

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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PHILIP A. PECORINO, ALDO MEDAGLIA,
and SHEWARD & SONS, d/b/a VISIONART,

Plaintiffs,

v.

MEMORANDUM & ORDER
11-CV-6312 (PKC)

VUTEC CORPORATION and FARRALANE
LIGHTING AUDIO AND VIDEO SYSTEMS, INC.,

Defendants.

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PAMELA K. CHEN, United States District Judge:

Plaintiffs Philip A. Pecorino, Aldo Medaglia, and Sheward & Son, d/b/a Visionart, initiated this action alleging infringement of United States Patent No. 5,264,765 (“’765 Patent”) by Defendants Vutec Corporation (“Vutec”) and Farralane Lighting Audio and Video Systems Inc. (“Farralane”). Plaintiffs have moved for summary judgment with respect to their claims of infringement and willful infringement by Defendants.¹ Defendants Vutec and Farralane have moved for summary judgment seeking to invalidate claims 1–4, 6 and 8–26 of the ‘765 Patent. Plaintiffs have cross–moved as to the validity of those claims, and Defendants have cross–moved as to the non–infringement of the ‘765 Patent.² For the reasons discussed below, Plaintiffs’

¹ Plaintiffs are only seeking summary judgment with respect to Defendant Vutec, not Farralane. (Plaintiffs’ Reply Memorandum of Law In Support of Their Motion for Summary Judgment of Infringement and Responsive Memorandum in Opposition to Defendants’ Cross–Motion for Summary Judgment of Non–Infringement of U.S. Patent No. 5,264,765 (“Pl. Reply” at 9)), filed 6/3/12. (Dkt. 201.)

² Defendants have also requested that the Court issue an order posing a series of questions to the parties to be addressed in oral argument. (Dkt. 212.) Because the parties’ extensive motion briefing is more than sufficient for the Court to resolve the issues before it, the Court denies Defendants’ request, and decides these motions without oral argument.

summary judgment motions regarding the validity of the ‘765 Patent and Vutec’s infringement of the patent are granted in their entirety, and Vutec’s summary judgment motions on both issues are denied in their entirety.³

BACKGROUND

I. The Parties

Plaintiffs Philip A. Pecorino and Aldo Medaglia are residents of New York, and are the inventors and owners of the ‘765 Patent, (collectively, “Inventors”). (Am. Compl.⁴ ¶¶ 2–3.) Plaintiff Visionart is a corporation duly organized and existing under the laws of the State of California and having its principal place of business in California, and is the exclusive licensee under the ‘765 Patent. (*Id.* ¶ 4.) Defendant Vutec is a corporation organized and existing under the laws of the State of Florida, with its principal place of business in Florida. (*Id.* ¶ 6.) Since approximately 2003, Vutec has manufactured the ArtScreen line of products. (Pl. Mem.⁵ at 6.) Defendant Farralane is a corporation organized and existing under the laws of the State of New York, with its principal place of business in New York. (Am. Compl. ¶ 5.) Plaintiffs allege that Farralane advertised, distributed, used, leased, offered for sale and/or sold ArtScreen products manufactured or supplied by Vutec. (*Id.* ¶ 23.)

II. The ‘765 Patent

This case is about flat–screen television concealment technology patented, as the ‘765 Patent, by the Inventors in 1993. The Inventors developed technology to conceal a flat–screen

³ Even though Plaintiffs’ motion was not directed at Farralane, the Court’s decision, finding infringement by Vutec, clearly will affect Farralane’s ability to sell the infringing Vutec products.

⁴ Citations to “Am. Compl.” refer to Plaintiffs’ Amended Complaint, dated 12/20/12. (Dkt. 52.)

⁵ Citations to “Pl. Mem.” refer to Plaintiffs’ Memorandum of Law in Support of Their Motion for Summary Judgment of Infringement of United States Patent No. 5,264,765, filed 4/18/14. (Dkt. 193.)

television on or within a wall using a moveable screen to cover the video display. An example of the technology is shown below:



The ‘665 Patent was issued to the Inventors for a “video display screen cover” on November 23, 1993, based on U.S. Patent Application Serial No. 07/858,548, filed March 27, 1992. (Pl. 56.1(B)⁶ ¶ 1.)⁷ Claims 1–4, 6, and 8–28—the claims at issue in this case—disclose the following:

⁶ Citations to “Def. 56.1” refer to Defendants’ Statement of Material Facts In Support of Their Motion for Summary Judgment that Plaintiffs’ Patent is Invalid. (Dkt. 181.) Citations to “Def. 56.1(B)” refer to Defendants’ Counter–Statement of Material Facts in Opposition to Plaintiffs’ Motion for Summary Judgment on the Issue of Patent Validity. (Dkt. 188.) Citations to “Def. 56.1(C)” refer to Defendants’ Statement of Material Facts In Support of Their Cross–Motion for Summary Judgment on its Non–Infringement Defense. (Dkt. 198.) Citations to “Def. 56.1(D)” refer to Defendants’ Counter–Statement of Material Facts in Opposition to Plaintiffs’ Motion for Summary Judgment on Infringement. (Dkt. 199.) Citations to “Pl. 56.1” refer to Plaintiffs’ Counter–Statement to Defendants’ Statement of Material Facts in Opposition to Defendants’ Motion for Summary Judgment that Plaintiffs’ Patent is Invalid and In Support of Plaintiffs’ Cross–Motion That These Claims Are Valid. (Dkt. 185.) Citations to “Pl. 56.1(B)” refer to Plaintiffs’ Statement of Material Facts In Support Of Their Motion for Summary Judgment Against Defendants’ for Infringement. (Dkt. 194.)

⁷ The Court construes any disputed facts in the light most favorable to the non–moving party. *See Adickes v. S.H. Kress & Co.*, 398 U.S. 144, 157–59 (1970). However, where a party either (i) admits or (ii) denies without citing to admissible evidence facts alleged in the opposing party’s Local Rule 56.1 Statement, the Court shall deem such facts undisputed. *See* Local Rules of the United States District Courts for the Southern and Eastern Districts of New York 56.1(c)–(d) (“56.1 Statement”). Thus, a standalone citation to a 56.1 Statement denotes that either the parties have, or the Court has, determined the underlying factual allegation to be undisputed. Any citations to a party’s 56.1 Statement incorporates by reference the documents cited therein unless otherwise noted.

1. A cover unit for a flat display panel comprising: a housing, means for mounting said housing onto a wall surface; movable cover means within said housing to be disposed in front of the display panel; and means for moving said cover means to cover and uncover said display panel.

2. A cover unit as in claim 1 wherein said moving means moves said cover means vertically.

3. A cover unit as in claim 2 wherein said cover means is flexible and is moved vertically up and down.

4. A cover unit as in claim 3 wherein said moving means includes a roller into which said cover means is rolled and unrolled.

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6. A cover unit as in claim 4 wherein said moving means is motor operated.

7. A cover unit as in claim 1 wherein said cover means comprises a panel and said moving means moves said panel horizontally.

8. A cover unit as in claim 1 wherein said flat display panel is also mounted within said housing.

9. A cover unit as in claim 8 wherein said display panel is a flat panel video display means.

10. A cover unit as in claim 1 wherein said moving means is motor operated, and said cover unit further comprises means remote from said housing for actuating said motor operated moving means.

11. A cover unit for a flat display panel comprising: a housing mountable within a wall; movable cover means within said housing to be disposed in front of the display panel, and means within said housing for moving said cover means to cover and uncover said display panel.

12. A cover unit as in claim 11 wherein said housing further comprises a box frame for mounting between the wall studs.

13. A cover unit as in claim 11 wherein said moving means is motor operated, and said cover unit further comprises means remote from said cover unit for actuating said motor operated moving means.

14. A cover unit as in claim 11 wherein said display panel is a flat panel video display means.

15. A cover unit for a flat display panel comprising: a housing mountable within a wall, a display panel within said housing; movable cover means within said housing to be disposed in front of the display panel, and means within said housing for moving said cover means to cover and uncover said display panel.

16. A cover unit as in claim 15 wherein said display panel is a flat panel video display means.

17.⁸ *A cover unit for a flat display panel comprising: a housing, means for mounting said housing onto a wall surface; movable flexible cover means within said housing to be disposed in front of the display panel; motor operated means within said housing for moving said cover means vertically to cover and uncover*

⁸ Claims 17–26 were added to the ‘765 patent and were deemed patentable by the PTO on January 12, 2010. (Dkt. 57 ¶ 15.)

said display panel; and means remote from said housing for actuating said motor operated moving means.

18. A cover unit for a flat display panel comprising: a housing mountable within a wall; movable flexible cover means within said housing to be disposed in front of the display panel, motor operated means within said housing for moving said cover means vertically to cover and uncover said display panel; and means remote from said house for actuating said motor operated moving means.

19. A cover unit for a flat display panel comprising: a housing mountable within a wall, a display panel within said housing; movable flexible cover means within said housing to be disposed in front of the display panel; motor operated means within said housing for moving said cover means vertically to cover and uncover said display panel; and means remote from said housing for actuating said motor operated moving means.

20. A cover unit for a flat display panel comprising: a housing including one of a flange and a rear wall opening configured to mount the housing onto a wall surface; a movable cover within said housing configured to be disposed in front of the display panel; and a remote controllable drive mechanism configured to move the flexible cover so as to cover and uncover the display panel.

21. The cover unit for a flat display panel of claim 17, wherein the motor operated means and a television receiver that drives the display panel respond to a signal from the means remote from said housing.

