



damages in the absence of notice of infringement to the infringer.<sup>1</sup> After setting forth the requirements for marking patented articles, § 287(a) states:

In the event of failure so to mark, no damages shall be recovered by the patentee in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice. Filing of an action for infringement shall constitute such notice.

“The patentee bears the burden of pleading and proving he complied with § 287(a)’s marking requirement.” Arctic Cat Inc. v. Bombardier Rec. Prods., 876 F.3d 1350, 1366 (Fed. Cir. 2017).

Thus, Mondis bears the burden of proof of notice of infringement. As the movant without the burden of proof at trial, LG meets its initial summary judgment burden by pointing to the

---

<sup>1</sup> LG also contends that, to meet the notice requirement in § 287(a), the notice must be accompanied by a proposal to abate the infringement, citing SRI Int’l, Inc. v. Advanced Tech. Labs., Inc., 127 F.3d 1462, 1470 (Fed. Cir. 1997), which does indeed state: “Thus, the actual notice requirement of § 287(a) is satisfied when the recipient is informed of the identity of the patent and the activity that is believed to be an infringement, accompanied by a proposal to abate the infringement, whether by license or otherwise.” The statute, § 287(a), does not require a proposal for abatement. Although SRI does mention such a proposal, the Federal Circuit does not appear to read SRI to have created any additional requirements for notice, since it later stated:

In *SRI*, we stated that “[informing the alleged infringer] of the identity of the patent and the activity that is believed to be an infringement, accompanied by a proposal to abate the infringement, whether by license or otherwise” complies with the actual notice requirement of the marking statute. *Id.* (distinguishing the criteria for actual notice from the criteria for filing a declaratory judgment action, which requires a threat of suit). In other words, in *SRI* we explained that as long as the communication from the patentee provides sufficient specificity regarding its belief that the recipient may be an infringer, the statutory requirement of actual notice is met.

Gart v. Logitech, Inc., 254 F.3d 1334, 1345-46 (Fed. Cir. 2001). This Court infers from this language that the Federal Circuit does not understand SRI to have created any additional requirements for effective § 287(a) notice, as LG proposes.

absence of evidence to support Mondis' case on this point. The summary judgment burden then shifts to Mondis.

Mondis contends that the parties have been litigating patent infringement issues for at least a decade, and that it has documentary evidence that the parties repeatedly discussed its claims that LG's television products infringe the patents at issue. In particular, the Spiro declaration states that, on March 18, 2011, Spiro sent a letter via email to Mr. Choi, identified as a "Senior Manager" at LG. (Spiro Dec. Ex. 5 at MONLG 00647435.) That letter states: "LG's Unreleased Products (televisions) infringe and need a license." (*Id.* at MONLG 00647436.) The Complaint in this action alleges: "LG has directly infringed, either literally or under the doctrine of equivalents, one or more claims of the '180 patent under 35 U.S.C. § 271(a) by importing, selling, and/or offering to sell televisions that support Plug-and-Play functionality in the United States." (Compl. ¶ 61.) Along with other evidence of record, this evidence is sufficient to persuade a reasonable factfinder that Mondis adequately notified LG of the infringement claims that form the basis for the present action.

LG, in reply, acknowledges the letter dated March 18, 2011, but argues that the letter is too vague to satisfy the statutory notice requirements. Mondis had already pointed out, however, that Federal Circuit law makes the scope of notice a jury question:

To serve as actual notice, a letter must be sufficiently specific to support an objective understanding that the recipient may be an infringer. The letter must communicate a charge of infringement of specific patents by a specific product or group of products. However, when the threshold specificity is met, the ensuing discovery of other models and related products may bring those products within the scope of the notice. The jury was instructed as to the notice requirements, and to consider this aspect in its calculation of damages.

Funai Elec. Co., Ltd. v. Daewoo Elecs. Corp., 616 F.3d 1357, 1373 (Fed. Cir. 2010) (citations

omitted). The parties have a material factual dispute: there are factual questions about what actual notice was given, and what products may be considered related products under Funai. Mondis has offered evidence that suffices to raise a material factual dispute over whether Mondis complied with the notice requirements of § 287(a). As to the issue of whether Mondis gave LG legally adequate notice of infringement, LG's motion for summary judgment will be denied.

As to the second issue, LG moves for summary judgment of invalidity of claims 14-16 in the '180 patent on the ground that an amendment during prosecution introduced new matter which deprives those claims of the priority date the patentees have asserted; LG contends that, lacking that priority date, these claims are invalid for obviousness over prior art from 1997 and 2000.

