

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

ALPS SOUTH, LLC,

Plaintiff,

v.

Case No. 8:08-cv-1893-T-33MAP

THE OHIO WILLOW WOOD  
COMPANY,

Defendant.

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**ORDER**

This matter comes before the Court pursuant to Cross Motions for Summary Judgment filed under seal. Both Plaintiff Alps South, LLC and Defendant The Ohio Willow Wood Company filed Motions for Summary Judgment on September 23, 2010. Willow Wood filed its Response in Opposition to Alps's Motion for Summary Judgment on October 14, 2010. Alps filed a timely Reply on October 28, 2010. Alps filed its Response in Opposition to Willow Wood's Motion for Summary Judgment on October 14, 2010. Willow Wood filed a timely Reply on October 28, 2010. For the reasons that follow, this Court grants Alps's Motion for Summary Judgment as to Willow Wood's Affirmative Defense number two, regarding lack of standing. Otherwise, Alps's Motion for Summary Judgment is denied. Willow Wood's Motion for Summary Judgment is denied in its entirety.

**I. Procedural Overview**

**A. Complaint and Counterclaim**

Alps and Willow Wood are both manufacturers and sellers of gel liners for use with prosthetic products. (Pl.'s Mot. for Summ. J., at 4-5). In its Second Amended Complaint filed on November 18, 2009, Alps alleges that Willow Wood manufactures and sells products which infringe on United States Patent Numbers 6,552,109 B1 (the '109 Patent) and 6,867,253 B1 (the '253 Patent), of which Alps is the exclusive licensee. (Doc. # 35). In contrast, in its two-count counterclaim filed December 3, 2009, Willow Wood seeks a declaratory judgment that: (i) the '109 and '253 Patents are invalid and unenforceable; and (ii) inventor John Y. Chen engaged in inequitable conduct throughout the prosecution of the '109 and '253 Patents such that the patents are unenforceable. (Doc. # 39).

**B. Alps's Motion for Summary Judgment**

Alps's Motion for Summary Judgment contains four major argument sections. First, Alps moves for summary judgment as to the sole count in its Complaint, charging infringement, (Doc. # 35), as well as Willow Wood's non-infringement counterclaim (Doc. # 39, at Count 1). (Pl.'s Mot. for Summ. J., at 6 - 12). Second, asserting that Willow Wood cannot

meet its burden of showing clear and convincing evidence of material misrepresentations and an intent to deceive the United States Patent and Trademark Office during the prosecution of the '109 and '253 Patents, Alps moves for summary judgment on Count Two of Willow Wood's Counterclaim and Willow Wood's Affirmative Defense eighteen regarding inequitable conduct. (Id. at 12 - 23). Next, Alps moves for summary judgment on Count One of Willow Wood's Counterclaim regarding patent invalidity and argues that certain alleged prior art did not anticipate or render obvious the '109 or '253 Patents. (Id. at 23 - 32). Finally, Alps moves for summary judgment on four of Willow Wood's affirmative defenses, specifically: non-infringement; lack of standing; laches; and estoppel. (Id. at 32 - 35).

**C. Willow Wood's Motion for Summary Judgment**

Willow Wood moves for summary judgment on the issue of the validity of the patents. (Def.'s Mot. for Summ. J., at 1).

Willow Wood asserts three major arguments in its motion: (i) that the '109 and '253 Patents are invalid for obviousness; (ii) that the '109 Patent is invalid due to the incorporation of new matter; and (iii) that the asserted patents are invalid for lack of enablement. (Id. at 16 -35).

## **II. Factual Background**

### **A. The '109 Patent**

On March 8, 1996, inventor John Chen filed the '109 Patent application, entitled "Gelatinous Elastomer Compositions and Articles," with the Patent and Trademark Office. (Pl.'s Mot. for Summ. J., Tab B, at 1). In a February 1, 1999, office action, the Patent and Trademark Office rejected the claims in the '109 Patent application. (Id. at 13). Mr. Chen filed a response with the Patent and Trademark Office on May 3, 1999, wherein he amended the '109 Patent application. (Id.)

In response to Mr. Chen's amendment dated May 3, 1999, the Patent and Trademark Office issued an office action on May 18, 1999, indicating that Mr. Chen's May 3, 1999, response contained "new matter." (Def.'s Resp. to Pl.'s Mot. for Summ. J., at 8). The introduction of new matter by amendment is prohibited by 35 U.S.C. § 132, which states in pertinent part: "No amendment shall introduce new matter into the disclosure of the invention." 35 U.S.C. § 132.

In response to the Patent and Trademark Office's May 18, 1999, office action, Mr. Chen filed another amendment on June 18, 1999, in which Mr. Chen requested amendments to the specification and claims of the '109 Patent application.

(Def.'s Resp. to Pl.'s Mot. for Summ. J., at 8). Mr. Chen argued that the text he added to the specification in his May 3, 1999, filing was not new matter because it was "of record." Id. In response to Mr. Chen's June 18, 1999, filing, the Patent and Trademark Office withdrew its rejection and issued a notice of allowance on July 9, 1999. Id. at 9. On April 22, 2003, the Patent and Trademark Office issued Mr. Chen the '109 Patent. (Pl.'s Mot. for Summ. J., Tab B, at 1).