22. The cover unit for a flat display panel of claim 18, herein the motor operated means and a television receiver that drives the display panel respond to a signal from the means remote from said housing.

23. The cover unit for a flat display panel of claim 19, wherein the motor operated means and a television receiver that drives the display panel respond to a signal from a single remote control device.

24. The cover unit for a flat display panel of claim 20, wherein the drive mechanism and a television receiver that drives the display panel respond to a signal from a single remote control device.

25. A cover unit for a flat display panel comprising: a housing including one of a flange and a rear wall opening configured to mount the housing within a wall; a movable cover within said housing configured to be disposed in front of the display panel; and a remote controllable drive mechanism configured to move the flexible cover so as to cover and uncover the display panel.

26. The cover unit for a flat display panel of claim 25, wherein the drive mechanism and a television receiver that drives the display panel respond to a signal from a single remote control device.

(Dkt. 186–1 (emphasis in original).)

III. Vutec's Development of the ArtScreen

In early 2003, Hai Nguyen, Vutec's chief engineer, while attending a trade show, visited a Visionart⁹ booth displaying Visionart's video display screen covers ("VDSCs"). (Nguyen Tr.¹⁰ 17:7–16.) After the show, Nguyen told Howard Sinkoff, Vutec's president, about the product, and Sinkoff responded that he wanted to develop and sell a VDSC for Vutec. (*Id.* at 17:7–19:3) As the chief engineer at Vutec, Nguyen was responsible for designing the VDSC prototype, and his design later became the Vutec ArtScreen.¹¹ (*Id.*) Vutec did not conduct an inquiry into whether the ArtScreen infringed any patents because Vutec did not consider the product to be patentable. (*Id.* at 32:23–33:12; Axman Tr.¹² 20:15–22.)

IV. Interactions Between Plaintiffs and Vutec

Later in 2003, Vutec first became aware of the '765 Patent when Visionart contacted Vutec. (Axman Tr. 31:6–18.) Upon reviewing the '765 Patent, Nguyen was "a little bit surprised" and said to himself, "'it's pretty much what we have' . . . meaning, our design, it looks quite similar to what this product [Visionart] is." (Nguyen Tr. 35:4–12.)

In January 2005, Vutec's attorney wrote to Medaglia, stating, "Our client recently became aware of the ['765] patent during a search of the records of the U.S. Patent and Trademark Office. Our client is interested in engaging in discussions with you and your co-owner, Mr. Pecorino, with respect to potentially purchasing the above-identified patent. If you

⁹ On October 17, 2005, the Inventors of the '765 patent entered into an agreement with Visionart granting it an exclusive license under the '765 patent effective on January 1, 2005. (Pl. 56.1(B) ¶ 2.)

¹⁰ Citations to "Nguyen Tr." refer to the testimony from the deposition of Hai Nguyen, dated 1/9/2014. (Dkt. 195–5.)

¹¹ An example of an ArtScreen product appears *infra* at p. 34.

¹² Citations to "Axman Tr." refer to the testimony from the deposition of Allen Axman, Vutec's vice president, dated 1/8/14. (Dkt. 195–6.); *see also* (Pl. Mem. at 16.)

and your co-owner may have an interest in selling the patent, please contact me so that discussions may get started.” (Pl. 56.1(B) ¶ 10.) According to Plaintiffs, Vutec did not purchase the ‘765 Patent, nor was there any further communication between the parties about the patent until July 2005. (Pl. Opp.¹³ at 6.)

On July 1, 2005, Plaintiffs’ counsel, Melvin Garner, sent a letter to Sinkoff, informing him that Vutec’s ArtScreen product was covered by, and infringing, the ‘765 Patent, and demanding that Vutec cease and desist from further infringement. (Dkt. 89 at ¶ 15.) The letter offered Vutec a license under the ‘765 Patent. (*Id.*) The parties subsequently corresponded in an effort to resolve their dispute regarding the ‘765 Patent. (*Id.* at ¶¶ 16–24.) In this correspondence, Vutec alleged that the ‘765 Patent was invalid. (*Id.* at ¶¶ 23.)

V. Procedural History

On May 15, 2007, the Inventors and Visionart brought suit in federal court in this district against Vutec, *inter alia*, for infringing on the ‘765 Patent. (Pl. 56.1 ¶ 11.) On November 14, 2007, Plaintiffs voluntarily dismissed the lawsuit, without prejudice, to pursue a reexamination of the ‘765 Patent before the U.S. Patent and Trademark Office (“PTO”). (*Id.* ¶ 12); *see* 07–CV–1997 Dkt. 11 (E.D.N.Y. Nov. 5, 2007) (notice of dismissal).

Specifically, Plaintiffs sought reexamination to determine the validity of the ‘765 Patent in light of the prior art and other defenses asserted by Defendants. (Dkt. 90–3.) In Plaintiffs’ letter notifying Defendants of the voluntary dismissal, Plaintiffs informed Defendants’ counsel that “[u]nless and until we have the patent certified by the Patent Office as having claims that

¹³ Citations to “Pl. Opp” refer to Plaintiffs’ Memorandum in Opposition to Defendants’ Motion for Summary Judgment that Claims 1–4, 6, and 8–26 Of United States Patent No. 5,264,765 Are Invalid, and In Support of Plaintiffs’ Cross–Motion for Validity of the Patent, filed 5/6/14. (Dkt. 184.)

overcome the Luckie patent and other prior art, we will not initiate an infringement suit against Vutec or its distributors.” (*Id.*)

On January 12, 2010, the PTO confirmed the patentability of the ‘765 Patent of claims 1–16 and expanded the scope of the ‘765 Patent to encompass nine additional claims.¹⁴ (Pl. 56.1(B) ¶ 6.) Plaintiffs commenced this suit on December 27, 2011. (Dkt. 1.)

DISCUSSION

I. Summary Judgment Standard

The standard for summary judgment in a patent case is the same as in any other case. *CA, Inc. v. Simple.com, Inc.*, 780 F. Supp. 2d 196, 208 (E.D.N.Y. 2009). Summary judgment may be granted only if the submissions of the parties taken together “show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law.” FRCP 56(c); *see Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 251–252 (1986). “The moving party bears the burden of establishing the absence of any genuine issue of material fact,” *Zalaski v. City of Bridgeport Police Department*, 613 F.3d 336, 340 (2d Cir. 2010); *see Salahuddin v. Goord*, 467 F.3d 263, 272–73 (2d Cir. 2006), after which the burden shifts to the

¹⁴ The U.S. Patent and Trademark Office Examiner’s Notice of Intent to Issue Reexamination Certificate states: “Claims 1–16 are confirmed. Claims 17–26 are patentable. The following is an examiner’s statement of reasons for patentability and/or confirmation of the claims found patentable in this reexamination proceeding: The closest prior art fails to disclose or fairly suggest: a) A cover unit for a flat display panel having *a means for mounting said housing onto a wall surface*, in combination with the remaining claimed limitations, as called for in independent claim 1; b) A cover unit for a flat display panel having *a housing mountable within a wall*, in combination with the remaining claimed limitations, as called for in independent claims 11 and 15; c) A cover unit having *means remote from the housing for actuating the motor operated moving means*, in combination with the remaining claimed limitations, as called for in independent claims 17, 18, and 19 and their, respective, dependent claims 21, 22, and 23; and d) A cover unit having *a remote controllable drive mechanism configured to move the flexible cover so as to cover and uncover the display panel*, in combination with the remaining claimed limitations, as called for in independent claims 20 and 25.” (Dkt. 195–4 at PEC000082–86 (emphasis in original)).

nonmoving party to “come forward with specific evidence demonstrating the existence of a genuine dispute of material fact.” *Brown v. Eli Lilly & Co.*, 654 F.3d 347, 358 (2d Cir. 2011); *see also F.D.I.C. v. Great American Ins. Co.*, 607 F.3d 288, 292 (2d Cir. 2010). The nonmoving party can only defeat summary judgment “by coming forward with evidence that would be sufficient, if all reasonable inferences were drawn in [its] favor, to establish the existence of” a factual question that must be resolved at trial. *Spinelli v. City N.Y.*, 579 F.3d 160, 166 (2d Cir. 2009) (internal quotations and citations omitted); *see also Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). In determining whether a genuine issue of fact exists, the court must resolve all ambiguities and draw all reasonable inferences against the moving party. *Major League Baseball Props., Inc. v. Salvino, Inc.*, 542 F.3d 290, 309 (2d Cir. 2008).

II. Claim Construction

It is well established that a patent must “describe the exact scope of an invention and its manufacture to ‘secure to [the patentee] all to which he is entitled, [and] to apprise the public of what is still open to them.’” *Markman v. Westview*, 517 U.S. 370, 373 (1996) (quoting *McClain v. Ortmyer*, 141 U.S. 419, 424 (1891)). A patent contains two elements that describe the scope of the patent. *Id.* First, it contains a written specification that describes the invention, the preferred embodiment of the invention, and how to make use of it. 35 U.S.C. § 112. The specification describes the invention “in such full, clear, concise, and exact terms as to enable any person skilled in the art . . . to make and use the same.” *Id.* Second, a patent includes one or more “claims,” which “particularly poin[t] out and distinctly clai[m] the subject matter which the applicant regards as his invention.” *Id.*

The court must first construe the scope of Plaintiffs’ patent claims before determining the validity of these claims and whether infringement has occurred.

