling precedent); *DeSisto College, Inc. v. Line*, 888 F.2d 755, 766 (11th Cir.1989) (noting that counsel must acknowledge the binding precedent of the circuit). These cases recognize that while courts should

encourage attorneys to assert novel legal theories, attorneys must nonetheless acknowledge controlling authority directly adverse to their positions.

The attorneys representing Continental may not have followed these ethical principles when they drafted and filed Continental's trade dress motion for summary judgment. To establish trade dress infringement, Continental bore the burden of establishing three essential elements: (1) that its trade dress is inherently distinctive or has acquired a secondary meaning, (2) the product is nonfunctional, and (3) that the similarities between the products create a likelihood of confusion. (*See* July 14 Order at 5:7-11; 6:3-5). Continental's motion relied on one piece of evidence to establish all three elements: deposition testimony from Defendants' officers and employees suggesting that Medax intentionally copied the interior box design of Continental's product. Throughout its motion, Continental asserted that this evidence of Medax's allegedly deliberate copying was, by itself, sufficient to shift the burden of proof to Medax and establish the elements of trade dress infringement as a matter of law. (*See* Pl.'s Mem. P. & A. Supp. Mot. Summ. J. at 4:1-3; 7:8-10; 7:15-20; 8:24-26).

This position was foreclosed by controlling and directly adverse legal authority. In *Fuddruckers, Inc. v. Doc's B.R. Others, Inc.*, 826 F.2d 837 (9th Cir.1987), the Ninth Circuit held that proof of intentional copying of a plaintiff's trade dress does not shift the burden of proof to the Defendant and does not, by itself, establish the essential element of secondary meaning:

The trial court's instruction permitted, but did not require, the jury to infer the existence of secondary meaning from a finding of intentional copying. [Plaintiff] would have us go further, and hold that evidence of deliberate copying shifts the burden of proof on the issue of secondary meaning. *We decline to so hold.* Competitors may intentionally copy product features for a variety of reasons. They may, for example, choose to copy wholly functional features ...

Id. at 844-45 (emphasis added). The holding of *Fuddruckers* could not have been clearer: evidence of deliberate copying, while relevant, does not raise an evidentiary presumption of secondary meaning or shift the burden of proof to the defendant. The decision made clear that the presumption often applied in *trademark* cases could not be automatically applied to cases involving trade dress infringement.

Continental's motion for summary judgment argued a contrary legal position throughout its motion, failing to acknowledge the adverse holding of *Fuddruckers*. On page four, Continental argued that evidence of "deliberate, intentional copying by the Medax officers," could "presumptively support[] a finding of trade dress infringement in favor of Continental." (*See* Pl.'s Mem. P. & A. Supp. Mot. Summ. J. at 4:1-3). On page seven, Continental's motion asserted that "the fact finder can presume each of the three elements [of trade dress infringement] and thus presumptively find confusion as a matter of law based on a showing of deliberate, intentional copying.." (*See* Pl.'s Mem. P. & A. Supp. Mot. Summ. J. at 7:8-10). With regard to the essential element of secondary meaning, page seven developed this argument further by asserting:

In the Ninth Circuit, uncontradicted testimony of intentional copying is sufficient to establish secondary meaning as a matter of law because "[t]here is no logical reason for the precise copying save an attempt to realize upon a secondary meaning that is in existence." *Audio Fidelity, Inc. v. High Fidelity Recordings, Inc.*, 283 F.2d 551, 558 (9th Cir.1960); *Accord: Fuddruckers v. Doc's B.R. Others, Inc.*, 826 F.2d 837, 843 (9th Cir.1987).

(*See* Pl.'s Mem. P. & A. Supp. Mot. Summ. J. at 7:15-20). The primary Ninth Circuit decision Continental

relied upon, *Audio Fidelity, Inc.*, was based on an application of California trademark law, not the Lanham Act. The passage above also cites page 843 of *Fuddruckers* as being in "[a]ccord" with Continental's position, but that page offered no such support. It merely summarized the appellant's argument that the district court erred by "not allow [ing] the jury to give enough weight to intentional copying." *Fuddruckers, Inc.*, 826 F.2d at 843. The very next page of *Fuddruckers*, as stated earlier, explicitly rejected that argument. *Id.* at 844.

