

United States District Court,
N.D. Illinois, Eastern Division.

FLOW-RITE OF TENNESSEE, INC,
Plaintiff.

v.

SEARS ROEBUCK & CO., INC., and Maurice Sporting Goods, Inc,
Defendants.

Wisconsin Pharmacal Co,
Intervenor Defendant.

July 19, 1991.

MEMORANDUM OPINION AND ORDER

HART, District Judge.

I. FACTS

Plaintiff Flow-Rite of Tennessee, Inc. ("Flow-Rite") owns United States Patent No. 4,828,829 ("the '829 patent"), issued on May 9, 1989, for a "Fish Attractant with Sensory Enhancements." The '829 patent abstract reads:

A visual fish attractant that visually attracts fish and aids in the dispersion of traditional scent and taste attractants is disclosed. The fish attractant compositions, if oil based, include one or more oils, such as mineral oil, cod liver oil, menhaden oil, herring oil, anise oil, salmon oil, as well as pigments, fragrances, fish scent, dispersed pigments, and light-reflective particles that act both as a visual attractant and as an aid to controlled dispersion of the oil and scent components.

Flow-Rite markets the '829 patent in a commercial product called Fish Formula with SparklScales ("SparklScales"). When applied to bait or lure, SparklScales mimics the appearance of scales floating in the water near a wounded fish. The oil-covered particles exhibit "controlled buoyancy" keeping the fish attractant in the "strike area," allegedly enhancing a fisherman's chance of catching a fish.

Defendants Sears Roebuck & Co. ("Sears") and Maurice Sporting Goods, Inc. ("Maurice") sell a fish attractant called "BaitMate" and a fish attractant with added particulate matter called "BaitMate Max." Both BaitMate and BaitMate Max are manufactured by intervenor-defendant Wisconsin Pharmacal Co. On May 16, 1989, shortly after its patent was issued, Flow-Rite filed this patent infringement suit pursuant to 28 U.S.C. s. 1338(a) FN1 alleging that defendants infringe the '829 patent by making and selling BaitMate Max. In addition, Flow-Rite contends that the alleged infringement is willful and seeks both enhanced damages and a permanent injunction prohibiting future sales. All parties are now before the court on defendants' motion for summary judgment. FN2

II. SUMMARY JUDGMENT

Summary judgment is appropriate where "there is no genuine issue as to any material fact" and "the moving party is entitled to judgment as a matter of law." Fed.R.Civ.P. 56(c). The purpose of summary judgment is to determine whether a trial will be necessary. "The mere existence of *some* alleged factual dispute between the parties will not defeat an otherwise properly supported motion for summary judgment; the requirement is that there be no *genuine* issue of *material* fact." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247-48 (1986) (emphasis in original). Conversely, when confronted with a motion for summary judgment, the party who bears the burden of proof on a particular issue must affirmatively demonstrate that there is a *genuine* issue of material fact. *Mechnig v. Sears, Roebuck & Co.*, 864 F.2d 1359, 1363 (7th Cir.1988) (*citing* *Celotex Corp. v. Catrett*, 477 U.S. 317 (1986)). When presented with a motion for summary judgment, a court must examine the evidence in a light most favorable to the non-moving party and draw all reasonable inferences in that party's favor. *Bowyer v. United States Dept. of Air Force*, 804 F.2d 428, 430 (7th Cir.1986). Summary judgment is "as appropriate in a patent case as in any other." *Avia Group Int'l, Inc. v. L.A. Gear Cal., Inc.*, 853 F.2d 1557, 1561 (Fed.Cir.1988).