“[T]he construction of a patent, including terms of art within its claim,” is a matter of law, and therefore, “exclusively within the province of the court.” *See Markman*, 517 U.S. at 373; *see also Teva Pharmaceuticals USA, Inc. v. Sandoz, Inc.*, — U.S. —, 135 S. Ct. 831, 841 (2015) (confirming that “when the district court reviews only evidence intrinsic to the patent (the patent claims and specifications, along with the patent’s prosecution history), the judge’s determination will amount solely to a determination of law”). In construing a patent claim, the Federal Circuit has long instructed that courts must first consider intrinsic evidence, but also may resort to extrinsic evidence such as expert testimony if unable to make a determination based solely on the intrinsic evidence. *See Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996); *see also Teva Pharmaceuticals USA, Inc.*, 135 S. Ct. at 841.

A. Intrinsic Evidence

Intrinsic evidence consists of the language of the patent itself and its accompanying claims, the specifications accompanying the claims, and the prosecution history before the PTO. *See All Dental Prodx, LLC v. Advantage Dental Prods., Inc.*, 309 F.3d 774, 780 (Fed. Cir. 2002) (“Foremost among the tools of claim construction is of course the claim language itself, but other portions of the intrinsic evidence are clearly relevant, including the patent specification and prosecution history.”). Together, these sources are “the most significant source of the legally operative meaning of disputed claim language.” *Vitronics*, 90 F.3d at 1582.

In general, claim terms are given their ordinary and customary meaning, *i.e.*, the “meaning that the term would have to a person of ordinary skill in the art in question . . . as of the effective filing date of the patent application.” *Phillips v. AWH Corp.*, 415 F.3d 1303, 1313 (Fed. Cir. 2005). A “person of ordinary skill in the art is deemed to read the claim term not only

in the context of the particular claim in which the disputed term appears, but in the context of the entire patent, including the specification.” *Id.*

After examining the claims themselves, the court must then review the specification to determine whether the inventor has used any terms in a manner inconsistent with their ordinary meaning. *Vitronics*, 90 F.3d at 1582. “[T]he specification is always highly relevant to the claim construction analysis” and is usually dispositive. *Id.* “[W]hen the scope of the invention is clearly stated in the specification, and is described as the advantage and distinction of the invention, it is not necessary to disavow explicitly a different scope.” *On Demand Mach. Corp. v. Ingram Indus., Inc.*, 442 F.3d 1331, 1340 (Fed. Cir. 2006.)

Finally, the court may also consider the patent’s prosecution history. *Vitronics*, 90 F.3d at 1582. Like the specification, the prosecution history is intrinsic evidence and is “often of critical significance in determining the meaning of the claims.” *Id.* The prosecution history is an important piece of intrinsic evidence in claim construction as it represents the public record of proceedings in the PTO. *Phillips*, 415 F.3d at 1317. In addition, prior art considered by the PTO during prosecution of a patent comprises intrinsic evidence for claim construction. *Vitronics*, 90 F.3d at 1583.

B. Extrinsic Evidence

A court may also rely on extrinsic evidence, which consists of expert testimony, dictionaries, or learned treatises. *Phillips*, 415 F.3d at 1319. While extrinsic evidence can be useful and may be relied on, courts must use discretion when considering extrinsic evidence and assign the appropriate weight to such evidence. *Id.* at 1319, 1324 (“The sequence of steps used by the judge in consulting various sources is not important; what matters is for the court to attach the appropriate weight to be assigned to those sources in light of the statutes and policies that

inform patent law.”); *see also Karlin Tech., Inc. v. Surgical Dynamics, Inc.*, 177 F.3d 968, 971 (Fed. Cir. 1999) (“The court may receive extrinsic evidence to educate itself about the invention and the relevant technology, but the court may not use extrinsic evidence to arrive at a claim construction that is clearly at odds with the construction mandated by the intrinsic evidence.”). Thus, extrinsic evidence may not “contradict the manifest meaning of the claims as set forth, even by implication, in the specifications and prosecution history.” *Vitronics*, 90 F.3d at 1585.

C. Means–Plus–Function Analysis

Under 35 U.S.C. § 112(f), “[a]n 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 claims shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.” 35 U.S.C. § 112.

This form of claiming, known as means–plus–function claiming, applies to “purely functional limitations that do not provide the structure that performs the recited function.” *Phillips*, 415 F.3d at 1311. It “represents a quid pro quo by permitting inventors to use a generic means expression for a claim limitation provided that the specification indicates what structure(s) constitute(s) the means.” *Chicago Bd. Options Exch. v. Int’l Sec. Exch.*, 677 F.3d 1361, 1367 (Fed. Cir. 2012) (internal citations omitted).

To determine whether a limitation is drafted in “means–plus–function” format, the court looks to the language of the claim. In particular, “the term ‘means’ is central to the analysis.” *Personalized Media Commc’ns, LLC v. Int’l Trade Comm’n*, 161 F.3d 696, 703 (Fed. Cir. 1998). Claim language that includes the word “means” triggers a presumption that the claim is drafted according to § 112(f), as a “means–plus–function” claim. *Id.* However, this presumption can be

overcome if the claim itself recites a function “but then goes on to elaborate sufficient structure, material, or acts within the claim itself to perform entirely the recited function.” *Flo Healthcare Solutions, LLC v. Kappos*, 697 F.3d 1367, 1373 (Fed. Cir. 2012) (internal quotations and citations omitted). In that instance, although the claim uses the term “means”, the claim is not in means-plus-function format. *Id.*

III. The Court’s Claim Construction

The Court now turns to the construction of the relevant claims and claim terms of the ‘765 Patent. All of the claims discussed below are in dispute by the parties, except where otherwise noted.

A. “Flat Display Panel”

Defendants argue that the claim term “flat display panel” in the preambles to claims 1–14 of the ‘765 Patent, and claims 17, 18, 20–22 and 24–26, as issued after the reexamination, do not limit the scope of the claims but state an intended use for the “cover unit.” (Def. Mem.¹⁵ at 4–5.) Plaintiffs argue that the claim term “flat display panel” in the preambles should be construed to limit the claims to flat display panels. (Pl. Opp. at 10–11.)¹⁶

“Whether to treat a preamble as a claim limitation is determined on the facts of each case in light of the claim as a whole and the invention described in the patent.” *Storage Technology*

¹⁵ Citations to “Def. Mem” refer to Defendants’ Memorandum of Law In Support of Their Motion for Summary Judgment that Claims 1–4, 6 and 8–26 of the United States Patent No. 5,264,765 are Invalid, filed 4/8/14. (Dkt. 182.)

¹⁶ Using claim 1 as an example, the preamble is the phrase before the colon (italicized) and the phrases after the colon constitute the claim:

1. *A cover unit for a flat display panel comprising:* a housing, means for mounting said housing onto a wall surface; movable cover means within said housing to be disposed in front of the display panel; and means for moving said cover means to cover and uncover said display panel.

Corp. v. Cisco Sys., Inc., 329 F.3d 823, 831 (Fed. Cir. 2003). A preamble is generally construed as a limitation if it “recites essential structure or steps, or if it is ‘necessary to give life, meaning, and vitality to the claim.’” *Catalina Mktg. Int’l, Inc. v. Coolsavings.com, Inc.*, 289 F.3d 301, 808 (Fed. Cir. 2002). “If the preamble adds no limitations to those in the body of the claim, the preamble is not itself a claim limitation and is irrelevant to proper construction of the claim.” *IMS Technology, Inc. v. Haas Automation, Inc.*, 206 F.3d 1422, 1434 (Fed. Cir. 2000). A preamble need not be construed if “the claim body describes a structurally complete invention such that deletion of the preamble phrase does not affect the structure or steps of the claimed invention.” *Catalina Mktg. Int’l, Inc.*, 289 F.3d at 809.

Defendants argue that the reference to “flat display panel” in the preambles is not a claim limitation, thereby making it irrelevant whether the ‘765 invention is used to cover a flat-screen television or a conventional, cathode ray tube (“CRT”)¹⁷ television.¹⁸ (Def. Mem. at 5, 8 (the ‘765 Patent encompasses “nothing more than a housing . . . having a ‘movable cover’ disposed in front of whatever article one might wish to display in the housing, which need not be a flat panel display television.”).) Plaintiffs counter that the claim term “flat display panel,” contained in the preambles of the independent claims, is a limitation because it is “necessary to give life, meaning, and vitality to the claim[s].” (Pl. Opp. at 12). The Court agrees with Plaintiffs.

¹⁷ “A CRT is formed from an evacuated glass envelopment that it is relatively fragile. . . . The inner surface of the front portion is coated with phosphorescent material which emits visible light when excited by high-energy electrons produced by electron guns located within the CRT.” The console for a television that has a CRT for a monitor screen has a depth approximately equal to its height or width. (Dkt. 186–8 at PEC000095, PEC000098.) CRT televisions are the traditional box televisions that preceded the advent of flat-screen television technology.

¹⁸ Vutec seeks this construction because it forms the basis of its argument that previous inventions that were designed to conceal CRT televisions rendered the ‘765 Patent obvious and thus non-patentable. *See infra* at 27.