On September 16, 2009, Willow Wood filed a request for reexamination of the '109 Patent in the Patent and Trademark Office. (Docs. ## 155-1 at 5, 158 at 2). On October 24, 2009, the Patent and Trademark Office issued an order granting the request for reexamination, stating that a "substantial new question of patentability . . . is raised by the request for *ex parte* reexamination." (Pl.'s Mot. for Summ. J., Tab R, at 12). On December 13, 2010, by way of a final office action, the Patent and Trademark Office rejected Claims 1-16 of the '109 Patent as anticipated under 35 U.S.C. § 102(a), and unpatentable for obviousness under 35 U.S.C. § 103(a). (Doc. # 156-1). At this juncture, Mr. Chen has until February 13, 2011, to respond to the pending final office action. (Docs. ## 156-1 at 61, 157 at 1).

**B. The '253 Patent**

Mr. Chen filed the related '253 Patent application, entitled "Tear Resistant, Crystalline Midblock Copolymer Gels and Articles," on November 21, 2000. (Pl.'s Mot. for Summ. J., Tab C, at 1). The Patent and Trademark Office issued Mr. Chen the '253 Patent on March 15, 2005. (Pl.'s Mot. for Summ. J., Tab C, at 1).

On May 28, 2010, Willow Wood filed a request for reexamination of the '253 Patent in the Patent and Trademark Office. (Docs. ## 154-1, 158 at 4). By an order dated July 22, 2010, the Patent and Trademark Office granted the request for reexamination. (Doc. # 154-1 at 4). On December 2, 2010, the Patent and Trademark Office rejected Claims 1-5, 7, 8, 10-12, and 14-17 of the '253 Patent, as anticipated under 35 U.S.C. § 102(b), and unpatentable for obviousness under 35 U.S.C. § 103(a). (Docs. ## 154-1, 158 at 4). Mr. Chen, through Alps, has indicated that he will file a response to the December 2, 2010, office action. (Doc. # 157).

**C. Related Motion to Stay**

Thus, as of December 2010, the Patent and Trademark Office has rejected all of the claims asserted in the present litigation against Willow Wood as either anticipated by, or obvious in light of, prior art. (Docs. ## 154-1, 156-1). By

separate motion filed December 17, 2010, Willow Wood seeks to stay this matter in light of these reexamination determinations by the Patent and Trademark Office. (Doc. # 158). Alps filed a response in opposition to the motion to stay on December 30, 2010. (Doc. # 159). In this Order, the Court will proceed with its analysis of the parties' previously filed motions for summary judgment and will issue a separate order as to whether the matter should be stayed.

### **III. Legal Standard**

Summary judgment is appropriate "if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, 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." Fed. R. Civ. P. 56(c); see Novartis Corp. v. Ben Venue Labs., Inc., 271 F.3d 1043, 1046 (Fed. Cir. 2001). A factual dispute alone is not enough to defeat a properly pled motion for summary judgment; only the existence of a genuine issue of material fact will preclude a grant of summary judgment. Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 247-48 (1986).

An issue is genuine if the evidence is such that a reasonable jury could return a verdict for the nonmoving party. Mize v. Jefferson City Bd. of Educ., 93 F.3d 739, 742

(11th Cir. 1996) (citing Hairston v. Gainesville Sun Publ'g Co., 9 F.3d 913, 918 (11th Cir. 1993)). A fact is material if it may affect the outcome of the suit under the governing law. Allen v. Tyson Foods, Inc., 121 F.3d 642, 646 (11th Cir. 1997). The moving party bears the initial burden of showing the court, by reference to materials on file, that there are no genuine issues of material fact that should be decided at trial. Hickson Corp. v. N. Crossarm Co., Inc., 357 F.3d 1256, 1260 (11th Cir. 2004) (citing Celotex Corp. v. Catrett, 477 U.S. 317, 323 (1986)). "When a moving party has discharged its burden, the non-moving party must then 'go beyond the pleadings,' and by its own affidavits, or by 'depositions, answers to interrogatories, and admissions on file,' designate specific facts showing that there is a genuine issue for trial." Jeffery v. Sarasota White Sox, Inc., 64 F.3d 590, 593-94 (11th Cir. 1995) (quoting Celotex, 477 U.S. at 324).

If there is a conflict between the parties' allegations or evidence, the non-moving party's evidence is presumed to be true and all reasonable inferences must be drawn in the non-moving party's favor. Shotz v. City of Plantation, Fla., 344 F.3d 1161, 1164 (11th Cir. 2003). If a reasonable fact finder evaluating the evidence could draw more than one inference from the facts, and if that inference introduces a genuine



issue of material fact, the court should not grant summary judgment. Samples ex rel. Samples v. City of Atlanta, 846 F.2d 1328, 1330 (11th Cir. 1988) (citing Augusta Iron & Steel Works, Inc. v. Emp'rs Ins. of Wausau, 835 F.2d 855, 856 (11th Cir. 1988)).

#### **IV. Analysis**

First, the Court will analyze Alps's Motion for Summary Judgment by its four major argument sections: (A) infringement; (B) inequitable conduct; (C) patent invalidity; and (D) affirmative defenses. Next, in Section (E), the Court will consider Willow Wood's Motion for Summary Judgment, focusing on its three major assertions: (1) the '109 and '253 Patents are invalid as obvious; (2) the '109 Patent is invalid for the incorporation of new matter; and (3) the asserted patents are invalid for lack of enablement.