The motion continued by asserting that "[d]eliberate copying supports a finding of secondary meaning on summary judgment ..." (*See* Pl.'s Mem. P. & A. Supp. Mot. Summ. J. at 7:21-22).FN11 To support this proposition, Continental urged the court to adopt the holding of an Arizona district court trademark infringement case decided three months *before Fuddruckers*. (*See* Pl.'s P. & A. Supp. Mot. Summ. J. at 7-8 (citing *Hunting Hall of Fame v. Fdn., v. Safari Club Intern.*, 6 U.S.P.Q.2d 1765, 1770 (D.Ariz.1987))). The motion emphasized that the Arizona decision accurately reflected trade dress law in the Ninth Circuit. Based entirely on evidence of Defendants' allegedly deliberate copying, the motion concluded, "the Court can and should find that Continental's inner packaging has secondary meaning." (*See* Pl.'s Mem. P. & A. Supp. Mot. Summ. J. at 8:24-26). Continental repeated this legal position on the final page of its opposition to the instant motion for summary judgment, stating:

FN11. A recent district court case, after an extensive survey of Ninth Circuit decisions including *Fuddruckers*, held just the opposite: "[I]n cases where a product configuration has been copied, evidence of intentional copying is not enough, on its own, to defeat a motion for summary judgment based on plaintiff's inability to establish secondary meaning." *Chrysler Corp. v. Vanzant*, 44 F.Supp.2d 1062, 1082-83 (C.D.Cal.1999). If proof of proof of intentional copying cannot even *defeat* a defendant's motion for summary judgment on the issue of secondary meaning, it clearly cannot carry the much higher burden imposed on a plaintiff moving for summary judgment. *See, e.g., Torres Vargas v. Santiago Cummings*, 149 F.3d 29, 35 (1st Cir.1998) ("The party who has the burden of proof on a dispositive issue cannot attain summary judgment unless the evidence that he provides on that issue is conclusive.").

For all the reasons that Continental's trade dress is strong, that same evidence supports a finding of secondary meaning.... Admitted, deliberate copying by defendant is also controlling. *See, Fuddruckers, Inc.*, 826 F.2d at 843 ("There is no logical reason for the precise copying save an attempt to realize upon a secondary meaning that is in existence.").

(*See* Pl.'s Mem. P. & A. Opp'n. Defs.' Mot. Summ. J. at 25:21-23). This passage had three distinct problems: (1) "deliberate copying by defendant" is *not* controlling, (2) *Fuddruckers* refutes, rather than supports, the position it was cited for, and (3) the quotation within the parenthesis, "[t]here is no logical reason for the precise copying save an attempt to realize upon a secondary meaning that is in existence," does not appear on page 843 of *Fuddruckers*, or for that matter, anywhere else in the opinion.

Since its trade dress arguments relied on a legal position directly rejected by controlling authority, Continental's motion for partial summary judgment was legally frivolous. Continental did not argue for the good faith extension of existing law, did not attempt to distinguish *Fuddruckers* on its facts, did not argue that subsequent developments in the law eroded the rule from *Fuddruckers*, or employ any other similar permissible form of advocacy. Rather, Continental asserted a directly contrary rule of law and attempted to convince the court that its rule was controlling within the Ninth Circuit. Continental was clearly aware of *Fuddruckers*; it cited that case several times in its briefs, on two occasions to support a proposition directly opposite the one adopted by the court.

Pursuant to 28 U.S.C. s. 1927, these circumstances may warrant requiring Continental's attorneys to reimburse Medax for all expenses incurred in opposing the motion for partial summary judgment. The court will reserve its decision on this issue until Continental's attorneys can be heard on this matter. *Roadway Exp., Inc. v. Piper*, 447 U.S. 752, 767, 100 S.Ct. 2455, 2464, 65 L.Ed.2d 488 (1980). Continental's attorneys shall provide supplemental memoranda and declarations on this issue within 20 calendar days of service of this order. The court will impose no sanction if Continental's attorneys can show that the arguments asserted in their briefs were not the result of recklessness, bad faith, or other vexatious conduct. *See, e.g., In re Keegan Management Co. Sec. Litig.*, 78 F.3d 431, 436 (9th Cir.1996).FN12

FN12. Counsel for Defendants may submit briefing on this issue if they choose. They are not, however, required to do so.

V. Conclusion and Order

For the foregoing reasons, the court holds that Continental cannot establish that Medax's products infringe any of the claims in U.S. Patent No. 5,324,482 Accordingly, the court GRANTS Defendants' motion for summary judgment as to Continental's first and second claims for relief. [Doc. No. 99-1]. In addition, the court ORDERS Continental's counsel to provide supplemental memoranda and declarations on the issues described in Part IV.C of this order within 20 calendar days of service of this order.

IT IS SO ORDERED.

S.D.Cal.,1999.

Continental Laboratory Products, Inc. v. Medax Intern., Inc.

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