The Court turns first to the claim language to ascertain the import of the preambles. The preambles of each independent claim of the '765 Patent are identical, disclosing: "A cover unit for a flat display panel comprising . . ." "Flat display panel" is not just a statement of the purpose of the patent, but it is a structural limitation of Plaintiffs' claims because it defines the size and shape of the housing and cover elements, which must be appropriate for covering or storing a flat display panel. The interpretation that "flat display panel" is a claim limitation reveals what the Inventors purportedly invented and the scope of the invention. It is evident from the plain language of the independent claims that the term "flat display panel" is a claim limitation disclosing the invention's intended use solely with flat display panels, and not, for example, conventional, elongated CRT televisions. *See Markman*, 517 U.S. at 373 (a patent must "describe the exact scope of an invention . . . to secure to [the patentee] all to which he is entitled, [and] to apprise the public of what is still open to them.") (internal quotation marks omitted).

According to the patent specification, flat panel video displays, "are relatively thin and do not utilize an elongated cathode ray tube." (Dkt. 186-1 at 1:8-9.) The specification notes that these large flat panel displays are considered by some to be aesthetically unappealing, and because they are exposed, are subject to damage. (*Id.* at 1:18-21.) Therefore, the purpose of invention is to provide various arrangements for covering a flat panel display. The specification makes clear that the invention seeks to provide various types of covers specifically for a flat panel display, and not for other types of televisions, including CRT televisions. (*Id.* at 1:24-28.) The specification states that the preferred embodiment of the invention would include a unit that houses the flat panel display and a cover that can be placed over the flat panel display. (*Id.* at

1:29–39.) Therefore, the specification supports a finding that the claim term “flat display panel” is a limitation.

The prosecution history of the ‘765 Patent also supports this construction. Here, the Plaintiffs relied on the preamble, specifically the claim term “flat display panel”, during prosecution to distinguish the ‘765 Patent from prior art, such as “Luckie” and “KCB,” two inventions that relate to conventional, elongated CRT televisions.¹⁹ Plaintiffs’ reliance on the preamble during prosecution supports the Court’s construction of the phrase “flat display panel” as a claim limitation.²⁰ See *Catalina Mktg. Int’l, Inc.*, 289 F.3d at 808 (“Clear reliance on the preamble during prosecution to distinguish the claimed invention from the prior art transforms

¹⁹ The following portions of the prosecution history support construing the term “flat display panel” as a claim limitation that excludes prior art: (1) the Notice of Intent to Issue Ex Parte Reexamination Certificate drafted by the PTO Examiner explained that the “reasons for patentability and/or confirmation of” claims 1–26, include, *inter alia*, the fact that the “closest prior art fail[ed] to disclose or fairly suggest . . . [a] cover unit for a *flat panel display*.” (Dkt. 195–4 at PEC000084 (emphasis added).); (2) the January 26, 1993 Applicant Amendment stated, “claim 1 has been amended to set forth that the cover unit is for a *flat display panel* and includes a housing With respect to the principal reference to Skovgaard [potential prior art], this is a conventional television set with a picture tube (CRT) having a neck which extends rearly (sic). . . . Skovgaard does not teach or suggest applicant’s invention for a *flat display panel* . . .” (Dkt. 186–8 at PEC000034, 38–39 (emphasis added).); (3) the Reexamination Examiner Interview in Applicant’s September 2, 2009 Response states, “Also discussed was how the Background section, column 1, lines 5–7, of the reexamination application clearly distinguishes the term ‘*flat panel display*’ to exclude the [conventional] cathode ray tube described in the Luckie and Kansas City Brochure prior art.” (*Id.* at PEC000094–95 (emphasis added).); and (4) The Application’s September 2, 2009 Response states: “Luckie fails to describe a flat display panel . . . The Kansas City Brochure fails to describe, or suggest, at least a *flat display panel* . . . [A] combination of Luckie and the Kansas City Brochure fails to disclose at least a *flat display panel*. . . Therefore, a combination of Luckie and the Kansas City Brochure could not disclose, or suggest, a *flat display panel* mounted within a housing . . .” (*Id.* at PEC000095–103 (emphasis added).) The ‘765 Patent was re-approved based on the September 2, 2009 Response.

²⁰ Defendants allege that the preambles of independent claims 17, 18, 20, and 25 do not positively recite a “display panel” as a limitation. (Def. Mem. at 24–26.) However, as discussed *supra*, the proper reading of “flat display panel” in the preambles is a claim limitation, which applies to claims 17, 18, 20, and 25.

the preamble into a claim limitation because such reliance indicates use of the preamble to define, in part, the claimed invention.”).

B. “Housing”

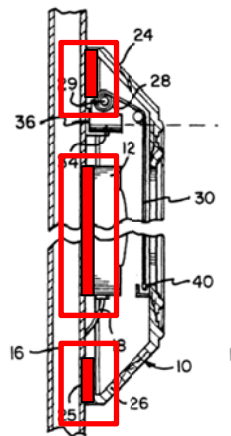
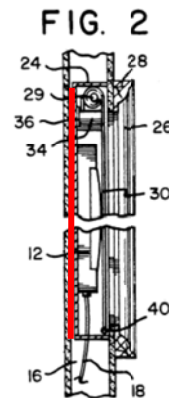
Each independent claim of the ‘765 Patent contains the term “housing.” The parties dispute the meaning and scope of “housing.” Plaintiffs state that no claim construction is necessary because the plain and ordinary meaning applies, such that housing would be a “frame or chassis.” (Pl. Mem. at 11.) Defendants argue that a narrower meaning should be adopted. (Def. Opp.²¹ at 7–10, 16.) Defendants do not clearly articulate their definition for “housing,” but the Court construes Defendants’ position to be that a “housing” is a frame that has a “back wall” or “rear wall” that has a “continuous surface” acting as an “enclosure” or “barrier.” (*Id.*) The Court agrees with Plaintiffs’ definition that the plain meaning of “housing” is a “frame or chassis,” and does not suggest whether the frame has a back or rear wall.

The intrinsic evidence supports the Court’s reading of this claim term. The patent claims themselves do not limit “housing” to one with or without a back wall. The plain language of the claims suggests that a variety of housings are permissible, including housings with or without a back wall.

The ‘765 Patent’s specification does not contain any limitations as to the configuration of the housing, and the Court will not import this limitation from the specification into the claims. The figures provided in the specification suggest that the patent describes various embodiments of a “housing,” including those with and without a back or rear wall. For example, as shown

²¹ Citations to “Def. Opp” refer to Defendants’ Memorandum of Law in Support of Their Cross–Motion for Summary Judgment of Non–Infringement and in Opposition to Plaintiffs’ Motion for Summary Judgment of Infringement by Defendants of Claims 1, 11, 17, and 18 of United States Patent No. 5,264,765, filed 5/6/14. (Dkt. 200.)

below, Figure 1 in the '765 Patent specification shows a wall-mounted housing, which does not have a complete rear or back wall. The red highlighted boxes indicate where the wall is connected to the back of the housing, and the spaces in between these highlighted portions indicate the spaces between the wall and the back of the housing *i.e.*, where the housing does not attach to the wall and the back wall does not fully enclose the housing.²² (Pl. Reply at 3–5.) By contrast, Figure 2 in the '765 patent specification, also shown below, is a recessed embodiment that has a housing with a complete back or rear wall. The red highlighted portion indicates that the back rear wall encloses the housing. (Pl. Mem. at 12–14.)

Figure 1²³Figure 2²⁴

²² The specification describes Figure 1 as having a video display that is “mounted on the back wall of housing 24 which is in turn fastened to a support stud 16,” but does not require that the “back wall of the housing” fully enclose the housing. (Dkt. 186–1 at 2:24–27.) “The housing 24 also has a piece of rear internal flange 525 [sic] [which the Court assumes references 25] are [sic] mounted to the wall, preferably on the wall studs 16, by any suitable fastener.” (*Id.* at 2:64–66.) The specification supports Plaintiff’s argument that there is partial space between where the video display and the housing are attached to the wall. (Pl. Reply. at 3–5.) Therefore, Defendants’ argument that the housing “unquestionably extends” between the red boxes indicated in Figure 1 is incorrect. (Def. Opp. at 14–15.)

²³ Figure 1 is a cross-sectional view of one embodiment of the invention having a display and cover as part of a single unit for mounting on a wall. (Dkt. 186–1 at 1:65–67.) For purposes of orientation, the wall is depicted on the left side of the figure, demarcated by broken lines, and the room, into which the television projects, is to the right of the figure.

Therefore, these figures support the plain and ordinary reading of the claim term “housing.”

In addition, the prosecution history of the ‘765 Patent in no way suggests that Plaintiffs sought to limit the housings to only those with a back or rear wall. *See Phillips*, 415 F.3d at 1323 (noting that a patent’s prosecution history can be useful in demonstrating “how the inventor understood the invention and whether the inventor limited the invention in the course of prosecution, making the claim scope narrower than it would otherwise be.”).

Based on the plain meaning of the claim term “housing” and the intrinsic evidence, the Court adopts Plaintiffs’ definition of the term “housing” as a “frame or chassis” that may or may not have a rear or back wall, and rejects the narrower meaning suggested by Defendants.

C. “Box Frame”

Plaintiffs argue that the plain and ordinary meaning of “box frame,” as “a frame or chassis *without* an enclosed back wall,” applies, and that a “box frame” is thus one type of “housing.” (Pl. Reply at 2 (emphasis added).) It appears that Defendants define a “box frame” as a structure that “directly retain[s] or mount[s] a flat panel display without a housing.” (Dkt. 125–1 at 2–3 (emphasis in original).) Based on this definition, Defendants argue that the term “housing” in independent claim 11 does not encompass “box frames,” and that claim 12 requires both a “housing” *and* a “box frame,” and would, therefore, not be a dependent claim of claim 11. (*Id.*)²⁵ The Court agrees with Plaintiffs’ definition of “box frame.”

