United States District Court,
W.D. Wisconsin.

J.M. VOITH, GmbH, and Voith, Inc,
Plaintiffs.
v.
BELOIT CORPORATION,
Defendant.

No. 93-C-0905-C

March 24, 1995.

OPINION AND ORDER NO. 1

CRABB**, Chief Judge.**

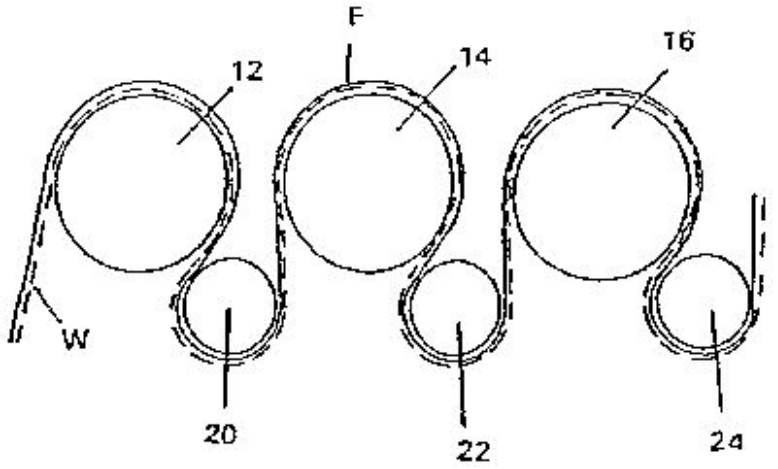
Plaintiffs J.M. Voith, GmbH, and Voith, Inc. (collectively, Voith), have brought suit for declaratory judgment of non-infringement and invalidity of defendant Beloit Corporation's United States Patent No. 5,279,049. This court has jurisdiction over the subject matter of this action under 28 U.S.C. s.s. 1338(a) and 2201. Venue is proper. 28 U.S.C. s.s. 1400(b) and 1391(c).

The case is before the court on a number of substantive motions. In this order, I take up Voith's motion for partial summary judgment on one issue of literal infringement of the claims of the '049 patent as it relates to minimal felt draw. Voith contends that Beloit is estopped from asserting that the paper web in Voith's accused paper making machine is "supported by the felt during passage of the web along a minimum felt draw between the dryer and the guide roll" as required by all the claims of Beloit's '049 patent. To support this contention, Voith argues that "minimal felt draw" as used in the '049 patent is synonymous with guide rolls situated "in close proximity." Voith's estoppel theory hinges on a jury determination in a case between these same litigants that guide rolls in a different machine which were closer together than those of Voith's allegedly infringing machine were not "in close proximity." Although I conclude that "minimal felt draw" indicates that adjacent guide rolls are "in close proximity," summary judgment will be denied because I am not convinced that a jury determination of the latter terms in connection with a separate patent should preclude Beloit from litigating the meaning of the language in the '049 patent.

For the purpose of deciding this motion, I find from the parties' proposed findings of fact that there is no genuine dispute about the following material facts.

UNDISPUTED FACTS

Voith has constructed a paper making machine known as Combined Locks No. 7 for Appleton Papers, Inc., in Combined Locks, Wisconsin. Combined Locks No. 7 began operating on or about January 10, 1994. The arrangement of the dryers and the vacuum guide rolls in the Combined Locks No. 7 machine is shown below.