##### **A. Summary Judgment as to Infringement**

First, Alps asserts that Willow Wood infringed the '109 and '253 Patents, and moves for summary judgment as to the sole count in its Complaint, charging infringement, (Doc. # 35), and on Willow Wood's non-infringement counterclaim (Doc. # 39). (Pl.'s Mot. for Summ. J., at 6 - 12). Alps submits that Willow Wood infringed Claims 1-6, 11, and 12 of the '109 Patent. (Pl.'s Mot. for Summ. J., at 8 - 10). By way of a

detailed table, Alps breaks down Claim 1 of the '109 Patent into twelve elements, offering record evidence to argue that Willow Wood's products literally infringe each of the twelve elements. (Id.) Asserting that the remaining infringed claims are highly repetitive of Claim 1, and that no genuine issues of material fact remain regarding whether Willow Wood's products infringe Patent '109 Claims 1-6, 11 and 12, Alps requests that the Court grant summary judgment. (Id. at 10).

In addition, Alps submits that Willow Wood infringed Claims 1-3, 7, 8, 10-12, and 14 of the '253 Patent. (Id.) In another detailed table, Alps separates Claim 1 of the '253 Patent into eleven elements and lists record evidence to argue that Willow Wood's products literally infringe each of the eleven elements. (Id. at 10-12). Asserting that the remaining infringed claims are highly repetitive of Claim 1, and that no genuine issues of material fact remain regarding whether Willow Wood's products infringe Patent '253 Claims 1-3, 7, 8, 10-12, and 14, Alps requests that the Court grant summary judgment. (Id. at 12).

On the other hand, as to the '109 Patent, Willow Wood asserts that Alps "has no proof in the record that [Willow Wood] makes a composite with a diblock copolymer" which Willow Wood asserts is a vital limitation in the '109 Patent.

(Def.'s Resp. in Opp. to Pl.'s Mot. for Summ. J., at 11). Citing to the testimony of Alps's expert witness, Dr. Jerry Atwood, for the proposition that a "hydrogenated styrene block copolymer"-- an element of certain claims comprising the '109 Patent-- is a diblock copolymer, Willow Wood asserts that Alps has failed to provide record proof that Willow Wood's products contain a composite with a diblock copolymer. (Id. at 11 - 12).

Additionally, Willow Wood submits that Alps lacks proof that any of Willow Wood's products use "SEPS based" gels, another element Willow Wood purports is vital to the '109 Patent. (Id. at 12). Finally, again citing to Dr. Atwood, Willow Wood notes that Alps has never tested any of the gels utilized in Willow Wood's products, or any of the polymers from which Willow Wood's products are manufactured, to determine if they exhibit twenty percent or more polyethylene crystallinity. (Id. at 13). Alps disputes the relevancy of Willow Wood's arguments as to the diblock copolymer and certain polyethylene crystallinity components. (Pl.'s Reply, at 2-4).

Where, as here, "it is [not] apparent that only one conclusion as to infringement could be reached by a reasonable jury," summary judgment is not appropriate. Telemac Cellular

Corp. v. Topp Telecom, Inc., 247 F.3d 1316, 1323 (Fed. Cir. 2001). While Alps asserts that a judgment of infringement is appropriate because Willow Wood's products infringe each of the elements of Patent '109 Claims 1-6, 11, 12, as well as Patent '253 Claims 1-3, 7, 8, 10-12, and 14, the record reflects material disputes regarding whether Willow Wood's products contain diblock copolymers, use "SEPS based" gels, or exhibit at least twenty percent polyethylene crystallinity. (Def.'s Resp. in Opp. to Pl.'s Mot. for Summ. J., at 11-13). Genuine issues of material fact regarding the Willow Wood products in question therefore remain such that summary judgment is precluded. Novartis Corp., 271 F.3d 1043, 1046 (Fed. Cir. 2001).

**B. Summary Judgment as to Inequitable Conduct**

Alps moves for summary judgment on Count Two of Willow Wood's Counterclaim and Willow Wood's Affirmative Defense eighteen which assert that Mr. Chen's inequitable conduct during the patent prosecution process renders the '109 and '253 Patents invalid. (Pl.'s Mot. Summ. J., at 12 - 23). Because genuine issues of material fact remain regarding whether Mr. Chen intended to deceive the Patent and Trademark Office, the Court denies Alps's motion for summary judgment as to inequitable conduct.

Every individual "associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the [United States Patent and Trademark Office], which includes a duty to disclose to the [Patent and Trademark Office] all information known to that individual to be material to patentability." 37 C.F.R. § 1.56(a); see Honeywell Int'l Inc. v. Universal Avionics Sys. Corp., 488 F.3d 982, 999 (Fed. Cir. 2007) ("Applicants for patents have a duty to prosecute patent applications in the Patent Office with candor, good faith, and honesty."); 37 C.F.R. § 1.56(a) ("The duty to disclose information exists with respect to each pending claim until the claim is cancelled or withdrawn from consideration, or the application becomes abandoned").

A breach of this duty constitutes inequitable conduct and may render the patent unenforceable. AstraZeneca Pharms. LP v. Teva Pharms. USA, Inc., 583 F.3d 766, 770 (Fed. Cir. 2009); Symantec Corp. v. Computer Assocs. Int'l, Inc., 522 F.3d 1279, 1296 (Fed. Cir. 2008). The party seeking to establish inequitable conduct must establish by clear and convincing evidence that the patent applicant: (1) either made an affirmative misrepresentation of material fact, failed to disclose material information, or submitted false material

information; and (2) intended to deceive the Patent and Trademark Office. Id.; see Lazare Kaplan Int'l, Inc. v. Photoscribe Techs., Inc., No. 2009-1251, 2010 WL 5176746, at \*15 (Fed. Cir. Dec. 22, 2010); Ring Plus, Inc. v. Cingular Wireless Corp, 614 F.3d 1354, 1361 (Fed. Cir. Aug. 6, 2010).