The prosecution history of the '180 patent shows the following. The application for the '180 patent was filed June 4, 2002, and claims priority to a 1993 Japanese patent application. Claim 14, as issued, with the language at issue highlighted, states:

A display unit for displaying an image based on video signals inputted from an externally connected video source, comprising: a video circuit adapted to display an image based on the video signals sent by the externally connected video source; a memory in which at least display unit information is stored, said display unit information including an identification number for identifying **at least a type of** said display unit and characteristic information of said display unit; and a communication controller capable of bi-directionally communicating with said video source; wherein said communication controller is capable of communicating said display unit information other than said characteristic information to said video source.

The identified phrase was added in an amendment filed May 4, 2007. LG argues that the specification contains no support for this amendment and that, consequently, the new matter introduced in the amendment does not get the benefit of the application's priority date, and must

be nonobvious as of the date filed. Thus, the threshold issue is the question of whether the specification contains written description support for the May 4, 2007 amendment.

In opposition, Mondis argues that, in short, the Court has already ruled in this case that there is a genuine issue for trial as to the factual question of whether claims 14-16 are supported by the specification, and that LG here has raised the same issue. The record shows that, last year, LG moved for summary judgment of invalidity of claims 14-16 for lack of written description. Specifically, LG argued that the claim phrase, “a type of display unit,” lacked adequate written description support. (LG’s 7/21/17 Br. at 24.) On October 12, 2017, this Court issued an Opinion and Order which denied the motion and explained:

A finder of fact could reasonably conclude, based on Lamm’s expert opinion, that a skilled artisan at the time of invention would have believed that the specification reasonably conveys that the inventor had possession of the claimed subject matter as of the filing date. The Lamm declaration thus raises a genuine factual dispute as to whether the ’180 patent meets the written description requirement. Because the non-movant has raised a material factual dispute, the motion for summary judgment will be denied.

(Opinion and Order of October 12, 2017 at 4.)

In its moving brief, LG asserts that, while the present and previous motion both raised the written description requirement, the analysis is “substantively different.” (LG’s Br. 23 n.10.) LG differentiates the two by saying that the prior motion inquired into the skilled artisan’s understanding of what “type of display unit” means, while the present motion inquires into whether the applications relied on actually disclose “an identification number for identifying at least a type of display unit.” In opposition, Mondis argues that the issues raised do not differ.

This Court agrees with Mondis that LG here seeks to relitigate an already-decided issue. It is true that the legal arguments LG made on the prior motion differ from those made on this

motion. On the present motion, LG has framed the written description issue as a matter of determining the proper priority date for an amendment; the prior motion framed the written description issue as a matter of the written description requirement. Certainly, there are differences in the legal arguments presented. The Court need not now examine the differences between the legal arguments LG made on the last motion for summary judgment of invalidity due to lack of written description and the present one.<sup>2</sup> The Court today holds only that a decision on the present motion requires resolution of the same underlying factual dispute. Both motions turned on the question of whether the claim phrase, “a type of display unit,” lacks adequate written description support. This Court has already ruled that Mondis has raised a factual dispute as to whether “a skilled artisan at the time of invention would have believed that the specification reasonably conveys that the inventor had possession of the claimed subject matter as of the filing date.” (Opinion and Order of October 12, 2017 at 4.) That decision is the law of the case, a doctrine which directs courts “to refrain from re-deciding issues that were resolved earlier in the litigation.” Pub. Interest Research Grp. of New Jersey, Inc. v. Magnesium Elektron, Inc., 123 F.3d 111, 116 (3d Cir. 1997).

This Court concludes that LG’s present motion with regard to written description support turns on the same factual dispute that was found to preclude summary judgment on its prior

---

<sup>2</sup> Both motions raise legal issues about the permissible role of evidence from experts in the written description inquiry. In the prior decision, this Court cited the holding of Boston Scientific: “Because the specification is viewed from the perspective of one of skill, in some circumstances, a patentee may rely on information that is ‘well-known in the art’ for purposes of meeting the written description requirement.” Applying Boston Scientific, this Court held that the expert opinion of Lamm was sufficient to raise a factual dispute about whether “a skilled artisan at the time of invention would have believed that the specification reasonably conveys that the inventor had possession of the claimed subject matter as of the filing date.” (Opinion and Order of October 12, 2017 at 4.)

motion for summary judgment with regard to written description support. LG has not persuaded this Court that there is a material difference between the factual dispute in need of resolution to decide the prior motion, and the factual dispute in need of resolution to decide the present motion. This Court has already ruled that this underlying factual dispute must be resolved at trial. Once that factual dispute has been resolved, this Court will be in a position to consider the legal issues raised in both motions. The motion is denied.