Application of the doctrine of claim differentiation supports Plaintiffs’ definition. “The doctrine of claim differentiation . . . creates a rebuttable presumption that each claim in a patent

²⁴ Figure 2 is a cross-sectional view of a unit having the display panel and cover for mounting *within* the wall. (*Id.* at 2:3–5.) As in Figure 1, the wall is demarcated by broken lines, and the room, into which the television projects, is to the right of the figure.

²⁵ Defendants seek this construction because it supports their claim that Vutec’s ArtScreen line of products do not have a “housing”, but instead use a “box frame”, thus avoiding infringement of Plaintiffs’ claims. (Dkt. 125–1 at 2–3.)

has a different scope.” *Dow Chem. Co. v. United States*, 226 F.3d 1334, 1341 (Fed. Cir. 2000). The doctrine is implicit in 35 U.S.C. § 112 ¶ 4, which states that “a claim in dependent form shall contain a reference to a claim previously set forth and then specify a further limitation of the subject matter claimed.” 35 U.S.C. § 112. Therefore, a dependent claim and a corresponding independent claim should not be construed to have the same scope; rather, the dependent claim should be construed to have an additional limitation.

Here, the Court has determined that the plain meaning of “housing” controls, which makes claim 11 broad enough to encompass different types of “housings” that either have or do not have a back wall. Dependent claim 12 provides a limitation to the “housing” element in independent claim 11 by requiring it to be in the form of a “box frame,” *i.e.*, a backless housing. claim 12’s box frame housing limitation further defines the broader “housing” term of claim 11 by adding a new and different requirement that is not present in claim 11, from which it derives. Since claim 12 specifies that the “housing” in claim 11 must be a box frame, it is clear that claim 12 does not require both a “box frame” and a “housing.” While the Court is aware that claim differentiation is not a conclusive basis for construing claims, *see Bradford Co. v. Conteyor N. Am., Inc.*, 603 F.3d 1262, 1271 (Fed. Cir. 2010), here, application of the doctrine is fully consistent with the patent as a whole.

D. “Television Receiver”

Defendants argue that the term “television receiver” in claims 21–24 is “indefinite” and “not amenable to construction.”²⁶ (Def. Supp. Br.²⁷ at 3–4.)²⁸ Defendants suggest that while the

²⁶ Defendants cite to the recent Supreme Court decision in *Nautilus, Inc. v. Biosig Inst., Inc.*, — U.S. —, 134 S.Ct. 2120 (2014), to argue that the term “television receiver” is indefinite. In *Nautilus*, the Supreme Court held that a patent is invalid for indefiniteness if its claims, read in light of the specification delineating the patent, and the prosecution history, fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention. *Id.* at 2124. Here,

specification of the '765 Patent describes a “television receiver” as illustrative of a “suitable driver device,” it is unclear as to what the “television receiver” is allegedly supposed to “drive.” (*Id.*) Plaintiffs counter that the term “television receiver” is clear on its face, and describes the receiver that the television uses to receive television signals. Plaintiffs similarly argue that the claims are clear as to what the television receiver is supposed to drive, namely, “the display panel.” (Pl. Supp. Br.²⁹ at 1.) The Court agrees with Plaintiffs.

The plain language of claims 21–24 states that the television receiver “drives the display panel.” (Dkt. 186–1 at p. 10, 2:16–44.) In addition, the specification similarly states that the television receiver drives the “video display.” (*Id.* at 2:26–30.) Therefore, the claim limitation is clear on its face and is not indefinite. *See Augme Techs., Inc. v. Yahoo! Inc.*, 755 F.3d 1326, 1340 (Fed. Cir. 2014) (“The limitation at issue here is clear on its face and unquestionably meets [the *Nautilus*] standard.”).

not only is the claim term clear on its face, but Defendants also fail to provide evidence that a person of ordinary skill in the art would not be informed with reasonable certainty of the scope of the invention.

²⁷ Citations to “Def. Supp. Br.” refer to Defendants’ Supplemental Memorandum of Law in Support of Their Motion for Summary Judgment that Dependent Claims 21–24 and 26 of U.S. Patent No. 5,264,765 Are Invalid as Being Indefinite Under 35 U.S.C. § 112 ¶ 2, Pursuant to the “Reasonable Certainty” Test Announced By the United States Supreme Court in *Nautilus, Inc. v. Biosig Instruments, Inc.* on June 2, 2014, filed on 6/30/14. (Dkt. 209.)

²⁸ Defendants seek to undermine the definiteness of this term because it would make the patent unenforceable. *See Stryker Corp. v. Intermedics Orthopedics, Inc.*, 891 F. Supp. 751, 810 (E.D.N.Y. 1995), *aff’d*, 96 F.3d 1409 (Fed. Cir. 1996) (defending against non–infringement by arguing that the patent is invalid because the claims limitations at issue are indefinite).

²⁹ Citations to “Pl. Supp. Br.” refer to Plaintiffs’ Reply to Defendants’ Supplemental Memorandum of Law Regarding the Definiteness of Claims 21–24 and 26 of U.S. Patent No. 5,264,765., filed 12/8/14. (Dkt. 214.)

E. “Means for mounting”

The claims disclose a “means for mounting said housing onto a wall surface.”³⁰ (Dkt. 186–1 at 4:10.) The Court finds that the claim uses means–plus–function language, which is governed by § 112(f), and should be interpreted according to the specification. The relevant portion of the specification states the following: “The housing also has a piece of rear internal flange which are [sic] mounted to the wall, on the wall studs, by any suitable fasteners. There also can be holes in the housing rear wall and these used to hang the housing on fasteners mounted on the wall.”³¹ (Dkt. 186–1 at 2:64–58.) The specification indicates that the housing is mounted to the wall by a fastener or is recessed within a wall.

F. “Means for moving said cover means to cover and uncover said display panel”

All of the ‘765 Patent claims call for a “means for moving said cover means to cover and uncover said display panel.”³² The Court finds that because of this specification’s mean–plus–function format, it is governed by § 112(f). The relevant section of the specification states the following: “A suitable system is provided for rolling the cover up and down. This includes, for example, a suitable drive mechanism such as a motor which is mounted to a bracket on the rear wall of the housing. The motor can be activated by a manual switch (not shown) of any suitable

³⁰ The parties do not dispute the meaning of this term, but Plaintiffs argue that the term should be interpreted as means–plus–function to support its infringement claim that Vutec’s products each have a means for mounting the housing to, or within, a wall. (Dkt. 195–1 at 5.)

³¹ All numbers in the specifications referring to specific elements of the figures depicted have been omitted, unless otherwise indicated.

³² The parties do not dispute the meaning of this term, but Plaintiffs argue that the term should be interpreted as means–plus–function to support its infringement claim that Vutec’s products each have a means for moving the cover to cover and uncover the display panel. (Dkt. 195–1 at 11.)

form such as a push button . . .” (Dkt. 186–1 at 2:39–44.) The specification makes it clear that the means for moving the cover can be a motor.³³

G. “Means remote from said housing for actuating said motor operated moving means”

Claim 17 calls for a “means remote from said housing for actuating said motor operated moving means.”³⁴ (Dkt. 186–1 at p. 10, 1:29–30.) The Court finds that Section § 112(f) applies to the reading of this means–plus–function language. The specification states: “[T]he motor can be activated by a remote control device such as the standard kind of unit with ultrasonic or infrared signals which are used to control a television receiver. The control for the motor with both an up and a down function is similar to the up and down functions for changing channels in a television receiver. . . .” (Dkt. 186–1 at 2:45–48.) The specification indicates that the motor device is controlled by a remote control.

H. “Movable cover means within said housing to be disposed in front of the display panel”

The claims disclose a “movable cover means within said housing to be disposed in front of the display panel.”³⁵ (*Id.* at 4:11.) The Court finds that a “movable cover means” relates to a

³³ Claim 17 requires that “motor operated means” are used to move the cover. This claim term is not defined by § 112 ¶ 6 because it refers to a structural component. Therefore, the difference between claim 17 and claims 1–16 is that in claim 17 a motor is *required* to move the cover, while the means for moving the cover in claims 1–16 *may*, but need not, be a motor. Defendants do not dispute that “motor operated means” refers to a “motor.” (Def. Mem. at 26.)

³⁴ The parties do not dispute the meaning of this term, but Plaintiffs argue that the term should be interpreted as means–plus–function to support its infringement claim that Vutec’s products each have a remote control to operate the motor. (Dkt. 195–1 at 21.)

³⁵ The parties do not dispute the meaning of this term, but Plaintiffs argue that the term should *not* be interpreted as means–plus–function language. (Pl. Mem. at 23–24.) Plaintiffs claim that even if § 112 ¶ 6 did apply, the accused products would still infringe the ’765 Patent because they have a flexible cover. (*Id.*)

structural component and will not be defined under § 112(f). The distinction between the cover in claim 1 and claim 17 is that claim 17 is limited to a flexible movable cover.

I. “Disposed”

Although the parties do not dispute the meaning of the term “disposed” in the preambles to independent claims 1, 11, 15, 17, 18, 20, and 25, the Court interprets the term to mean “placed” or “positioned”, based upon the context and the parties’ use of the term.