III. PATENT VALIDITY

When presented with both the issue of a patent's validity and the issue of infringement, the "better practice" is to first determine the validity of the patent. *Sinclair & Carroll Co. v. Interchemical Corp.*, 325 U.S. 327, 330 (1945) (criticizing district courts which disposed of cases on the basis of non-infringement without going into the question of the patent's validity). This is so because, of the two questions, validity is of greater public importance. *Id.* A patent is presumed valid, and the burden of establishing that it is not remains with the party asserting the patent's invalidity. 35 U.S.C. s. 282 (Supp.1991); *TP Laboratories, Inc. v. Professional Positioners, Inc.*, 724 F.2d 965 (1984). The presumption of patent validity is rebuttable, but invalidity must be shown by "clear and convincing" evidence. *Medical Laboratory Automation, Inc. v. Labcon, Inc.*, 670 F.2d 671 (7th Cir.1981). Patent validity concerns mixed questions of law and fact. The question of validity is ultimately a question of law, but the facts underlying the legal conclusion must first be determined. *See Moleculon Research Corp. v. CBS, Inc.*, 793 F.2d 1261, 1266 (Fed.Cir.1986).

Defendants argue that the patent at issue is invalid because of public uses predating the patent application by more than one year. Under 35 U.S.C. s. 102(b), a patent is invalid if the subject matter of the patent was in "public use" one year prior to the filing date of the patent application.FN3 In its motion for summary judgment, defendants present evidence of several public uses by different people that occurred more than one year before the patent application's February 22, 1988 filing date. Some of these prior public uses occurred during fishing tournaments as early as 1985. Flow-Rite admits the prior uses occurred, but argues that they were not "public uses" within the meaning of s. 102(b) because they were part of the inventor's development efforts and occurred under an obligation of confidentiality. Flow-Rite further responds that the alleged prior uses involved different formulations, not the formulation required under the patent.FN4

If an inventor publicly uses his invention with a *bona fide* intent of testing it, the use is experimental and not "public use" within the meaning of the statute. *TP Laboratories*, 724 F.2d at 970-71 (*quoting* *City of Elizabeth v. American Nicholson Pavement*, 97 U.S. 126, 134-35 (1877)). An inventor's subjective intent, however, is immaterial when all objective evidence points otherwise. *Harrington Mfg. Co., Inc. v. Powell Mfg.*, 815 F.2d 1478, 1481 n. 3 (Fed.Cir.1986). To determine whether a prior use falls within the statutory meaning of "public use," a court must look at the totality of the circumstances. *Id.* at 1481. On summary judgment, once a *prima facie* case of public use has been established, the patentee must come forward with *some* evidence that there is a genuine issue of material fact on the issue of public use. *Id.* at 1482. Although

defendants have presented evidence of prior public uses, the commercial aspect is in dispute. That non-secret public uses occurred prior to February 22, 1988 is not dispositive of the issue of whether a "public use," as contemplated by 35 U.S.C. s. 102(b), occurred. *TP Laboratories*, 724 F.2d at 972. Plaintiff has presented some evidence-affidavits from prior users-that raises a genuine issue of material fact as to whether the prior public uses were experimental or developmental, as opposed to commercial.FN5

Examining the evidence in a light most favorable to Flow-Rite, and drawing all reasonable inferences in its favor, several genuine questions of material fact are presented involving the prior public uses. Questions of fact include whether the prior public uses were under the inventor's control and what the inventor's intent was at the time of the public uses. *See Hycor Corp. v. Schlueter Co.*, 740 F.2d 1529 (Fed.Cir.1984) (testing of invention in public and on commercial premises alone does not create a prior public use); *In re Hamilton*, 882 F.2d 1576 (Fed.Cir.1989) (difference between "commercial" public use which bars patent validity and "experimental" public use which does not bar patent's validity); *TP Laboratories, supra* ("no commercial exploitation" and therefore no "public use" within the meaning of 35 U.S.C. s. 102(b)). Therefore, defendants' summary judgment motion as to the issue of patent validity is denied.

IV. INFRINGEMENT

A patent is infringed when someone (1) without authority (2) makes, uses or sells (3) the patented invention (4) within the United States, its territories, or its possessions (5) during the term of the patent. 35 U.S.C. s. 271(a) (Supp.1991). A product infringes upon the patent of another product if it falls within the scope of the patent's asserted claims as properly interpreted. *Envirotech Corp. v. Al George, Inc.*, 730 F.2d 753, 758 (Fed.Cir.1984). A determination of infringement involves two steps: (1) claim interpretation-determining what the words of the claim mean, which is a question of law, *Loctite Corp. v. Ultraseal Ltd.*, 781 F.2d 861 (Fed Cir.1985); and (2) infringement-determining whether the claim, as interpreted, covers the alleged infringing product, which is a question of fact. *Fromson v. Advance Offset Plate, Inc.*, 720 F.2d 1565, 1571 (Fed.Cir.1983).