## **II. Mondis' motion for summary judgment of no inequitable conduct**

Mondis moves for summary judgment on LG's affirmative defense and counterclaim that the '180 patent is unenforceable due to inequitable conduct. As the movant without the burden of proof at trial, Mondis meets its initial summary judgment burden by pointing to the absence of evidence to support LG's inequitable conduct case. The summary judgment burden then shifts to LG.

The parties agree that the Federal Circuit set forth the basic principles of the contemporary law of inequitable conduct in Therasense:

[I]nequitable conduct came to require a finding of both intent to deceive and materiality. To prevail on the defense of inequitable conduct, the accused infringer must prove that the applicant misrepresented or omitted material information with the specific intent to deceive the PTO. The accused infringer must prove both elements—intent and materiality—by clear and convincing evidence. If the accused infringer meets its burden, then the district court must weigh the equities to determine whether the applicant's conduct before the PTO warrants rendering the entire patent unenforceable.

Therasense, Inc. v. Becton, Dickinson & Co., 649 F.3d 1276, 1287 (Fed. Cir. 2011) (citations omitted). LG also agrees that “as a general matter, the materiality required to establish inequitable conduct is but-for materiality.” Id. at 1291. Furthermore, Therasense states a key exception to the but-for materiality standard: “Although but-for materiality generally must be

proved to satisfy the materiality prong of inequitable conduct, this court recognizes an exception in cases of affirmative egregious misconduct.” *Id.* at 1292. “We note that *Therasense* in no way modified *Rohm & Haas’s* holding that the materiality prong of inequitable conduct is met when an applicant files a false affidavit and fails to cure the misconduct.” *Intellect Wireless, Inc. v. HTC Corp.*, 732 F.3d 1339, 1344 (Fed. Cir. 2013).

The parties also agree on the basic facts underlying this issue. Two *ex parte* reexaminations of the ‘180 patent merged into a single proceeding. During the course of the reexamination, the PTO rejected all claims as anticipated and/or obvious. LG’s brief states:

Specifically, on May 11, 2015, Mondis’s prosecuting attorney responded to the obviousness rejection by arguing that the ‘180 patent was a commercial success and pointing to the declaration of Mondis’s Director and sole employee, Mr. Michael Spiro, to establish that “the ‘180 patent has been licensed to all of the world’s major manufacturers of display units.”

(LG’s Opp. Br. 4.) It is undisputed that Mr. Spiro’s declaration contained this statement: “All of the world’s major display makers have now taken licenses for the Patents.” (May 11, 2015 Spiro Dec. ¶ 6.) LG became aware of this and, in a letter dated July 24, 2015, informed Mondis that it believed Mr. Spiro’s statement to be false. On August 21, 2015, Mondis submitted an information disclosure statement to the PTO, which included a supplemental declaration by Mr. Spiro. This supplemental declaration stated, in relevant part:

Through these licenses, all of the world’s major computer monitor makers—i.e., those with more than 5% global market share—have now taken licenses that include the ‘180 Patent.[internal footnote 1] In addition, through these and other license agreements, numerous television manufacturers have licenses to the ‘180 Patent, including several that in recent years ranked in the top 10 of global market share, and accounting for approximately 30% of worldwide television sales.

(Spiro Supp. Dec. at 2-3.) The first sentence just quoted referred to footnote 1, which states:

In my prior declaration of May 11, 2015 I referred to “all of the world’s major



display makers” to make the same point. By “display makers,” I was referring to manufacturers of computer displays, i.e., computer monitors, as indicated by my reference to licenses with “monitor companies” in the first sentence of the paragraph. I was not intending to refer to the world’s major manufacturers of all possible types of display products or components such as phone displays, televisions, LCD panel modules, etc.

(Id. at 3.) LG argues that the May 11, 2015 Spiro statement was false, that the materials submitted on August 21, 2015 failed to cure the misconduct, and that these facts support finding that the materiality prong has been met.