J. Dependent Claims 8 & 9

Defendants argue that dependent claims 8 and 9 “do not further limit any structural element *or limitation* of claim 1, but merely list in greater detail the intended uses for the ‘cover unit’ of Claim 1.” (Def. Mem. at 16 (emphasis in original).) However, since “flat display panel” in independent claim 1 is a claim limitation, it is clear that claims 8 and 9 place further limitations on claim 1. Dependent claim 8 restricts the mounting of the flat display panel to within the housing and dependent claim 9 limits the flat display panel to one with video display means. Therefore, claims 8 and 9 are proper dependent claims.

K. Independent Claims 11 & 15

Defendants argue that if “display panel” is deemed to be a structural element, and a limitation upon, the invention in claim 11, then independent claims 11 and 15 would be identical, making one of these claims superfluous. (Def. Mem. at 19–20.) However, claims 11 and 15 are not identical. Claim 15 relates to an invention where the display panel is an *element* of the claim and is located within the housing element. Claim 11 is broader, and does not require a display panel as an element. In claim 11, the “flat display panel” term in the preamble is a limitation. In claim 15, the “flat display panel” term in the preamble is also a limitation, but the term “display

panel” in the body of the claim is a claim element, not a limitation. Therefore, claims 11 and 15 are not identical, and neither is superfluous.

L. Dependent Claim 14

Defendants argue that dependent claim 14 does not further limit independent claim 11. (Def. Mem. at 22–23.) As discussed *supra*, since “flat display panel” in independent claim 11 is a limitation, dependent claim 14 places additional limitations on claim 11 by limiting the flat panel to one that has “video display means.” Therefore, claim 14 is a proper dependent claim.

IV. Validity

Defendants argue that the ‘765 Patent is invalid because the subject matter claimed was obvious in view of the prior art under 35 U.S.C. § 103. Defendants have provided prior art references to support those arguments. If the ‘765 Patent is invalid, it logically follows that Defendants’ products cannot infringe. Therefore, validity must be addressed prior to determining the infringement issue.

“Under 35 U.S.C. § 282, a patent is presumed valid and one challenging its validity bears the burden of proving invalidity by clear and convincing evidence.” *Innovative Scuba Concepts, Inc. v. Feder Indus., Inc.*, 26 F.3d 1112, 1115 (Fed. Cir. 1994). “A patent claim may be held invalid if it is anticipated or made obvious by prior art.” *Papyrus Tech. Corp. v. New York Stock Exch., LLC*, 653 F. Supp. 2d 402, 414 (S.D.N.Y. 2009) *aff’d*, 396 F. App’x 702 (Fed. Cir. 2010). Here, Defendant argues that the ‘765 was rendered obvious by prior art references.

“Generally, a party seeking to invalidate a patent as obvious must demonstrate by clear and convincing evidence that a skilled artisan would have been motivated to combine the teaching of the prior art references to achieve the claimed invention, and that the skilled artisan would have had a reasonable expectation of success in doing so.” *OSRAM Sylvania, Inc. v. Am.*

Induction Techs., Inc., 701 F.3d 698, 706–07 (Fed. Cir. 2012) (quoting *Pfizer, Inc. v. Apotex Inc.*, 480 F.3d 1348, 1361 (Fed. Cir. 2007.)) “The Supreme Court has warned, however, that, while an analysis of any teaching, suggestion, or motivation to combine known elements is useful to an obviousness analysis, the overall obviousness inquiry must be expansive and flexible.” *Id.* at 707.

“The ultimate judgment of obviousness is a legal determination.” *KSR Int’l Co. v. Teleflex, Inc.*, 550 U.S. 398, 427 (2007). This legal determination is based on underlying factual inquiries relating to: (1) the scope and content of the prior art; (2) the level of ordinary skill in the art; (3) the differences between the claimed invention and the prior art; and (4) secondary, objective considerations of nonobviousness, including long–felt need, commercial success, or the failure of others. *Pregis Corp. v. Kappos*, 700 F.3d 1348, 1354 (Fed. Cir. 2012); *see also Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966).

The Court finds that Defendants have failed to establish, by clear and convincing evidence, that the inventions of the ‘765 Patent would have been obvious to a person of ordinary skill in the art. At best, the facts presented by Defendants demonstrate that some of the elements of the claims were in the prior art, but no reference shows all elements combined as they are in the claims of the ‘765 Patent, and the references do not suggest combining the elements as they are combined in the ‘765 Patent. In addition, the commercial success and industry praise of the ‘765 Patent support a finding of nonobviousness.

A. Prior Art

The Court will review the prior art cited by Defendants. These references do not invalidate as obvious the ‘765 Patent because the Defendants fail to show, by clear and convincing evidence, that a person of ordinary skill in the art would see the improvements or

modifications made by the Inventors named in the '765 Patent as obvious extensions or progressions of the existing art. *KSR Int'l Co.*, 550 U.S. at 418–419.

1. Luckie

Luckie is a 1954 patent that describes a cover located in front of a conventional, elongated CRT television. Luckie suggests a frame that contains a curtain device that can conceal the CRT television, and can be rolled up to expose the CRT television set and its screen.

First and foremost, Luckie was one of the two pieces of prior art raised by Vutec in the 2007 Action, discussed *supra*. The PTO conducted an extensive examination of Luckie through the prosecution history of the '765 Patent. *See Phillips*, 415 F.3d at 1317 (the prosecution history “includes the prior art cited during the examination of the patent” and demonstrates how the inventor and the PTO understood the meaning of the patent at the time of the proceedings). The PTO determined that Luckie did not invalidate any of the asserted claims in the '765 Patent. (Dkt. 195–4.) The Court agrees with the PTO’s determination.

Luckie does not describe or suggest any limitations relating to a “flat display panel,” which is a limitation in the '765 Patent. Luckie also does not specifically describe mounting a housing unit onto or within the wall, like the '765 Patent does. Luckie does state that the curtain can be “made separate from a television set and could be used to conceal a wall safe, a motion picture projector, etc., or it can be used for the ornamental purpose of closing any kind of opening.” (Dkt. 186–20 at 4:62–67.) However, Luckie does not describe, or patent, the process by which this can be done. Additionally, a wall safe, motion picture projector, or “any kind of opening” is not the equivalent of a flat display panel. Indeed, such flat display panels did not even exist in 1954, when Luckie was patented. Therefore, a person having ordinary skill in the art would find the '765 Patent non-obvious over Luckie.

2. Kansas City Brochure's All-Electric Home ("KCB")

The KCB published an article in 1954, entitled "Kansas City's First All-Electric Home," which disclosed a "special built-in television receiver behind a slide-away picture panel above the mantel.³⁶ The receiver can be remotely controlled. . ." (Dkt. 186–21.) The KCB disclosed a conventional, elongated CRT television. (*Id.*)

The KCB was the second piece of prior art that was raised by Vutec in the 2007 Action. Similar to Luckie, the PTO found that the KCB did not invalidate any of the asserted claims in the '765 Patent. (Dkt. 195–4.) The Court again agrees with the PTO's determination. Unlike the '765 Patent, the KCB does not disclose a "flat display panel" limitation on any claim. As with the Luckie patent, flat display panels or televisions did not exist when the KCB was issued. The KCB does not disclose a housing that would be sold for installation into a wall and used with other equipment, *e.g.*, a flat panel display. Instead, the KCB describes a structure that is built into a wall above the mantle that has a substantial depth in order to accommodate the CRT television, not a commercial housing for a flat panel display that is disclosed in the '765 Patent. The KCB also does not disclose a movable cover means within the housing that is disposed in front of a flat panel display, but simply describes "a slide-away picture panel."

³⁶ A patent is "invalid as anticipated, where the claimed invention 'was patented *or described in a printed publication* in this or a foreign country . . . more than one year prior to the date of the application for patent in the United States.'" *Astra Aktiebolag v. Andrx Pharm., Inc.*, 222 F. Supp. 2d 423, 571 (S.D.N.Y. 2002), *aff'd sub nom. In re Omeprazole Patent Litig.*, 84 F. App'x 76 (Fed. Cir. 2003) (quoting 35 U.S.C. § 102(b)) (ellipses in original; emphasis added). "[W]hether a document is a 'printed publication' is a legal determination based on underlying issues of fact, and must be decided on a case-by-case basis." *Id.* at 575. "A document may be deemed a printed publication 'upon a satisfactory showing that such document has been disseminated or otherwise made available to the extent that persons interested and [of ordinary skill] in the subject matter or art, exercising reasonable diligence, can locate it and recognize and comprehend therefrom the essentials of the claimed invention without need of further research or experimentation.'" *Id.* (quoting *In re Wyer*, 655 F.2d 221, 226 (C.C.P.A. 1981)). The KCB qualifies as prior art because it is a printed publication that is enabling and was disseminated to the public more than one year prior to issuance of the '765 Patent.

Accordingly, a person having ordinary skill in the art would not find that the KCB invalidates the '765 Patent as obvious.

3. *American Builder* Wall–Installed Television (“*American Builder*”)

In February 1952, *American Builder* magazine published an article entitled, “Only Screen Exposed in This Television Wall Installation,” that described a CRT television that was recessed into the wall.³⁷ (at 2; Def. Mem. at 38.) The article stated:

A new method of concealing all but the screen of television sets by placing the set chassis in a wall recess has been developed . . . [T]he screen or tube face of the set, when not in use, is covered by a framed picture on the wall to match the room’s décor. Another feature of the wall installation is a completely automatic device which simultaneously slides the picture down into the wall, exposing the viewing screen, and turns the set on. . . . The simplest way to install the viewing system is in a wall backed by a closet where the chassis can be mounted However, . . . the unit can be mounted on any inside wall by enclosing the chassis on the opposite side with some type of attractive wall case.