The required showings of materiality and intent are separate, and intent to deceive cannot be inferred from a high degree of materiality alone. AstraZeneca Pharms. LP v. Teva Pharms. USA, Inc., 583 F.3d 766, 770 (Fed. Cir. 2009). Rather, the proponent of an inequitable conduct defense must prove each element separately. Id. Importantly, "[a]ny inference of deceptive intent must be the single most reasonable inference able to be drawn from the evidence to meet the clear and convincing standard." Ring Plus, 614 F. 3d at 1361.

In Ring Plus, a case where patent applicants allegedly misrepresented the subject matter of two references during a patent prosecution, the Federal Circuit reversed the trial court's finding of deceptive conduct in the face of other reasonable inferences. (Id.) During the trial, the attorney for the patent applicants testified that he believed the applicants' statement as to the references was accurate because he viewed the references as ambiguous and

insufficiently detailed as to subject matter at issue. (Id.) Finding that the attorney's belief was "not credible" because he was an experienced patent attorney and "even a cursory review" of the references showed that they disclosed the subject matter, the trial court concluding that the applicants intended to deceive the Patent and Trademark Office. (Id.)

In reversing the trial court, the Federal Circuit reasoned that the attorney's testimony gave rise to an inference that the applicants believed that the references did not disclose the subject matter at issue. (Id. at 1362). The Federal Circuit concluded that this inference was as reasonable as the district court's inference that the applicants intended to deceive the Patent and Trademark Office. (Id.)

In a factual situation similar to that in Ring Plus, Willow Wood asserts that during the prosecution of the '109 Patent, Mr. Chen made truthful but misleading statements regarding the prior art status of the disclosure of a related patent-- the '882 Patent. (Def.'s Resp. in Opp. to Pl.'s Mot. Summ. J., at 16- 17; Report of Lisa Dolak, Pl.'s Mot. Summ. J., at Tab R, ¶ 60). According to Willow Wood, these statements were misleading because Mr. Chen did not disclose that a patent he referenced as related, but not prior, art

(the '882 Patent) was derived from potential prior art -- an international application filed under the Patent Cooperation Treaty, which was published on November 25, 1993, as the '472 Publication.<sup>1</sup> (Def.'s Resp. in Opp. to Pl.'s Mot. Summ. J., at 16-17). Willow Wood contends that Mr. Chen misled the examiner during the patent prosecution by not disclosing that the '472 Publication was published on November 25, 1993, and therefore clearly qualified as prior art. (Id.)

However, like the attorney for the patent applicants in Ring Plus, Alps presents facts which preclude a finding that deceptive intent is "the single most reasonable inference able to be drawn from the evidence." Ring Plus, 614 F. 3d at 1361. First, Alps asserts that the '472 publication and its publication date are shown on the face of the '882 Patent, which it disclosed to the patent examiner. (Pl.'s Mot. Summ. J., at 15). Additionally, through Alps, Mr. Chen submits that he thought the '472 publication date was merely cumulative because it was already of record. (Pl.'s Mot. Summ. J., at 19); see Lazare, 2010 WL 5176746 at \* 16 ("the failure to

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<sup>1</sup>The '472 Publication contained a disclosure identical to the disclosure included in the later issued '882 Patent. The '472 Publication describes "new and technically superior gel compositions." (Def.'s Resp. in Opp. to Pl.'s Mot. Summ. J., at Tab O.)



disclose what was believed to be cumulative information was a mistake or exercise of poor judgment that does not support an inference of intent to deceive").

Here, where multiple inferences may be drawn as to why Mr. Chen made explicit statements regarding the '882 Patent but not the '472 Publication during the patent prosecution process, the Court determines that genuine issues of material fact remain such that summary judgment is precluded. Alps's motion for summary judgment as to the inequitable conduct defense, specifically Count Two of Willow Wood's counterclaim, as well as Willow Wood's Affirmative Defense eighteen, is therefore denied.

**C. Summary Judgment as to Patent Invalidity**

Next, submitting that Willow Wood will be unable to overcome the '109 and '253 Patents' presumption of validity, Alps moves for summary judgment as to Count One of Willow Wood's Counterclaim, where Willow Wood argues that the patents are invalid due to anticipation and obviousness. (Pl.'s Mot. Summ. J., at 23 - 32; Doc. # 39 at 7). For the following reasons, the Court denies Alps's Motion for Summary Judgment as to Count One of Willow Wood's Counterclaim regarding patent invalidity.

"A patent shall be presumed valid. . . . [t]he burden of

establishing invalidity of a patent or any claim thereof shall rest on the party asserting such invalidity." 35 U.S.C. § 282. Because a "patent enjoys a presumption of validity . . . a party challenging patent validity has the burden to prove its case with clear and convincing evidence." Impax Labs., Inc. v. Aventis Pharms., Inc., 545 F.3d 1312, 1314 (Fed. Cir. 2008) (citation omitted). The Court presumes the patents at issue are valid, but will now address Willow Wood's arguments that the patents are invalid due to anticipation and obviousness.