LG’s inequitable conduct case turns on two factual questions: 1) did the applicants file a false affidavit?; and 2) if so, did the applicants cure the alleged misconduct? Because this Court concludes, based on the evidentiary record before it, that LG has no evidence that the applicants failed to cure the problem, it need not reach the question of whether the initial affidavit was false.<sup>3</sup>

LG cites two Federal Circuit cases relevant to the standard for determining whether an applicant cured alleged misconduct. First, LG appropriately cites Rohm & Haas, which states:

Specifically, the narrow issue we now deal with is whether voluntary efforts during prosecution by or on behalf of an applicant, knowing that misrepresentations have been made to the examiner of his application, can ever alleviate its effect. Taking into account human frailty and all of the objectives of the patent system, we think it desirable to permit misdeeds to be overcome under certain limited circumstances.

The first requirement to be met by an applicant, aware of misrepresentation in the prosecution of his application and desiring to overcome it, is that he expressly advise the PTO of its existence, stating specifically wherein it resides. The second requirement is that, if the misrepresentation is of one or more facts, the PTO be advised what the actual facts are, the applicant making it clear that further

---

<sup>3</sup> Nevertheless, given the context of the statements, the Court would be hard-pressed to conclude that they constitute affirmative egregious misconduct, as opposed to arguably ambiguous assertions.

examination in light thereof may be required if any PTO action has been based on the misrepresentation. Finally, on the basis of the new and factually accurate record, the applicant must establish patentability of the claimed subject matter. Considering the overall objectives of the patent system, we think it desirable that inventions meeting the statutory requirements for patentability be patented and, therefore, we also think it desirable to reserve the possibility of expiation of wrongdoing where an applicant chooses to take the necessary action on his own initiative and to take it openly. It does not suffice that one knowing of misrepresentations in an application or in its prosecution merely supplies the examiner with accurate facts without calling his attention to the untrue or misleading assertions sought to be overcome, leaving him to formulate his own conclusions.

Rohm & Haas Co. v. Crystal Chem. Co., 722 F.2d 1556, 1571-72 (Fed. Cir. 1983). Second, LG cites Intellect Wireless, 732 F.3d at 1343, which follows and applies the Rohm & Haas standard.

One interesting twist here concerns shifting burdens of proof. Although LG bears the burden of proof of the affirmative defense of unenforceability due to inequitable conduct by clear and convincing evidence, Mondis bears the burden of proof of cure of alleged misconduct by clear and convincing evidence. Rohm & Haas, 722 F.2d at 1572 (“we now hold that where intentional material misrepresentations have been made, as here, a complete ‘cure’ must also be demonstrated by clear, unequivocal, and convincing evidence.”)

Because Mondis is the movant bearing the burden of proof of cure at trial, the Court first asks whether Mondis has offered credible evidence that would entitle it to a directed verdict if uncontroverted at trial. Wasserman v. Bressman (In re Bressman), 327 F.3d 229, 237 (3d Cir. 2003) (“Turning to the law firms' motions for summary judgment and assuming, again, that they have the burden of proof on the good-faith/no-knowledge issue, they had the burden of supporting their motions ‘with credible evidence . . . that would entitle [them] to a directed verdict if not controverted at trial,’” quoting Celotex Corp. v. Catrett, 477 U.S. 317, 331 (Brennan, J., dissenting)). Mondis offers three pieces of evidence of cure. First, Mondis points

to the transmittal letter that accompanied the Information Disclosure Statement submitted to the PTO on August 21, 2015. (Goldberg Dec. Ex. 17 at 1-2.) The text of this letter is a little more than one page long. In the third paragraph, the letter states:

Mondis directs the Examiner's attention to the Declaration of Michael Spiro being submitted herewith as **C267**. This declaration supplements the one executed on May 11, 2015, and previously submitted in this proceeding. In the presently submitted declaration, Mr. Spiro provides additional information and explanation concerning the facts presented in his previously submitted declaration.

(Id.) The second piece of evidence is the supplementary Spiro declaration, which bears the identification code, "C267," quoted in relevant part above.

Third, Mondis points to an additional Information Disclosure Statement that it submitted to the PTO, accompanied by a transmittal letter, dated September 14, 2015. (Goldberg Dec. Ex. 18 at 1-2.) This transmittal letter, in short, summarizes the dispute with LG about the alleged misrepresentation and claims that, in the attached documents, are copies of the parties' correspondence on this issue. (Id.)

Next, the Court, applying the Rohm & Haas standard to this evidence, asks the following questions: 1) as to the allegedly false statement, did the applicant "expressly advise the PTO of its existence, stating specifically wherein it resides?"; 2) did the applicant advise the PTO "what the actual facts are, the applicant making it clear that further examination in light thereof may be required if any PTO action has been based on the misrepresentation?"; and 3) on the basis of the new and factually accurate record, did the applicant establish patentability of the claimed subject matter? Rohm & Haas, 722 F.2d at 1572.