(Dkt. 186–22.) Although *American Builder* differed from the KCB by providing for a remote control to move the television cover and turn on the television, both inventions involved the concealment of a conventional, elongated CRT television, not a flat display panel. Accordingly, *American Builder* does not invalidate the '765 Patent as obvious.

4. Similarities Between Different Television Technology are Irrelevant

Relying on *Citizen Watch Co., Ltd. v. U.S.*, 733 F.Supp. 383 (Ct. Int’l Trade 1990), and *In re Raynes*, 7 F.3d 1037 (Fed. Cir. 1993), Defendants argue that because courts have, at times, treated different types of television technology the same, the fact that the '765 Patent is limited

³⁷ *American Builder* qualifies as prior art because it is a printed publication that is enabling and was disseminated to the public more than one year prior to issuance of the '765 Patent.

to flat display panels does not distinguish it from purported prior art that was used with conventional CRT televisions. (Def. Mem. at 39–41.) These cases, however, are inapposite.³⁸

In *Citizen Watch Co., Ltd.*, the Court of International Trade addressed the issue of whether liquid crystal display (“LCD”)³⁹ televisions, produced in Japan, were distinctive from the CRT televisions produced in the United States, such that the LCD televisions could obtain an exception from an anti-dumping order. 733 F.Supp. at 384. The court held that “there was substantial evidence in the record that the imported LCD TVs shared certain basic characteristics with all television receivers.” *Id.* at 389. These included “the possession of a screen tuner, audio device, and electronic circuitry necessary to receive a signal.” *Id.* The court noted that, “Although there are certainly production differences between these types of television receivers, particularly in the production of the display devices, there were nevertheless sufficient grounds for the Commission to find more similarities than differences in general between the production of these two types of televisions.” *Id.*

In *In re Raynes*, the Federal Circuit affirmed a PTO final rejection of an applicant’s patent claim for a computer-processed interactive automobile service station that would display video on a CRT television display, rather than a LED⁴⁰ or LCD display. 7 F.3d at 1038–39. The

³⁸ In addition, Defendants fail to articulate why judicial opinions should be considered prior art by establishing that a person of ordinary skill in the art would refer to judicial opinions for relevant technical information. Regardless, the cases cited to by Defendants do not invalidate the ‘765 Patent, as discussed *infra*.

³⁹ The court defined an LCD television as “a flat panel display in which liquid crystals are sandwiched between two sheets of glass and, when stimulated by a grid of transistors which has been applied to one of the glass plates, act as optical shutters to display moving images.” *Citizen Watch*, 733 F.Supp. at 384.

⁴⁰ “LED” refers to light emitting diode. An LED television is a LCD television that is backlit with LEDs instead of standard cold-cathode fluorescent lights. *See* <http://www.pcmag.com/encyclopedia/term/59952/led-tv> (last visited Mar. 18, 2015).

court affirmed “that it would have been obvious to replace the display system of [the prior art] with a CRT display, with its known video capability.” *Id.* at 1039.

Neither *Citizen Watch* nor *In re Raynes* addressed the precise issue presented in this case: whether the differences in television technology should be considered in determining whether an invention whose use is limited to one type of television technology, *i.e.*, flat display panels, is anticipated by several prior art applied to a different form of television technology, *i.e.*, CRT televisions. At most, *Citizen Watch* and *In re Raynes* stand for the proposition that the *functionality* of CRT, LCD, and LED televisions is the same, in that they all have audio and video capabilities. However, the functionality of the various televisions is not relevant to the ‘765 Patent, which discloses a *cover unit* for a specific type of television. Rather, it is the physical dimensions and features of the two different types of television technology that matter here. For example, while desktop computers and laptops serve the same computing function, a cover for a laptop computer would not be obvious from a cover for a desktop computer, as the size, shape, weight, and aesthetics vary significantly. The question here is whether the CRT televisions for which the Luckie, KCB, and *American Builder* covers were developed are interchangeable with respect to size, shape, weight, or appearance with the flat display panels for which Plaintiffs’ cover was developed, so as to make the ‘765 Patent obvious. The answer to *that* question is no, and the cases cited by Defendants do not alter that result.

5. Defendants’ Other Prior Art

Defendants cite to, *inter alia*, Gist, (1951 patent), Ressler (1967 patent), Lauben (1974), Credelle (1978 patent), and Stanley (1979 patent) to support its argument that individual claim elements were known.

The Gist and Ressler patents relate to wall cabinets. Gist is a 1951 patent that discloses a cabinet housing “for installation between wall boards fixed to conventional four or six inch studding.” (Dkt. 186–27.) Ressler is a 1967 patent that discloses a mounting arrangement for a wall cabinet. (Dkt. 186–28.) Lauben is a 1974 patent that does not describe a panel for a flat display panel, but refers to a panel board for electrical equipment such as circuit breakers. (Dkt. 186–26.) The Credelle and Stanley patents disclose flat panel display CRT devices, or a flat panel display device using CRT technology. (Dkts. 186–23, 186–24.) These references plainly do not suggest the innovations found in the ‘765 Patent, and thus do not invalidate it as obvious under § 103.

B. Commercial Success

It is well established that the commercial success of a patented invention may constitute objective evidence of the patent’s nonobviousness. *Power Integrations, Inc. v. Fairchild Semiconductor Int’l, Inc.*, 711 F.3d 1348, 1368 (Fed. Cir. 2013). Here, the ‘765 Patent has enjoyed substantial commercial success, having been licensed to major manufacturers, and having generated millions of dollars in royalties. (Dkt. 186–3.) From 2005 to 2009, sales of Visionart products relating to the ‘765 Patent exceeded \$6.5 million. (*Id.*)

Based on the significant difference between the ‘765 Patent and the prior art, and the commercial success of products that embody the ‘765 Patent, Defendants’ claim of obviousness fails, and the ‘765 Patent is valid.

V. Infringement

Pursuant to 35 U.S.C. § 271(a) “[w]hoever without authority makes, uses or sells any patented invention, within the United States during the term of the patent therefor, infringes the patent.” 35 U.S.C. § 271(a). A dispute over patent infringement is divided into two steps: (1)

construction of the patent's claims; and (2) determining whether infringement of the patent has occurred. *See Markman*, 517 U.S. at 384. The Court has already construed the claims to determine their proper scope and meaning. *Id.*

Now, the Court must determine whether Plaintiffs have proved by a preponderance of the evidence that Defendants' products literally infringe the '765 Patent. Literal infringement requires that the accused device embody every element of the patent claim. *Rothschild v. Cree, Inc.*, 567 F. Supp. 2d 572, 578 (S.D.N.Y. 2008). Products that do not literally infringe can still infringe under the doctrine of equivalents if the accused device "performs substantially the same function in substantially the same way to accomplish substantially the same result as the claimed invention." *DePaul v. Gen. Instrument Corp.*, 771 F. Supp. 642, 645 (S.D.N.Y. 1991).

Plaintiffs claim that Vutec literally infringes independent claims 1 and 17 and dependent claims 1, 2, 8 and 10 of the '765 Patent, under 35 U.S.C. § 271(a), by the making, using offering for sale and/or selling of its Surface Mount, Studio Series 1, and Studio Series 2 ArtScreen products in the United States. Plaintiffs also claim that Vutec literally infringes on independent claims 11, 18, and 19 and dependent claim 13 by the making, using, offering for sale and/or selling of its Recessed Mount and R-Series ArtScreen products in the United States. The Court agrees.

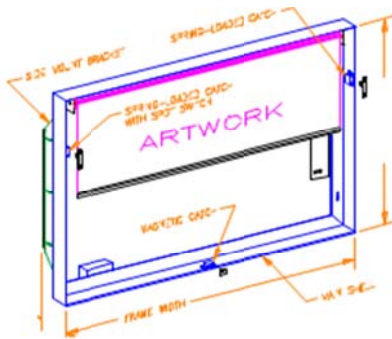
The analysis below confirms that Vutec's accused products embody every element of the relevant claims in the '765 Patent, satisfying the requirements for a finding of literal infringement.

A. Vutec's Accused Products

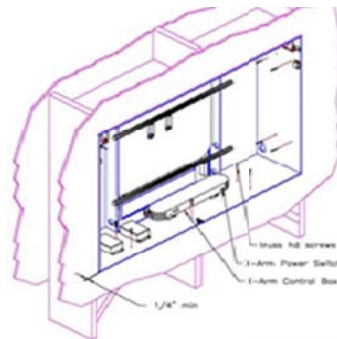
All of Vutec's ArtScreens consist of a "housing, which is an aluminum metal box [...] that is mounted on the wall, or usually in the wall" to "house the flat panel [display.]" (Axman

Tr. 48:6–19.) Mounting brackets are used to mount the housing to the wall. (Passalacqua Tr.⁴¹ 12:3–6.) A piece of artwork is wound on a roller and the roller is mounted within the housing. (*Id.* 11:3–19.) There is a motor inside the roller that moves the artwork up and down in front of the flat panel display. (Nguyen Tr. 26:15–23; 27:24–28:1;30:6–31:5.) The ArtScreens provide a remote control for the roller motor. (*Id.* at 34:13–19; Passalacqua Tr. 23:15–17.)