**1. Anticipation**

Pursuant to 35 U.S.C. § 102(a), the '109 and '253 Patents are invalid as anticipated if "the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent." 35 U.S.C. § 102(a). As explained by the Federal Circuit:

Claimed subject matter is "anticipated" when it is not new; that is, when it was previously known. Invalidation on this ground requires that every element and limitation of the claim was previously described in a single prior art reference, either expressly or inherently, so as to place a person of ordinary skill in possession of the invention. An anticipating reference must be enabling; that is, the description must be such that a person of ordinary skill in the field of the invention can practice the subject matter based on the reference,

without undue experimentation. Anticipation is a question of fact . . . .

Sanofi-Synthelabo v. Apotex, Inc., 550 F.3d 1075, 1082 (Fed. Cir. 2008).

Willow Wood argues that the '109 and '253 Patents are anticipated by the '472 publication<sup>2</sup> and other asserted prior art. (Def.'s Resp. in Opp. to Pl.'s Mot. Summ. J., at 20). Alps, on the other hand, argues that the '472 Publication (which it refers to as the "Hammond Reference") does not disclose each and every limitation of the '109 and '253 Patents, nor does Alps concede that the '472 Publication and other asserted patents are even prior art. (Pl.'s Mot. Summ. J., at 24-25).

Citing Dr. Jerry Atwood for the assertion that the '109 and '253 Patents claim a composite article which is formed by heat, whereas the asserted prior art at issue describes formation by pressure, Alps submits that necessary components of the '109 and '253 Patents are not discussed in the '472 Publication or other asserted prior art. (Pl.'s Mot. Summ. J., at 25-26). Willow Wood, on the other hand, disputes

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<sup>2</sup> As noted above, the '472 Publication contained an identical disclosure to the disclosure included in the later issued '882 Patent. The '472 Publication describes "new and technically superior gel compositions." (Def.'s Resp. in Opp. to Pl.'s Mot. Summ. J., at Tab O.)

Alps's assertion that physical interlocking, by heat formation or otherwise, is an element of the patent claims. (Def.'s Resp. in Opp. to Pl.'s Mot. Summ. J., at 21). Citing to Mr. Chen himself, Willow Wood claims that the patent claims are not limited to "physical interlocking." (Id.)

At this juncture, the Court is faced with irreconcilable record evidence as to: (i) whether the '472 Publication and other asserted prior art at issue disclose each and every element of Mr. Chen's inventions; and (ii) whether the cited patents and publications qualify as prior art. See Trading Techs. Int'l, Inc. v. eSpeed, Inc., 595 F.3d 1340, 1359 (Fed. Cir. 2010) (finding that district court did not abuse its discretion by determining that the parties' irreconcilable testimony created a dispute of material fact, precluding a grant of summary judgment). Anticipation is a question of fact, and here, material factual issues remain in dispute. Sanofi, 550 F.3d at 1082. The Court therefore denies Alps's Motion for Summary Judgment as to Count One of Willow Wood's Counterclaim as to anticipation.

## **2. Obviousness**

Next, by its Counterclaim, Willow Wood argues that the '109 and '253 Patents are invalid due to obviousness. By statute, patents are invalid due to obviousness if the

"differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains." 35 U.S.C. § 103(a). "While the ultimate conclusion of obviousness is for the court to decide as a matter of law, several factual inquiries underlie this determination." Sibia Neurosciences, Inc. v. Cadus Pharm. Corp., 225 F.3d 1349, 1355 (Fed. Cir. 2000) (citation omitted).

The Supreme Court set forth the relevant inquiry:

Under [section] 103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background, the obviousness or nonobviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented.

Graham v. John Deere Co. of Kansas City, 383 U.S. 1, 17-18 (1966). The Supreme Court further clarified the inquiry as follows:

The question is not whether the combination was obvious to the patentee but whether the combination was obvious to a person with ordinary skill in the art. Under the correct analysis, any need or problem known in the field of endeavor at the time of invention and addressed by the patent can

provide a reason for combining the elements in the manner claimed.

KSR Int'l v. Teleflex, 550 U.S. 398, 420 (2007).

Willow Wood argues that the '109 and '253 Patents are invalid because their invention was obvious based on the asserted prior art. (Def.'s Resp. in Opp. to Pl.'s Mot. for Summ. J., at 24). Stating that "the similarity of the gel compositions taught by each of the references suggests substitutability" and "the substitutability of different block co-polymers was well known in the art at the time the patents-in-suit were filed," Willow Wood argues that the subject matter of Mr. Chen's patents would have been obvious at the time of the invention to a person having ordinary skill in the art. (Id. at 25).

Alps paints a different picture, questioning whether the asserted prior art so qualifies, and stating that what Mr. Chen discovered was not predictable at all. (Pl.'s Mot. for Summ. J., at 30; Pl.'s Reply, at 7). Particularly, Alps notes that the gel varietal combination that Mr. Chen utilized produced a "drastically better tear resistance [and] fatigue resistance" that a person skilled in the art would not have expected. (Pl.'s Reply, at 8). Alps cites to Dr. Holden for the supporting assertion that Dr. Holden would not have

expected the significant improvement the combination yielded. (Pl.'s Reply, at 8-9).