There are two types of infringement: (1) Literal infringement and (2) equivalence. Literal infringement requires that the alleged infringing product embody every element of the patent claim. *Mannesmann Demag Corp. v. Engineered Metal Prod.*, 793 F.2d 1279, 1282 (Fed.Cir.1986). For example, a patent claim that covers a fan whose blades are attached to a *solid* rod would not be "literally" infringed by a fan whose blades are attached to a *hollow* rod. The maker, user or seller of the hollow-rod fan, however, may still be found to infringe upon the solid-rod patent under the doctrine of equivalents. Equivalence allows a finding of infringement when someone steals the "heart" of an invention, but avoids the literal language of the patent claim by making a noncritical change. *See Graver Tank & Mfg. v. Linde Air Products*, 339 U.S. 605 (1950); *Pennwalt Corp. v. Durand-Wayland, Inc.*, 833 F.2d 931 (Fed.Cir.1987). Equivalence is a question of fact. *Graver Tank*, 339 U.S. at 608. The test for equivalence is whether the alleged infringing product performs substantially the same function in substantially the same way to accomplish substantially the same result as the patented product. *Id.* at 609. Under such a test, the hollow-rod fan could be found to infringe the solid-rod fan.

A. Claim Interpretation

Plaintiff alleges that BaitMate Max literally infringes claims 1, 2 and 6 of '829 patent.FN6 Claim 1 of the '829 patent states that the liquid fish attractant should be composed of "about 90-95 parts by volume of an oil-based liquid." BaitMate Max claims an "oil phase" of 98.69 parts per volume. The first question is whether 98.69 parts per volume is "about 90-95 parts." Next, the '829 patent claims "about 1-8 parts by

volume of a scent, taste or pigment component." BaitMate Max claims a "scent phase" of 0.82 parts per volume. The second question then is whether 0.82 parts per volume is "about 1-8 parts." Finally, the '829 patent claims a "plurality of metallic-colored light-reflective particles" in a concentration of "about 0.01-1 part by volume." BaitMate Max claims 0.49 parts per volume of "glitter," which is within the literal claim of the '829 patent. But, BaitMate Max claims that its particulate matter is not "metallic-colored" nor "light reflective." BaitMate Max claims that its particulate matter is "iridescent" and is made from a transparent polyester and acrylic film. Thus, the last question, concerning claim 1, is whether Flow-Rite's description of "metallic-colored light-reflective particles" encompasses iridescent particles made from transparent polyester and acrylic film.

Concerning the 98.69 parts per volume oil composition and 0.82 parts per volume scent composition of BaitMate Max, plaintiff argues that defendants have increased the parts per volume in the "oil phase" by including the scent components anethole (artificial anise oil), essential oil # 1 and essential oil # 2. Consequently, the parts per volume in the "scent phase" is decreased by the removal of the three scent oils. Flow-Rite argues that if the three scent oils were moved from the oil phase to the scent phase, then BaitMate Max's composition would literally infringe the '829 patent. If the three oils were moved from the oil phase to the scent phase, the oil phase would be 95.78 parts per volume and the scent phase would be 3.73 parts per volume. 3.73 parts per volume is within "1-8" parts per volume and 95.78 is "about 90-95" parts per volume. Therefore, BaitMate Max's oil and scent compositions would literally infringe SparklScales. *See, e.g., Kolene Corp. v. Motor City Metal Treating, Inc.*, 440 F.2d 77, 82-83 (6th Cir.1971) (46-50% literally infringes "between about 25 and 40%"); *S.C. Johnson & Son v. Carter-Wallace, Inc.*, 614 F.Supp. 1278, 1307-08 (D.C.N.Y.1985), *aff'd in part*, 781 F.2d 198 (Fed.Cir.1986) (6.532% literally infringes "about 0.01-5%"). Defendants argue that the holding in *S.C. Johnson* was based upon the fact that 5% was 500 times greater than 0.01% and was therefore "quite broad." *See S.C. Johnson*, 614 F.Supp. at 1298. In *S.C. Johnson*, however, the infringing product exceeded the "broad" range by over 30%-that is 1.532%. In the present case, "about 90-95" is a narrow range, but 95.78 parts per volume infringes by only .78 parts, which is 16% beyond the range-well within the limits set in *S.C. Johnson*. A genuine issue of material fact, however, remains to be resolved: whether anethole, essential oil # 1 and essential oil ## 2 are considered "scent oils" among those skilled in the art of oil-based fish attractants. If the facts support Flow-Rite's argument, then BaitMate Max may literally infringe those two aspects of Claim 1 of the '829 patent.