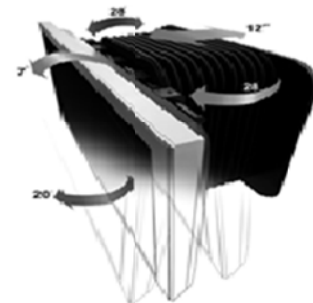
The Surface Mount and Studio Series 1 and 2 ArtScreen products are wall-mounted products. The difference between the two products is the size of the flat panel display that each holds. (Axman Tr. 58:24–59:7.) The Recessed Mount allows the housing to be recessed into the wall. (Dkt. 195–16.) The R-Series product is also recessed into the wall and includes a programmable remote controlled robotic arm that can tilt the flat panel display up, down, and to the side. (Axman Tr. 52:23–53:10.)



Surface Mount⁴²



Recessed Mount⁴³



R-Series⁴⁴

Vutec’s broad-brush response is that because the housing for its ArtScreen products does not have a back or rear wall, it does not constitute “housing” as defined by the ‘765 Patent, and

⁴¹ Citations to “Passalacqua Tr.” refer to the transcript from the deposition of Raul Passalacqua, a Vutec employee, dated 1/9/14. (Dkt. 195–7.)

⁴² This figure is an example of Vutec’s Surface Mount ArtScreen. (Dkt. 195–11.)

⁴³ This figure is an example of Vutec’s Recessed Mount ArtScreen. (Dkt. 195–16.)

⁴⁴ This figure as an example of the robotic arm component of Vutec’s R-Series ArtScreen. (*Id.*)

thus avoids literal infringement of all claims in the ‘765 Patent. (Def. Opp. at 8.)⁴⁵ However, the Court has concluded that the claim term “housing” is construed to mean a frame or chassis that may or may not have a back wall, which means that all of the ArtScreen products have a housing.

B. A Comparison of Vutec’s Products to the ‘765 Patent

1. Vutec’s Surface Mount, Studio Series 1 and Studio Series 2 ArtScreen Products Infringe Claims 1 and 17 of the ‘765 Patent

Claims 1 and 17 of the ‘765 Patent disclose a “cover unit for a flat display panel.” Vutec’s Surface Mount, Studio Series 1, and Studio Series 2 ArtScreen products are all cover units for a flat display panel, such as a flat–screen television. (Nguyen Tr. 23:10–19.)

Claims 1 and 17 also disclose a housing. All of the accused ArtScreen products have a housing, as explained *supra*. (Axman Tr. 48:3–8; Nguyen Tr. 33:13–19.)

According to claims 1 and 17, the structure includes a “means for mounting said housing onto a wall surface.” As discussed *supra*, this means–plus–function language indicates that the housing is mounted to the wall or recessed within a wall. All ArtScreen products are either mounted on, or recessed within, a wall. (Dkt. 125–1; Nguyen Tr. 33:20–25; Passalacqua Tr. 12:3–6; Axman Tr. 81:13–22.)

An element of claims 1 and 17 is a “movable . . . cover means within said housing. . .” As discussed *supra*, this claim element requires a movable cover, and in claim 17, this cover must be flexible. The accused Vutec products each have a movable cover that is printed on canvas, a flexible material. (Passalacqua 11:3–7; Axman Tr. 48:6–13; 65:1–17.)

⁴⁵ Indeed, Vutec concedes that “[i]n effect, Vutec is making and selling that which is recited in dependent claim 12 of the ‘765 Patent, but omitting the ‘housing’ element required for there to be a literal infringement of any of Plaintiffs’ patent claims.” (Defendants’ Reply Memorandum of Law In Supprt of Their Cross–Motion for Summary Judgement of Non–Infringement, (Def. Reply”), filed on 7/1/14, at 8 (emphasis in original).) (Dkt. 207.)

As discussed *supra*, in both claims 1 and 17, a means for moving the cover is a motor.⁴⁶ The accused Vutec products each use a motor that can move the cover up and down in front of the flat-screen television. (Nguyen Tr. 34:4–34:17; Passalacqua Tr. 11:20–25; Montero Tr.⁴⁷ 22:20–23:10.)

Claim 17 discloses an additional limitation to claim 1 that requires a “means remote from said housing for actuating said motor operated moving means.” As explained *supra*, this means-plus-function language indicates that the motor device is controlled by a remote control. The accused Vutec products each have a remote control separate from and outside the housing to operate the motor. (Nguyen Tr. 26:24–27:13; 31:13–32:4; Axman Tr. 81:2–3; Passalacqua Tr. 12:16–20.)

Thus, Vutec’s Surface Mount, Studio Series 1 and Studio Series 2 ArtScreen products individually satisfy each and every limitation of claims 1 and 17 of the ‘765 Patent, and accordingly, have literally infringed the ‘765 Patent as a matter of law.

2. Vutec’s Surface Mount, Studio Series 1 and 2, and ArtScreen Products Infringe Dependent Claims 2, 8, and 10 of the ‘765 Patent

Claim 2 of the ‘765 Patent depends from claim 1, but has the additional limitation that the “said moving means moves said cover vertically.” Vutec’s promotional materials for the accused ArtScreen products indicate that the canvas artwork cover is rolled and unrolled vertically in front of the television. (Dkt. 195–13.)

⁴⁶ Claim 17 requires that the only means for moving the cover is by a motor.

⁴⁷ Citations to “Montero Tr.” refer to the transcript from the deposition of Tibusay Montero, a Vutec employee, dated 1/8/14. (Dkt. 195–8.)

Claim 8 also depends from claim 1, but requires that the flat display panel be “mounted within said housing.” The flat display panel used with each accused ArtScreen product is also mounted within the housing. (Dkt. 125–1; Nguyen Tr. 23:10–19.)

Claim 10 depends from claim 1 but contains the following additional element: “said moving means is motor operated, and said cover unit further comprises means remote from said housing for actuating said motor operated moving means.” Claim 10’s limitation is also contained in claim 17. Therefore, a finding of infringement of claim 17, as indicated above, also establishes infringement of claim 10 with respect to the accused Vutec products.

The accused Vutec Surface Mount, Studio Series 1, and Studio Series 2 ArtScreen products satisfy each and every limitation of claims 2, 8, and 10. Accordingly, Defendants have literally infringed the ‘765 Patent as a matter of law.

3. Vutec’s Recessed Mount and R-Series ArtScreen Products Infringe Claims 11 and 18 of the ‘765 Patent

Claims 11 and 18 of the ‘765 Patent differ from claims 1 and 17 in two ways. First, claims 11 and 18 both disclose a “housing mountable within a wall,” rather than “a means for mounting said housing onto a wall surface.” The Recessed Mount and R-Series ArtScreen products meet the limitations of claims 11 and 18 because they have housings that are recessed in a hole in the wall instead of being mounted on the wall. (Dkts. 195–16; Nguyen Tr. 33:20–25.)

The second difference is that claims 11 and 18 call for “[motor operated] means *within* said housing for moving said cover means” (emphasis added), while claims 1 and 17 call for “[motor operated] means for moving said cover means” without requiring it to be within the housing. The motorized roller used in the Recessed Mount and R-Series ArtScreen products is located within the housing, thereby meeting the limitations of both claims 11 and 18. (Dkt. 195–16.)

The Recessed Mount and R-Series ArtScreen products fulfill all of the other limitations required by claims 11 and 18. They are products for covering a flat panel display with artwork (*i.e.* “a cover unit for a flat display panel”). They have a roller with artwork at the top of the housing that can be rolled up and down in front of the flat display panel (*i.e.* “movable cover means within said housing to be disposed in front of the display panel”). The artwork is printed on canvas, which is a flexible material (*i.e.* “movable flexible cover means within said housing to be disposed in front of display panel”). A remote is used to control the movement of the artwork (*i.e.*, “means remote from said housing for actuating said motor operated moving means”).

The Recessed Mount and R-Series ArtScreen products satisfy each and every limitation of claims 11 and 18 of the ‘765 Patent, and thus, literally infringe the ‘765 Patent as a matter of law.⁴⁸

4. Dependent Claim 13

Claim 13 depends from claim 11 and requires that the “said moving means is motor operated, and said cover unit further comprises means remote from said cover unit for actuating said motor operated moving means.” This limitation is encompassed by the limitations of claim 18. Therefore, a finding of infringement of claim 18 also establishes infringement of claim 13 with respect to the Recessed Mount and R-Series ArtScreen products.

5. Independent Claim 19

Claim 19 is an independent claim that has the same limitations as claim 18, but adds the limitation requiring a “display panel within said housing.” The accused ArtScreen products disclose a display panel within the housing. (Dkt. 195–16.) Since infringement has been found

⁴⁸ Vutec concedes that its R-Series ArtScreen products infringe at least one claim of the ‘765 patent, though it suggests that only four units were sold, yielding *de minimis* revenues. (Def. Opp at 2.)

with respect to claim 18, and claim 19 is identical to claim 18 in all other respects, Plaintiffs have met their burden in establishing literal infringement of the '765 Patent by Vutec's Recessed Mount and R-Series ArtScreen products.

CONCLUSION

Based on the foregoing, this Court holds that the '765 Patent is valid and enforceable and that Vutec is liable for patent infringement. The parties shall contact the Court no later than April 27, 2015 to schedule further proceedings relating to the award of damages and whether Vutec's infringement was willful.

SO ORDERED:

/s/ Pamela K. Chen
PAMELA K. CHEN
United States District Judge

Dated: March 27, 2015
Brooklyn, New York