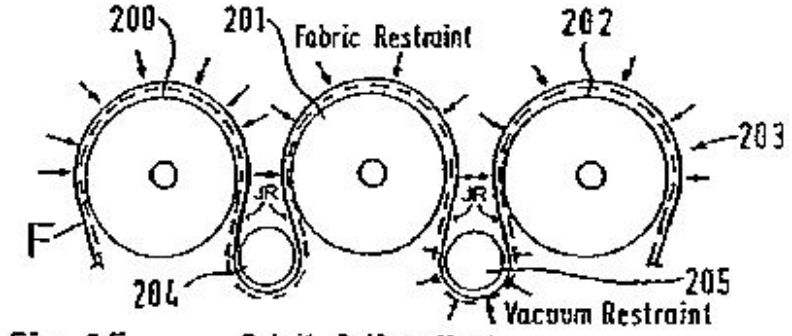


Fig. 15 Beloit BelRun Single-Tier Dryer Section

The three claims of the '049 patent appeared in the patent application as application claims 11, 12 and 13. When first presented to the examiner, the original application claim 11 did not specify the length of the felt draw as the felt travelled between the dryer and the vacuum guide roll. It was rejected by the examiner as either anticipated by U.S. Patent 4,677,762 (Futcher) or made obvious by it. In response, Beloit filed Amendment "A" on July 9, 1993, amending application claim 11 to specify that the web is supported by the felt during passage of the web "along a minimal felt draw between the dryer and the guide roll." Beloit argued that with this limitation added to application claim 11, the invention was distinguishable from the prior art (the '762 patent):

Additionally, it is evident from the Futcher disclosure that the felt draw between the dryer and adjacent guide roll 12 is *not minimal* as claimed in modified claim 11. Consequently, in Futcher, there would be a tendency for the web to shrink in a cross-machine direction during passage thereof between the dryer 10 and the adjacent guide roll 12.

(Emphasis added.)

With this amendment, application claim 11 was allowed and ultimately issued as claim 1 of the '049 patent. Application claims 12 and 13 were issued as claims 2 and 3 of the '049 patent.

The only discussion of minimal felt draw contained in the specification of the '049 patent is set forth at column 2, lines 18-26 of the patent:

Therefore, cross-machine direction shrinkage is not only inhibited during passage of the web around the dryer but also around the vacuum guide roll. Furthermore, the vacuum guide roll being of a diameter considerably less than that of the dryer results in a joint run of the web and felt between the dryers and the guide rolls which is minimal so that the web is restrained against cross-machine direction shrinkage throughout most of the passage through the dryer section.

The specification provides no further guidance to the meaning of "minimal felt draw." The prosecution history includes attempts by David Archer, Beloit's patent agent, to distinguish the Beloit invention from the Futcher '762 patent by arguing that the felt draw in the '762 patent was not minimal as required in application claim 11 (patent claim 1).

The separation between the dryers and associated vacuum rolls in each single tier dryer group of the Combined Locks No. 7 machine is greater than, or virtually identical to, the separation between the dryers and the associated vacuum guide rolls in each top-felted dryer group of the Consolidated Papers, Inc. No. 16 machine, which was the subject matter of a prior action in this court, captioned *Beloit Corporation v. J.M. Voith, GmbH,* No. 92 C-0168-C. The tangent (felt draw) spacing and the gap between certain vacuum rolls and dryers in each machine is as follows:

	Rapids No. 16	Combined Locks No. 7
Felt Draw:		
Upstream Dryer	6.48"	7.45"
Downstream Dryer	10.2"	15.1"
Gap:		
Upstream Dryer	1.36"	1.36"
Downstream Dryer	3.15"	5.12"

In the prior litigation, one of the issues was whether the vacuum guide roll of the Consolidated No. 16 machine was "in close proximity" to the dryer. In the prior action, the jury found that the vacuum rolls of the Rapids 16 machine were not literally "in close proximity" to the dryers. The jury's special verdict reads, in pertinent part:

Question No. 7: Has Beloit proved by the preponderance of the evidence that the vacuum rolls and both adjacent dryer cylinders on the Consolidated Papers Rapids No. 16 machine are in "close proximity" as that term is used in the claims of the '758 patent?

ANSWER: No
(Yes or No)

In a deposition conducted in this case on June 23, 1994, Gregory Wedel, co-inventor of both the patent in the prior litigation and the '049 patent, testified as follows:

"Q. And what's [sic] the minimal felt draw meant [sic]?