As to the first question, the transmittal letter expressly pointed to the previous Spiro declaration and advised the PTO that the applicants were submitting a supplementary

declaration; the supplementary declaration precisely identified what statements in the prior declaration were being clarified. As to the second question, the supplementary declaration advised the PTO of the actual facts as to licensing and manufacturers. While those documents are sufficient to cure the alleged misrepresentation, as belt and suspenders, the third submission containing a summary of the dispute and the parties' correspondence is more than adequate to cure any misrepresentation. The third question is not applicable in this case, because the applicants ended up cancelling the relevant claims. This Court finds that Mondis has offered credible evidence of cure that would entitle it to a directed verdict if uncontroverted at trial. The summary judgment burden then shifts to the nonmovant, LG, to point to evidence that raises a material factual dispute for trial.

One problem for LG is that its opposition brief appears not to clearly recognize that the summary judgment burden has shifted to it, and that the law requires it to raise a material factual dispute to defeat Mondis' motion. Nonetheless, LG's brief points to two new pieces of evidence. First, LG cites the report of its expert, Robert Stoll, who expressed the opinion that, in short, the applicants had failed to "expressly advise the PTO of the misrepresentation's existence," as required by Rohm & Haas. (Walsh Dec. Ex. 13 ¶ 97.) Second, LG cites the deposition testimony of Mondis' expert:

Q. And here -- let me ask you this question. Let me just -- do you view this declaration as a correction of the prior declaration?

MR. RHOAD: Objection to form.

A. No.

BY MR. MCKEON:

Q. And why is that?

A. I don't think it corrects anything that was stated in the previous declaration. I think, at most, it further explains what Mr. Spiro was saying, and it explains how he used the terms and what he meant. I don't think it corrects anything.

(Walsh Dec. Ex. 10 at 97:17-98:6.) Both pieces of evidence are legal conclusions by experts on ultimate legal issues.<sup>4</sup> The Court need not credit conclusory statements by experts and need not find such statements sufficient to raise material factual disputes. Stumbo v. Eastman Outdoors, Inc., 508 F.3d 1358, 1365 (Fed. Cir. 2007) (“We have repeatedly held that such cursory conclusions will not withstand summary judgment.”) “An expert’s opinion on the ultimate legal conclusion is neither required nor indeed ‘evidence’ at all.” Nutrition 21 v. United States, 930 F.2d 867, 871 n.2 (Fed. Cir. 1991); see also Dynacore Holdings Corp. v. U.S. Philips Corp., 363 F.3d 1263, 1278 (Fed. Cir. 2004) (“It is well settled that an expert’s unsupported conclusion on the ultimate issue of infringement is insufficient to raise a genuine issue of material fact.”) Both pieces of expert evidence are conclusory statements and, as stated by the Federal Circuit in Nutrition 21, “are not evidence at all.”

This Court finds that Mondis satisfied its initial summary judgment burden by pointing to credible evidence of cure that would entitle it to a directed verdict if uncontroverted at trial. LG has failed to point to any evidence that shows the existence of material factual disputes for trial; rather, LG only cited conclusory statements by experts. LG has thus failed to defeat Mondis’ motion for summary judgment of no inequitable conduct. Mondis has shown that it is entitled to judgment as a matter of law that LG cannot prove inequitable conduct because Mondis can prove legally sufficient cure of the alleged misconduct, and Mondis has credible evidence that is uncontroverted. The motion for summary judgment of no inequitable conduct will be granted.

For these reasons,

---

<sup>4</sup> Moreover, Mondis’ expert is most certainly not opining that the supplemental declaration failed to cure the alleged misstatement. The quoted deposition testimony shows nothing more than that the expert preferred to say that the supplementary declaration “explained” the previous one, rather than “corrected” it. This appears to be of no significance.

**IT IS** on this 4th day of October, 2018

**ORDERED** that LG's motion for summary judgment (Docket Entry No. 263) is **DENIED**; and it is further

**ORDERED** that Mondis' motion for summary judgment of no inequitable conduct (Docket Entry No. 265) is **GRANTED**, and Judgment on LG's affirmative defense and counterclaim of unenforceability of the '180 patent due to inequitable conduct is hereby entered in Mondis' favor.

s/ Stanley R. Chesler  
Stanley R. Chesler, U.S.D.J.