Keywords: Literal infringement; Obviousness; Analogous art.

General: If a prior art reference is not in the same field of endeavor of a patent but would have been reasonably pertinent to the problem addressed by the patent, the prior art reference is analogous prior art to the patent.

Innovention Toys LLC v. MGA Entertainment Inc.
No. 2010-1290 (Fed. Cir. March 21, 2011)

I. Facts

Innovention Toys, LLC (hereinafter, "Innovention") sued MGA Entertainment, Inc., Wal-Mart Stores, Inc., and Toys "R" Us, Inc. (hereinafter, collectively "MGA") for infringement of U.S. Patent No. 7,264,242 (hereinafter, "the '242 patent") based on MGA's Laser Battle game. The '242 patent is directed to a chess-like, light-reflecting board game and methods of playing the game. All of the asserted claims (claims 31-33, 39-41, 43-44, 48-50, and 53-54) include a "key playing pieces" limitation in which the key pieces are "movable." Claim 31 is representative:

> A board game for two opposing players or teams of players comprising:
>
> a game board, movable playing pieces having at least one mirrored surface, *movable* key playing pieces having no mirrored surfaces, and a laser source,
>
> wherein alternate turns are taken to move playing pieces for the purpose of deflecting laser beams, so as to illuminate the key playing piece of the opponent.

MGA's Laser Battle game is a board game for playing a chess-like strategy game. The game's Tower pieces, which are placed on the board at the beginning of the game (and remain in these starting positions during "Classic Game Play"), can be placed at different locations, and the Tower pieces do not need to remain in their standard positions during "Advanced Game Play."

District Court Proceedings

MGA denied infringement and alleged that the '242 patent was invalid for obviousness under 35 U.S.C. § 103. In alleging obviousness, MGA relied on the combination of two articles describing electronic, computer-based, chess-like strategy games (hereinafter; collectively "the Laser Chess references") and U.S. Patent No. 5,145,182 (hereinafter, the '182 patent) describing a chess-like strategy board game. The king piece in the Laser Chess references may virtually move around the virtual game board during game play while the scoring modules in the game disclosed in the '182 patent are mounted to a physical game board, and thus are not capable of physical movement on the game board.

The parties moved for summary judgment on the issues of infringement and invalidity. The only disputed claim limitation was the "moveable" claim limitation, and the district court construed the claim term "moveable" to mean "capable of movement as called for by the rules of the game or game strategy." Based on this construction, the district court found that the accused Laser battle game's Tower pieces met the "moveable" claim limitation. The Tower pieces were capable of movement because they fit into the board like the other game pieces and could be moved during "Advanced Game Play." Therefore, the district court granted Innovention's motion for summary judgment of literal infringement.

The district court also granted Innovention's motion for summary judgment of nonobviousness. The district court found that the Laser Chess references were non-analogous art because they described electronic, rather than real-world, laser games. Additionally, the district court held that because MGA provided no evidence to support a finding as to the level of ordinary skill in the art, MGA's obviousness argument could be pursued only on the basis of what would have been obvious to a layperson. In light of these summary judgment rulings, the district court also granted Innovention's motion for a permanent injunction. MGA appealed.

II. Issues

A) Did the district court correctly grant Innovention's motion for summary judgment of literal infringement?

B) Did the district court correctly grant Innovention's motion for summary judgment of nonobviousness?

III. Discussion

A) Yes. MGA did not challenge the district court's claim construction of "moveable" directly, but rather indirectly challenged it based on its application to the accused product. Specifically, MGA argued that the district court broadened its original construction during the infringement analysis by adding capable of movement "during game set up." MGA also argued that the Tower pieces can only be considered "moveable" if the players cheat and that the district court's broadened construction renders everything "moveable" and the "moveable" limitation superfluous.

The Federal Circuit noted that during claim construction, the district court chose a definition of "moveable" that distinguished "moveable" pieces (*i.e.*, the key playing pieces) in the '242 patent from the "mounted" pieces (*i.e.*, the fixed scoring modules) in the '182 patent. The district court's claim construction encompasses movement during game set up and does not render "moveable" superfluous because it distinguishes the pieces of the '242 patent from the mounted scoring modules of the '182 patent. Based on the undisputed ability of the Tower pieces to be physically positioned in different squares on the game board, for example, during set up and "advanced Game Play," the Tower pieces of MGA's game meet the "moveable" limitation.

B) No. The Federal Circuit concluded that the district court erred in several factual findings underlying its obviousness analysis. Specifically, the district court erred in finding that the Laser Chess references fail to qualify as analogous art. The district court also erred in concluding that the level of skill in the art is that of a layperson.

The district court found that the Laser Chess references describing computer-based games were non-analogous art because they did not describe real world games. The Federal Circuit reversed this conclusion, finding that the laser Chess references were analogous art. Analogous art can be either (1) art from the same field of endeavor, regardless of the problem it addresses, or (2) art that is reasonably pertinent to the particular problem of the invention, regardless of the field of the inventor's endeavor. Furthermore, Federal Circuit precedent states that a reference is related to the same problem if it has the same purpose. The Federal Circuit found that the district court ruled the Laser Chess references to be outside the first kind of analogous art (*i.e.*, art in the same field of endeavor) but had not considered the second kind of analogous art (*i.e.*, art reasonably pertinent to the problem of the invention). The Federal Circuit then examined the purposes of the Laser Chess references and of the claimed invention, finding them both to be "detailing the specific game elements comprising a chess-like, laser-based strategy game." Therefore, the Federal Circuit remanded the issue of obviousness to the district court

so that it could consider the full scope of the prior art, including the Laser Chess references, and any motivation to combine the Laser Chess references with the '182 patent.

Additionally, the Federal Circuit concluded that the district court erred in concluding that MGA's obviousness argument could be pursued only on the basis of what is obvious to a layperson. During the proceedings, Innovention conceded that the level of ordinary skill in the art was greater than that of a layperson. Further, the district court appeared to agree and indicated that knowledge of "mechanical engineering or optics" is required. Therefore, evidence in the record suggests that one skilled in the art would possess a higher level of skill in the art than a layperson, and the district court erred in basing its obviousness analysis on what would have been obvious to a layperson. This error was not harmless and, accordingly, on remand, the district court must make a finding on the level of skill in the art and base its obviousness analysis on that level of skill.

The Federal Circuit also vacated the district court's permanent injunction because the district court's decision of summary judgment of nonobviousness was vacated and remanded.

IV. Conclusion

The Federal Circuit concluded that MGA's Laser Battle game literally infringes the asserted claims of the '242 patent, and the Federal Circuit vacated and remanded the district court's grant of summary judgment of nonobviousness.