A. It would mean the vacuum roll is in close proximity to the dryer."

OPINION

The burden on a party moving for summary judgment is well known. It applies to patent cases in the same way it applies to any other civil case. Spectra Corp. v. Lutz, 839 F.2d 1579, 1581 n.6 (Fed. Cir. 1988). The movant must demonstrate the absence of any genuine issue of material fact and that it is entitled to judgment as a matter of law. Celotex Corp. v. Catrett, 477 U.S. 317, 322 (1986). In a patent infringement case, the movant who seeks to show non-infringement must show that not every element of the patent claim can be found in the accused device either literally or equivalently. ZMI Corp. v. Cardiac Resuscitator Corp., 844 F.2d 1576, 1582 (Fed. Cir. 1988). Literal infringement requires that the accused device embody every element of a claim as properly interpreted. Jurgens v. McKasy, 927 F.2d 1552, 1560 (Fed. Cir. 1991), *cert. denied,* 112 S. Ct. 281 (1991); Johnston v. IVAC Corp., 885 F.2d 1574, 1577 (Fed. Cir. 1989) (where a device does not "read on" an accused device exactly there can be no literal infringement). To determine whether a claim expressed as a means for performing a stated function is infringed literally, the court must compare the accused structure with the disclosed structure and must find equivalent structure as well as identity of claimed function for that structure. Pennwalt Corp. v. Durand-Wayland, Inc., 833 F.2d 931, 934 (Fed. Cir. 1987).

Determining whether a patent has been infringed involves two steps: (1) construing the scope of the claim without regard to the accused product; and (2) comparing the claim with the accused product to determine whether all of the limitations of the claim are present either exactly or by substantial equivalents. Lemelson v. General Mills, Inc., 968 F.2d 1202, 1206 (Fed. Cir. 1992). The first inquiry is a legal question and the second is factual. Hormone Research Foundation, Inc. v. Genentech, Inc., 904 F.2d 1558, 1562 (Fed. Cir. 1990); Loctite Corp. v. Ultraseal Ltd., 781 F.2d 861, 866 (Fed. Cir. 1985).

Voith argues that it is necessary to interpret the language in each of the claims of the '049 patent requiring "minimal felt draw" as synonymous with the concept that the dryer and guide rolls are "in close proximity"; from this it follows that the doctrine of issue preclusion prohibits Beloit from maintaining that the rollers in the Combined Locks No. 7 machine are in "close proximity" as specified by the '049 patent. According to Voith, issue preclusion is appropriate because the rollers in the dryer section of the Combined Locks No. 7 machine are at least as far apart as those the jury found were not "in close proximity" in the previous case. For the reasons that follow, I conclude that the jury determination of a concept used in another patent does not bar Beloit from litigating the meaning of the language in the '049 patent.

1. *Claim interpretation*

I begin with construction of the claims, which requires reference to the specification, the patent claims and the prosecution history. Fonar Corp. v. Johnson & Johnson and Technicare Corp., 821 F.2d 627, 631 (Fed. Cir. 1987), *cert. denied,* 484 U.S. 1027 (1988). The '049 patent contains three claims. All of these claims require the step of

immediately guiding the web and felt contiguously relative to each other around a vacuum guide roll disposed downstream relative to the dryer, the arrangement being such that the web is supported by the felt during passage of the web along a minimal felt draw between the dryer and the guide roll.

By itself, the claim language offers little to suggest the meaning of "minimal felt draw," making it necessary to turn to other sources to help in interpretation. As I have found, the only discussion of "minimal felt draw" contained in the specification of the '049 patent is set forth at column 2, lines 18-26. It indicates that the joint run of the web and felt between the dryers and the guide rolls be minimal. This language is consistent with Voith's position that "minimal felt draw" means that the vacuum rolls and the dryer rolls are in close proximity.

Voith asserts that the prosecution history gives additional support to its position. Voith refers specifically to

the attempts of Beloit's patent agent to distinguish Beloit's invention over the '762 patent on the ground that the felt draw in the '762 patent was not minimal as required in application claim 11. Although Beloit's efforts to distinguish from the prior art are consistent with the conclusion that minimal felt draw is synonymous with placing rollers in close proximity to one another, they do not mandate that conclusion. Finally, Voith cites Wedel's testimony from the June 23, 1994 deposition to the effect that "minimal felt draw" means the vacuum roll is in close proximity to the dryer.

In opposition, Beloit cites only to another part of Wedel's deposition in which he defined "close proximity" as being "several feet," which is much longer than the joint runs otherwise described to this court. Assuming for now that it is proper to give weight to the post-issuance statements of an inventor when interpreting a patent, this evidence does not refute the argument that the term minimal felt draw means that the rolls are in close proximity to one another.