Here, where one party asserts that these inventions were obvious, and the other party asserts that they were not obvious at all, there are conflicts between the parties' evidence. Whether the cited patents and publications qualify as prior art, the differences between the asserted prior art and the patent claims at issue, and the level of ordinary skill in the art remain undetermined. See Rockwell Int'l Corp. v. United States, 147 F.3d 1358, 1366 (Fed. Cir. 1998) (the presence of genuine issues of material fact regarding whether the prior art rendered the inventions in question obvious precluded a conclusion of obviousness on summary judgment). The Court finds that summary judgment as to the defense of obviousness is therefore inappropriate. Alps's Motion for Summary Judgment as to Count 1 of Willow Wood's Counterclaim as to obviousness is accordingly denied.

**D. Summary Judgment as to Willow Wood's Affirmative Defenses**

In the final portion of its Motion, Alps moves for summary judgment on certain of Willow Wood's affirmative defenses, specifically: lack of standing; non-infringement; laches; and estoppel. (Pl.'s Mot. Summ. J., at 32 - 35; Doc.

# 39 at 4-6). For the reasons that follow, this Court denies the motion, except as described below as to Willow Wood's Affirmative Defense number two regarding standing.

**1. Affirmative Defense Two: Standing**

As its second affirmative defense, Willow Wood submits that Alps lacks standing to bring the present suit. (Doc. # 39 at 4). Arguing that the Court rejected Willow Wood's argument that Alps lacked standing in a February 11, 2010, Order on Willow Wood's Motion to Dismiss, Alps asserts that this affirmative defense is moot. (Docs. ## 31, 73, Pl.'s Mot. Summ. J., at 32). Willow Wood counters that Alps lacks standing, despite this Court's Order entered squarely on this issue. (Def.'s Resp. in Opp. to Pl.'s Mot. Summ. J., at 27). In the Order, this Court stated that "Alps clearly possesses the substantial rights to proceed . . . in this case." (Doc. # 73 at 2). Whether Alps has standing to proceed with this action has been previously decided. (Id.) As such, Alps's motion as to Affirmative Defense number two is granted. As it did on February 11, 2010, this Court finds that Alps has standing to prosecute this action.

**2. Affirmative Defense Three: Non-Infringement**

By way of its third affirmative defense, Willow Wood



asserts that none of its products infringe any claim of the '109 or '253 Patents. (Doc. # 39 at 4). Alps moves for summary judgment as to this affirmative defense for the "same reasons" that it moves for summary judgment as to Willow Wood's Counterclaim regarding infringement: it asserts that Willow Wood's products infringe each of the elements of Patent '109 Claims 1-6, 11, 12, as well as Patent '253 Claims 1-3, 7, 8, 10-12, and 14. (Pl.'s Mot. Summ. J., at 33).

It is not apparent that a reasonable jury could only reach one conclusion as to infringement in light of the conflicting record evidence. See Telemac Cellular Corp. v. Topp Telecom, Inc., 247 F.3d 1316, 1323 (Fed. Cir. 2001). Specifically, Willow Wood raises issues supported by expert testimony regarding whether its products contain a diblock copolymer, use "SEPS based" gels, or contain twenty percent or more polyethylene crystallinity-- all limitations it asserts are vital to the patents at issue. (Def.'s Resp. in Opp. to Pl.'s Mot. for Summ. J., at 11 - 13). Whether Willow Wood's products infringe the '109 or '253 Patents is therefore still at issue. As such, Alps's motion as to Willow Wood's Affirmative Defense number three is denied. Novartis Corp., 271 F.3d 1043, 1046 (Fed. Cir. 2001).

**3. Affirmative Defense Twelve: Laches**

Willow Wood alleges that Alps is barred from recovery or relief due to laches related to the '109 Patent and '253 Patent in its twelfth affirmative defense. (Doc. # 39 at 5). The defense of laches is a matter of discretion for the trial judge. Precision Shooting Equip., Inc. v. Golden Eagle Indus., LLC, No. 8:00-450CIV-T17TGW, 2005 WL 1669120, at \*1 (M.D. Fla. July 8, 2005).

To successfully invoke laches, Willow Wood must prove that: (i) Alps delayed in filing suit for an unreasonable and inexcusable length of time after it knew or reasonably should have known about its claim against Willow Wood; and (ii) the delay resulted in material prejudice to Willow Wood. State Contracting & Eng'g Corp. v. Condotte Am., Inc., 346 F.3d 1057, 1065 (Fed. Cir. 2003). The Court's duty is to weigh the equities in order to assess whether laches should apply to bar those damages that accrued prior to suit. Id. If the plaintiff waits more than six years from the time that it should have known about the infringement to file suit, there is a presumption of laches. Precision Shooting, 2005 WL 1669120, at \*1. In contrast, if the period of delay is less than six years, prejudice is not presumed. State Contracting, 346 F.3d at 1065 (four year delay found insufficient for laches defense); see Iguana, LLC v. Lanham, 628 F. Supp. 2d

1361, 1371-72 (M.D. Ga. 2008) (two year delay found insufficient for laches defense). The "laches period does not begin to run until the patent issues." State Contracting, 346 F.3d at 1065-66.