Lastly, concerning Claim 1, it must be decided whether "metallic-colored light-reflective particles" encompass iridescent particles made from transparent polyester and acrylic film. A word in a claim has meaning and must be given effect when interpreting the claim. *Environmental Instruments, Inc. v. Sutron Corp.*, 877 F.2d 1561, 1564 (1989) (*citing Pennwalt Corp. v. Durand-Wayland, Inc.*, 833 F.2d 931 (Fed.Cir.1987)). Defendants argue that its particulate matter lacks metallic coloring and contains no dye, mirrophane, epoxy or metallic coating. The word "metallic" when used as an adjective, however, does not mean that the modified noun contains metal or is coated with metal. The dictionary defines the word "metallic" when used as an adjective as follows:

metallic, *adj.* 1a: of, relating to, or being a metal. 1b: made of or containing a metal. 1c: having properties of a metal; *esp.* exhibiting the characteristic properties of a metal in the free elemental state. 2: yielding metal. 3: resembling metal: a- *of a color*: having reflective and iridescent properties similar to those of a freshly cut surface of a metal; b- *of a taste sensation*: resembling that produced by various metals *esp.* in mildly acrid unpleasant quality; c- *of a sound*: SHARP, HARSH, GRATING; d- *of a literary style*: STARK; e- *of a person*: cold, sharp, and hard.

WEBSTER'S THIRD NEW INTERNATIONAL DICTIONARY 1419 (1981). The adjective form of "metallic" when used to modify the word "color" is specifically defined as "having reflective and iridescent properties similar to those of a freshly cut surface of a metal." It does not mean, as defendants suggest, that the material is covered, coated or painted with a metal-containing substance. The term "metallic-colored" particulate matter, found in Claim 1, includes particles that are iridescent or have iridescent properties-no matter what their chemical composition.

Defendants further argue that people skilled in the art of fish attractants make distinctions between colors that are metallic, florescent or iridescent and submit a copy of Loren G. Hill's patent for a fishing lure color selector as evidence of color discrimination by fish. The Hill patent teaches that fish, specifically bass, are attracted to different colors depending upon the clarity and depth of water as well as the amount of sunlight available. In particular, the Hill patent teaches that particular colors are preferred under different fishing conditions and florescent-colored lures, as opposed to non-florescent ones, retain their color attraction to fish regardless of water depth. The patent, however, is not concerned with fish discrimination between metallic and iridescent colored lures. For example, bass may be more attracted to the color orange, but do not discriminate between a metallic orange and an iridescent orange. Defendants do not submit any evidence that those skilled in the art distinguish between "metallic-colored" and "iridescent" colors. Thus, polyester film or acrylic particles that exhibit iridescent qualities fall within the '829 patent's description of metallic-colored particulate matter and, without more, defendants' argument fails.

Turning to Claim 2, the '829 patent states that the particulate matter should be "about 50-200 microns" in size. If BaitMate Max's particles are within this size range, then BaitMate Max literally infringes claim 2 of the '829 patent. Plaintiff submits evidence that BaitMate Max's particle size is about 100-200 microns, which is within Claim 1's size range. On the other hand, defendants submit evidence that BaitMate Max's particles are not within a size range of about 50-200 microns. The size of BaitMate Max's particles is a question of fact and not appropriate for resolution on summary judgment.

