

Keywords: claim construction, JMOL, enablement requirement, description requirement

General: Claim construction is strictly a matter of law. The sequential or non-sequential performance of method steps is part of claim construction and not a factual issue for determination by a jury.

Moba B.V. v. Diamond Automation Inc.
66 U.S.P.Q.2d 1429 (Fed. Cir. 2003)
Decided April 1, 2003

I. Facts

Diamond is a corporation that manufactures and sells high-speed egg processing machines. Diamond obtained patents covering aspects of these machines, including the '494 and '505 patents at issue. Moba, B.V., Staalkat, B.V., and FPS Food Processing Systems, Inc. (collectively FPS) brought a declaratory judgment action for invalidity and non-infringement of the '494 and '505 patents. Moba, B.V., and Staalkat, B.V. are Dutch companies that also manufacture and sell high-speed egg processing machines; FPS Food Processing Systems, Inc. distributes these Dutch machines. Diamond filed a declaratory judgment counterclaim that the '494 and '505 patents were valid and infringed.

At trial, shortly before jury deliberations, Diamond moved for JMOL that FPS infringed and induced infringement of the '494 and '505 patents. The jury subsequently found that the patents were not invalid and not infringed. Following the jury verdict, the district court denied the JMOL motion and entered judgment that the patents were valid but not infringed. Diamond again moved for JMOL, which was denied a second time by the district court.

Diamond appealed the denial of JMOL on the issue of infringement, arguing that claim 24 of the '505 patent and claim 28 of the '494 patent cover methods used by machines produced and sold by FPS. Diamond further appealed the denial of JMOL on the issue of inducement of infringement, contending that FPS induced its customers to infringe by selling them the allegedly infringing machines and training the customers to use them. FPS cross-appealed the jury determination of the validity of the same claims.

II. Issues

- A. Did the district court err in denying Diamond's JMOL motion on infringement of the '505 patent?
- B. Did the district court err in denying Diamond's JMOL motion on infringement of the '494 patent?
- C. Was the jury correct in determining the validity of the '505 patent.

III. Discussion

- A. Yes. In construing claim 24 of the '505 patent, the court determined and advised the jury that the guiding steps of claim "are defined as follows: (1) Carrying eggs to holding stations; (2) Carrying eggs from the holding stations to the spaced apart location; and (3) Carrying more eggs to the holding stations." In denying the JMOL motion, the district court conceded that this claim construction left unanswered whether the claim requires

sequential performance of the steps or whether the steps could be performed simultaneously.

The district court reasoned that a reasonable jury could find that the claim required sequential performance of these steps based on the testimony presented. The Federal Circuit panel found that district court erred in allowing the jury to determine whether the steps must be performed sequentially or not. Claim construction is a question of law, not a factual inquiry. The Federal Circuit found no alternative basis for the jury finding of non-infringement, concluding that in allowing the jury to add this temporal limitation to the claim, the district court altered the proper verdict.

- B. No. The Federal Circuit affirmed the jury finding of non-infringement of claim 28, finding that substantial evidence supported this verdict. Claim 28 of the '494 patent required rotating a receiving means downwardly from a conveyor to move eggs in the same direction, while the allegedly infringing machine moved the eggs horizontally with respect to the conveyor.
- C. Yes. FPS argued that claim 24 of the '505 patent is invalid as anticipated, not enabled, and not adequately described. The Federal Circuit addressed each of these issues and found that substantial evidence existed to support the jury verdict of validity. FPS argued that their own earlier machines anticipated claim 24 of the '505 patent. This assertion was summarily dismissed by the panel, noting that the expert witness provided by FPS gave testimony that the earlier machines made and sold by FPS did not include all of the features recited in claim 24. On the enablement issue, the panel held substantial evidence existed to support the jury finding that claim 24 was not invalid for lack of enablement.

The panel also held that substantial evidence existed to support the jury determination that claim 24 was not invalid for lack of an adequate written description. Worth noting, however, are the concurring opinions sparked by this passage of the opinion. One judge concurred to comment on the current state of the written description doctrine resulting from the *Eli Lilly* case. Believing that the written description doctrine was intended to police priority, the judge suggested that now a jury could be asked to find that a patent's disclosure can enable one skilled in the art to practice the invention, but be insufficient to show that the inventor was in possession of the claimed invention. Another concurring opinion, by a judge who was on the *Eli Lilly* panel, defended the result of that case, claiming that it was a logical step in a line of cases dating back to 1967. This judge then suggested that perhaps the Federal Circuit en banc should decide whether the whole line of cases is based on a flawed construction of 35 U.S.C. § 112, paragraph 1.

IV. Conclusion

The Federal Circuit panel affirmed the jury determination of the validity of claims 24 of the '505 patent, and also affirmed the denial of the Diamond's JMOL motion of infringement of the '494 patent. The court reversed the district court's denial of the JMOL motion of infringement of the '505 patent and remanded for determination of whether FPS was also liable for actively inducing their customers to infringe the patent.