According to Alps, the '109 Patent did not issue until April 22, 2003, and the '253 Patent did not issue until March 15, 2005. (Pl.'s Mot. Summ. J., at 34). Alps filed the complaint on September 23, 2008, resulting in a delay of less than six years between issuance and lawsuit. (Id.) Willow Wood responds that, as the transferee of the patents, Alps must accept the "dilatory conduct" of Mr. Chen, the transferor of the patents, who allegedly delayed in asserting his patent rights. (Def.'s Resp. in Opp. to Pl.'s Mot. Summ. J., at 29). Citing the declaration of David Pierson, Willow Wood notes that it was materially prejudiced in reliance on Mr. Chen's behavior because it purchased very costly equipment to expand its production of gel liners between the time the patents issued and this lawsuit was filed. (Id.) In his declaration, Mr. Pierson asserts that Willow Wood spent "in excess of \$1,300,000" dollars on producing and marketing the gel liners. (Def.'s Resp. in Opp. to Pl.'s Mot. Summ. J., at Tab LL).

However, Willow Wood fails to reference any case law to support its proposition that laches can begin to run before

the applicable patent issues, or that a patent transferee is bound by the actions of the transferor. Whether Willow Wood was materially prejudiced by the alleged unreasonable delay to file suit, and moreover, whether an unreasonable delay occurred at all, are still factual inquiries at issue. As such, Alps's motion as to Willow Wood's Affirmative Defense number twelve is denied.

**4. Affirmative Defense Thirteen: Estoppel**

As a thirteenth affirmative defense, Willow Wood alleges that Alps is barred from recovery or relief due to estoppel related to the '109 Patent and the '253 Patent. In order to succeed on its estoppel defense, Willow Wood must prove that: (i) Alps, through misleading conduct, led Willow Wood to reasonably infer that Alps did not intend to enforce its patent rights against Willow Wood; (ii) Willow Wood relied on that conduct; and (iii) due to that reliance, Willow Wood will be materially prejudiced if Alps is allowed to proceed with its claim. Vanderlande Indus. Nederland BV v. I.T.C., 366 F.3d 1311, 1324 (Fed. Cir. 2004); Sec. & Access (Elec. Media) Ltd. v. Nokia, Inc., No. 95-1689-CIV-T-17B, 1997 WL 158308, at \*3 (M.D. Fla. Mar. 24, 1997). Silence alone is not sufficient affirmative conduct to give rise to estoppel. Sec. & Access, 1997 WL 158308, at \*5.

Alps asserts that there is no evidence whatsoever to prove that Alps engaged in misleading conduct such that Willow Wood could reasonably infer that Alps did not intend to enforce its patent rights. (Pl.'s Mot. Summ. J., at 35). Alps submits that it never communicated with Willow Wood, nor did it take any action regarding Willow Wood that would demonstrate a lack of intent to enforce its patent rights. (Id.)

On the other hand, Willow Wood asserts that: (i) "for the purposes of equitable estoppel, Alps stands in the shoes of [Mr.] Chen;" (ii) Mr. Chen misled Willow Wood to reasonably infer that he did not intend to enforce the patent against Willow Wood; (iii) Willow Wood relied on that conduct; (iv) and due to that reliance, Willow Wood was materially prejudiced when it purchased expensive equipment between the time the patents issued and this lawsuit was filed. (Def.'s Resp. in Opp. to Pl.'s Mot. Summ. J., at 30). Here again, Willow Wood fails to reference any case law for its proposition that Alps stands in the shoes of Mr. Chen. Willow Wood nevertheless submits that Mr. Chen misled Willow Wood when he threatened to sue for infringement, but later allegedly sent Willow Wood a letter indicating that the "issue [as to the patents] is closed." (Def.'s Resp. in Opp. to

Pl.'s Mot. Summ. J., at 30). The Court notes that a review of the referenced letter does not contain any such statement. (See Def.'s Resp. in Opp. to Pl.'s Mot. Summ. J., at Ex. JJ). In contrast, Alps submits that any communication between Mr. Chen and Willow Wood related to "different patents than the '109 and '253 Patent[s]." (Pl.'s Reply, at 10).

Because conflicting record evidence exists as to whether Mr. Chen communicated with Willow Wood such that Willow Wood was misled to reasonably infer that Alps did not intend to enforce its patent rights, Alps's motion for summary judgment as to Affirmative Defense number thirteen as to estoppel is denied.

**E. Willow Wood's Motion for Summary Judgment**

Now, the Court will consider Willow Wood's Motion for Summary Judgment. Willow Wood moves for summary judgment and argues that the patents are invalid. (Def.'s Mot. for Summ. J., at 1). Willow Wood asserts three major arguments in its motion: (i) the '109 and '253 Patents are invalid as obvious; (ii) the '109 Patent is invalid for the incorporation of new matter; and (iii) the asserted claims are invalid for lack of enablement. (Id. at 16 -35).

**1. Summary Judgment as to Whether the '109 and '253 Patents are Invalid as Obvious**

Willow Wood argues that the '109 and '253 Patents are invalid because they were obvious at the time they were allegedly invented. (Def.'s Mot. Summ. J., at 16; Doc. # 39 at 7). As discussed previously, patents are invalid due to obviousness if the differences between the invention and the prior art are such that a person who had ordinary skill in the art would have found the invention obvious at the time it was made. 35 U.S.C. § 103(a). There are several factual inquiries which underlie the determination that a patent is invalid due to obviousness-- including the scope and content of the prior art, whether there are differences between the prior art and the patents being litigated, and the level of ordinary skill in the art. Graham v. John Deere Co. of Kansas City, 383 U.S. 1, 17-18 (1966); Sibia Neurosciences, Inc. v. Cadus Pharm. Corp., 225 F.3d 1349, 1355 (Fed. Cir. 2000) (citation omitted).