Claim 6 of the '829 patent states that the particulate matter must (1) "aid in the controlled dispersion of the said base liquid;" (2) be "made from coated aluminum foil, polyester or other thermoplastic or thermoset resin materials;" and (3) "wherein about 1-4 grams of the light reflective particles are present per 8 ounces of the remaining components." Neither plaintiff nor defendants argue a need for legal interpretation of Claim 6 and whether BaitMate Max aids in controlled dispersion; is made from "coated aluminum foil, polyester or other thermoplastic or thermoset resin materials;" and contains about "1-4 grams of the light reflective particles" per "8 ounces of the remaining components" is a question of fact not appropriate for resolution on summary judgment.

B. Prosecution History Estoppel

Defendants argue that prosecution history estoppel requires that Claim 1 of the '829 patent be narrowly construed. Under the doctrine of prosecution history estoppel, formerly known as file wrapper estoppel, a patentee may not expand his claims by interpretation to embrace features that the patentee disclaimed to overcome the Patent Office's objections on the basis of prior art disclosures. In other words, a patentee who has deliberately taken a position in the patent office proceeding to induce grant of a patent is not permitted to repudiate that position in a later filed infringement suit. *Crane Co. v. Aeroquip Corp.*, 364 F.Supp. 547 (N.D.Ill.), *aff'd* in part, *rev'd* in part on other grounds, 504 F.2d 1086 (7th Cir.1973). Prosecution history estoppel protects an accused infringer who otherwise might be guilty of patent infringement. *Lewis v. Avco Mfg. Corp.*, 228 F.2d 919 (7th Cir.1956). Not all claim amendments, however, create prosecution history

estoppel. *See Bayer Aktiengesellschaft v. Duphar Int'l Research*, 738 F.2d 1237 (Fed.Cir.1984). Amendments not critical to the granting of the patent do not create prosecution history estoppel. *Mannesmann*, 793 F.2d at 1284-85. In addition, prosecution history estoppel is not applicable where a product literally infringes a patent. *Fromson v. Advance Offset Plate, Inc.*, 720 F.2d 1565, 1571 (Fed.Cir.1983).

Defendants argue that the term "metallic-colored" is limited to the definition that was given to the patent examiner, in which "metallic-colored light reflective particles" were defined as "precision-cut polyester and aluminum foils that have metallized, pigmented epoxy coatings." Letter from Nunzio DeFalco [glitter salesman] to Marvin Rimland (Jan. 25, 1989). The letter was supplied to the patent examiner in response to a request for the chemical composition of the particulate matter used in SparklScales. Defendants only partially quote from one sentence of the letter. The complete sentence reads: "Meadowbrook Inventions invented precision-cut polyester and aluminum foils that have metallized, pigmented epoxy coatings." The letter did not describe the light reflective particles used in SparklScales, but informed the patent examiner that Meadowbrook Inventions, a glitter distributor, does not disclose to customers the detailed chemical formulation of its glitter.

Plaintiff responds that its amendment was made to clarify its invention, not to avoid prior art. As such, plaintiff argues, prosecution history estoppel does not apply. *Moeller v. Ionetics, Inc.*, 794 F.2d 653, 659-60 (Fed.Cir.1986) (where a patent is amended simply to better define its subject matter, prosecution history estoppel is inapplicable). The examiner requested the amendment because he was concerned that the particulate matter's description was not sufficient to permit others to practice the claimed invention unless the chemical composition of the particulate matter was also disclosed. Discussions regarding the description of the patent's particulate matter were not had in response to prior art or to limit the patent's claims. The patent examiner's concern was only that others be able to practice the claimed invention. Plaintiff did not "give up" anything concerning the description of the particulate matter in order to obtain patent '829. *See Hughes Aircraft v. United States*, 717 F.2d 1351 (Fed.Cir.1983). Thus, prosecution history estoppel does not apply on the issue of the definition of "metallic-colored light reflective particles." FN7

V. WILLFULNESS

Plaintiff argues that defendants willfully infringed the '829 patent. Willfulness is a question of fact, however, and need not be reached unless a finding of infringement is first made. Therefore, the issue of willfulness need not be reached at this time.

