

FEDERAL CIRCUIT SUMMARY FOR WEEK ENDING DECEMBER 6, 2019**Plastic Omnium Advanced Innovation & Research v. Donghee Am., Inc., No. 2018-2087 (Fed. Cir. Dec. 3, 2019) (Precedential) (2-1), Patent Nos. 6,814,921 and 6,866,812****Key point:**

- Advantages of an invention touted by the specification may be used to limit the doctrine of equivalents (DOE) where the accused product is inconsistent with the advantages.

Facts/Background: Plastic sued Donghee for infringement of, *inter alia*, the '921 and '812 patents, which cover plastic extrusion molding technologies. Plastic's patents covered a system wherein an extruded parison (plastic tube) is cut after exiting an extrusion head / die assembly. Donghee's accused system cut the plastic into two sheets within a "flat die" attached to a "coextrusion head."

In the district court phase, the parties disputed the meaning of the claim term "extruded parison". The district court ultimately held that the patentee had acted as a lexicographer and that the parison must be cut after exiting the extrusion head *and* die assembly. Because Donghee's system used a "flat die" attached to a coextrusion head to cut the extruded plastic, the court granted Donghee's summary judgment of non-infringement of the '921 and '812 patents under literal and equivalents theories. Plastic appealed.

Holding: Affirmed. Plastic argued there was literal infringement because the plastic melt flowing from Donghee's "coextrusion head" into the "flat die" satisfied the extruded parison limitation under the court's construction. Plastic asserted the district court erred by going outside of its construction and requiring the parison to be split completely outside of the extrusion equipment (*i.e.*, not within the subsequent "flat die" in Donghee's system). The Federal Circuit agreed with the district court that Donghee's accused product does not first extrude a parison and then cut it after the point of extrusion, as required by the construed claims. It agreed with the district court that Donghee's system splits the plastic within the flat die and extrudes two formed plastic sheets, not a parison. Plastic argued there was infringement under the doctrine of equivalents and that the district court erred by improperly reading a cutting location requirement into the claims and ignoring that the steps in the claimed process and in the accused product are the same no matter where the splitting of the parison occurs.

The Federal Circuit also upheld the district court's determination of no infringement under doctrine equivalents. In particular, the Federal Circuit reasoned that Plastic failed to show that the difference between the claimed invention, which touted uniform wall thickness in the '812 and '921 patent specifications, was insubstantial where Donghee's system used the "flat die" to independently control wall thickness.

TCL Commun. Tech. Holdings Ltd. v. Telefonaktiebolaget LM Ericsson, Nos. 2018-1363, 2018-1732, 2018-1380, 2018-1382 (Fed. Cir. Dec. 5, 2019) (Precedential) (3-0)

Key point:

- If the substance of relief is legal in nature, then a party has a right to a jury trial under the 7th Amendment for determination of that relief, even if the relief is provided by equitable means, such as an injunction.

Facts/Background: TCL and Ericsson negotiated, but could not reach a license agreement regarding Ericsson's standards essential patent (SEP) portfolio of cellular technology patents. TCL sued Ericsson in California seeking a declaratory judgment that Ericsson had failed to offer a FRAND license to TCL. Ericsson sued TCL in Texas for patent infringement of two of its SEP patents. The cases were consolidated in California.

In the consolidated case, the parties agreed to a two-step approach: (1) a jury would decide the common issue of whether Ericsson's license offer complied with its FRAND obligation, and (2) if the jury answered no, a bench trial would be conducted to revise terms in the license offer to be compliant with FRAND. However, after TCL's claims and counterclaims for damages were dismissed, and because Ericsson's counterclaims for infringement were stayed, the district court decided to try all remaining issues via bench trial - over Ericsson's objections. After trial, the district court ruled that Ericsson's offer was not compliant with FRAND, and determined a new license scheme along with a "release payment" for infringement prior to the determined license scheme. The district court further dismissed Ericsson's patent infringement claims and TCL's related counterclaims of invalidity and non-infringement, because they were "moot in light of the equitable relief granted in the release payment." The district court did not address Ericsson's jury trial argument in its decision. Ericsson appealed.

Holding: Reversed. Ericsson argued the district court determinations were erroneous for two main reasons: (1) they at least in part should have been determined by a jury, not the bench, and (2) they were premised on various errors in the FRAND analysis. The Federal Circuit held that Ericsson's first reason for appeal was sufficient to overturn all of the district court determinations. In particular, the Federal Circuit held that because the release payment determined by the district court was retrospective monetary compensation for past wrongs (*i.e.*, infringement), the court improperly adjudicated legal relief without a jury and thus deprived Ericsson of its 7th Amendment right. In making its determination, the Federal Circuit explained that in cases that have legal and equitable claims, and issues common to both, the court must conduct a jury trial on "any legal issues for which a trial by jury is timely and properly demanded." Moreover, the right to a jury trial of legal issues cannot be "lost through prior determination of equitable claims." Thus, here the *form* of the release payment (an injunction, *i.e.*, an equitable remedy) was not determinative because the *substance* (compensation for past patent infringement) was legal in nature. To this end, the Federal Circuit pointed out that the district court consistently referred to the release payment as compensation for TCL's unlicensed use and past infringement. Accordingly, Ericsson was entitled to a jury trial on at least that issue. The Federal Circuit thus vacated the district court determinations, reversed the dismissals, and remanded for a jury trial.