The parties cast but dim light on the meaning of minimal felt draw. However, Voith has the better of the argument. I agree that the fair construction of the term "minimal felt draw" is that the felt draw is kept to a minimal length, requiring the adjacent rolls to be "in close proximity." This raises the second question: whether a determination of the meaning of "close proximity" in a prior litigation between the same parties involving a different patent precludes Beloit from asserting infringement of the '049 patent.

2. *Issue preclusion*

Under the doctrine of issue preclusion, also called collateral estoppel, a judgment on the merits in an earlier suit precludes relitigation in a later suit of issues actually litigated and determined in the first suit. In re Freeman, 30 F.3d 1459, 1465 (Fed. Cir. 1994) (citing Lawlor v. National Screen Serv. Corp., 349 U.S. 322, 326 (1955)). Issue preclusion does not require that the patent claim in the first and second suits be identical. *Id*. "Rather, application of issue preclusion centers around whether an issue of law or fact has been previously litigated." *Id*. (citing International Order of Job's Daughters v. Lindeburg & Co., 727 F.2d 1087, 1091 (Fed. Cir. 1984)). "Issue preclusion is appropriate only if (1) the issue is identical to one decided in the first action; (2) the issue was actually litigated in the first action; (3) resolution of the issue was essential to a final judgment in the first action; and (4) the party to be precluded had a full and fair opportunity to litigate the issue in the first action." *Id*. (citing A.B. Dick Co. v. Burroughs Corp., 713 F.2d 700, 702 (Fed. Cir. 1983).

The parties agree that as a matter of law, the question whether the vacuum guide roll of Consolidated's Rapids 16 machine was "in close proximity to the dryer" was an issue essential to the judgment in the prior litigation and was actually decided by the finder of fact. The parties agree also that Beloit had a full and fair opportunity to litigate this issue and did not appeal the jury's finding on that issue. The remaining question is whether the issue of the meaning of "close proximity" in the present litigation is identical to the issue of the meaning of "close proximity" in the prior litigation. Because I conclude that it is not, I will deny Voith's motion for partial summary judgment on this issue.

Delineating the issue on which litigation is foreclosed is one of the most difficult problems in applying the doctrine of issue preclusion. Restatement (Second) of Judgments s. 27 comment c (1980); Freeman, 30 F.3d at 1465. The problem entails a balancing of important interests: a desire not to deprive a litigant of an adequate day in court and a desire to avoid repetitious litigation of what is essentially the same dispute. *Id*.

Voith urges construction of the meaning of "close proximity" in the context of the '049 patent as identical to "close proximity" in the context of the prior litigation. But, as Justice Holmes stated in Town v. Eisner, 245 U.S. 418, 425 (1918): "A word is not a crystal, transparent and unchanged; it is the skin of a living thought and may vary greatly in color and content according to the circumstances and the time in which it issued."

The words "close proximity" carry different meanings in different contexts. To say that two blades of grass

are in close proximity to one another may connote a scale of inches, whereas a statement that two buildings are in close proximity might indicate a scale of several yards. The facts in this case present two situations of a much closer nature. In both instances, "close proximity" is used to describe the distance between rollers in a paper making machine. It is an inescapable fact, however, that the term is being examined in the context of one patent and a jury question posed at a trial involving a separate and distinct patent.

Because the doctrine of issue preclusion rests upon principles of fairness, courts have some discretion to decide whether the doctrine is appropriate in particular instances. Freeman, 30 F.3d at 1467 (citing A.B. Dick, 713 F.2d at 702). I am not convinced that it would be fair to preclude Beloit from arguing that the Combined Locks No. 7 machine contains vacuum and dryer rolls in close proximity (thus employing minimal felt draw) on the basis of the facts presented in the trial of this specific patent. "A device not previously before the court, and shown to differ from those structures previously litigated, requires determination on its own facts." Del Mar Avionics, Inc. v. Quinton Instrument Co., 836 F.2d 1320, 1324 (Fed. Cir. 1987).

ORDER

IT IS ORDERED that plaintiffs' motion for partial summary judgment on the issue of literal infringement as it relates to minimal felt draw is DENIED.

W.D.Wis.,1995.
J.M. Voith v. Beloit Corp.