IT IS THEREFORE ORDERED that:

- (1) Defendants' motion for summary judgment is denied.
- (2) Status hearing set for Friday, July 26, 1991 at 9:15 a.m.

FN1. Section 1338(a) reads

(a) The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents, plant variety protection, copyrights and trade-marks. Such jurisdiction shall be exclusive of the courts of the states in patent, plant variety protection and copyright case.

FN2. In addition to *Sears Roebuck & Co., Inc.*, *Maurice Sporting Goods, Inc.* and *Wisconsin Pharmacal*

Company, Venture Stores, Inc. and Shirley's Sports were also defendants in this case. On May 19, 1989, plaintiff dismissed Shirley's Sports from this litigation and, in November of 1989, Flow-Rite reached a settlement agreement with Venture Stores, Inc.

FN3. 35 U.S.C. s. 102(b) reads:

A person shall be entitled to a patent unless-

* * *

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States,....

FN4. For instance, Mr. Ramey, one of the alleged prior users, testified at his deposition that he didn't know the composition of the fish attractant that he used. As to scent, Mr. Ramey testified: "I just put [anise oil] in until I liked the smell." *Deposition upon Oral Examination of Douglas G. Ramey*, at 23 (Feb. 7, 1990). As to "glitter," Mr. Ramey testified: "I used as big as I could to get it through the squirt bottle." *Id.* at 26.

FN5. Mr. Courtright, a Keeper Bait Co. employee, testified in reference to his use of the product at a bass tournament that he "was investigating [the product's] potential."

FN6. Patent '829 contains the following six claims:

1. A liquid fish attractant composition with sensory enhancements for application to a live bait or artificial lure, comprising:

about 90-95 parts by volume of an oil-based liquid including at least one or more of mineral oil, anise oil, cod liver oil, menhaden oil, herring oil or salmon oil about 1-8 parts by volume of a scent, taste or pigment component or combination thereof to stimulate a fish to strike at said bait or lure; and

a plurality of metallic-colored light-reflective particles dispersed in said oil-based liquid in a concentration of about 0.01-1 part by volume and wherein said particles in combination with said oil-based liquid exhibit a controlled buoyancy in water.

2. The liquid fish attractant composition of claim 1 wherein said particles are within a size range of about 50-200 microns.

3. The liquid fish attractant composition of claim 1 wherein said particles are within a size range of about 0.008 x 0.004 x 0.0005 inch to 0.008 x 0.008 x 0.0005 inch.

4. The liquid fish attractant composition of claim 1 wherein said particles are polyester foil particles.
5. The liquid fish attractant composition of claim 1 wherein said particles are aluminum foil particles.
6. An oil-based liquid fish attractant composition comprising about 90-95 parts by volume of a base liquid including at least one of mineral oil, anise oil, cod liver oil, menhaden oil, herring oil or salmon oil, about 1-8 parts by volume of a scent or taste attractant or pigment, or combination thereof, and a plurality of light-reflective particles in an amount sufficient to create a visual attraction for fish and which, in combination with the base liquid, aids in the controlled dispersion of said base liquid and particles when said composition is applied to a live bait or an artificial lure and placed in water, said light-reflective particles being metallic-colored particles made from coated aluminum foil, polyester or other thermoplastic or thermoset resin materials wherein about 1-4 grams of the light reflective particles are present per 8 ounces of the remaining components.

FN7. Defendants also argue that prosecution history estoppel applies to the definition of "about 90-95 parts by volume" in the oil phase and "1-8 parts by volume" in the scent phase. Defendants, however, fail to cite to anywhere in the file wrapper, or prosecution history, where the patent's claims were narrowed concerning these definitions.

N.D.Ill.,1991.

Flow-Rite of Tennessee, Inc. v. Sears Roebuck & Co., Inc.

Produced by Sans Paper, LLC.