For the same reasons that the Court denied Alps's Motion for Summary Judgment which argued that patents were not invalid for obviousness, the Court now denies Willow Wood's Motion for Summary Judgment which argues that the patents are invalid for obviousness. Conflicting record evidence as to the scope and content of the prior art remain. Namely, Alps argues that no one before Mr. Chen uncovered the "extremely

advantageous qualities" of the inventions disclosed in the '109 and '253 Patents, while Willow Wood asserts that preexisting patents disclosed every aspect of the patents at issue. (Def.'s Mot. Summ. J., at 19-24; Pl.'s Resp. in Opp. to Def.'s Mot. Summ. J., at 8-10). Additionally, Alps disputes Willow Wood's assertion that a person who had ordinary skills in the art would have found the inventions obvious at the time they were made. (Pl.'s Resp. in Opp. to Def.'s Mot. Summ. J., at 14). Specifically, Alps cites to Dr. Holden, who stated in a declaration dated February 17, 2010, that he would not have expected the significant improvement the inventions yielded. (Id. at 17).

In summary, the Court remains unconvinced that the obviousness determination is devoid of factual issues such that summary judgement in favor of either party is appropriate. Although obviousness is a question of law, it is based on underlying factual inquiries which are issues for the trier of fact. Modine Mfg. Co. v. Allen Group, Inc., 917 F.2d 538, 541 (Fed. Cir. 1990). Accordingly, the Court denies Willow Wood's Motion for Summary Judgment as to obviousness.

**2. Summary Judgment as to '109 Patent for the Incorporation of New Matter**

Next, Willow Wood argues that the '109 Patent is invalid



due to the prohibited incorporation of new matter. A patent applicant is prohibited from introducing new matter into the disclosure of his invention upon reexamination of his patent application. 35 U.S.C. § 132(a). The new matter prohibition guarantees that an amendment to a patent application will present only information that the applicant possessed at the time of the original filing. TurboCare Div. of Demag Delaval Turbomachinery Corp. v. Gen. Elec. Co., 264 F.3d 1111, 1119 (Fed. Cir. 2001); In re Alton, 76 F.3d 1168, 1172 (Fed. Cir. 1996).

Willow Wood asserts that Mr. Chen made certain amendments during the prosecution of the '109 Patent which constituted the impermissible addition of new matter, such that the '109 Patent should be rendered invalid. (Def.'s Mot. Summ. J., at 29-30). Specifically, Willow Wood asserts that Mr. Chen amended "Septon 4055 from a SEP to a SEEPS, and [added] various passages explaining and claiming hydrogenated SIBS and SEEPS." (Id.)

Alps counters that Mr. Chen made the amendment during the prosecution of the '109 Patent merely to "fix[] transcription errors," not to add new matter. (Pl.'s Resp. in Opp. to Def.'s Mot. for Summ. J., at 25; see J. Chen 4/22/2010 Deposition, Pl.'s Resp. in Opp. to Def.'s Mot. for Summ. J.,

at Tab 6, pages 228-31). Mr. Chen testified that his amendment merely corrected a mistake regarding the description of Septon 4055, which he describes as a SEEPS, or styrene-ethylene-ethylene-propylene-styrene block copolymer, rather than a SEPS, otherwise known as a styrene-ethylene-propylene-styrene block copolymer. (J. Chen 4/22/2010 Deposition, Pl.'s Resp. in Opp. to Def.'s Mot. for Summ. J., at Tab 6, pages 228-31). Mr. Chen testified that the properties of the Septon 4055 material did not change from those he "identified originally from the very beginning" and "do not involve new matter." (Id. at 229). Whether Mr. Chen introduced new matter by way of his SEPS to SEEPS amendment, or whether he merely corrected a transcription error is a genuine issue of material fact which renders summary judgment as to this issue inappropriate. Willow Wood's motion for summary judgment as to invalidity based on the incorporation of new matter is therefore denied.

**3. Summary Judgment as to Invalidity based on Lack of Enablement**

A court may determine that a patent is invalid if the written description about the invention in the patent specification fails to enable a person skilled in the art to make and use the invention without undue experimentation. 35

U.S.C. § 112; ALZA Corp. v. Andrx Pharm. ,LLC, 603 F.3d 935, 940 (Fed. Cir. 2010). Willow Wood moves for summary judgment on this issue, asserting that the '109 and '253 Patents are invalid for lack of enablement. (Def.'s Mot. Summ. J., at 31). The pertinent statute instructs that

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.

35 U.S.C. § 112. Factors to consider in determining whether a disclosure would force a person skilled in the art to undertake undue experimentation before he could make and use the invention include: (i) the quantity of experimentation necessary; (ii) the amount of direction or guidance presented; (iii) the presence or absence of working examples; (iv) the nature of the invention; (v) the state of the prior art; (vi) the relative skill of those in the art; (vii) the predictability or unpredictability of the art; and (viii) the breadth of the claims. In re Wands, 858 F.2d 731, 737 (Fed. Cir. 1988). Because patents are presumed valid, the proponent of an invalidity defense based on lack of enablement must prove lack of enablement by clear and convincing evidence.

Alza Corp., 603 F. 3d at 940 (citing Auto. Tech. Int'l, Inc. v. BMW of N. Am., Inc., 501 F.3d 1274, 1281 (Fed. Cir. 2007); AK Steel Corp. v. Sollac & Ugine, 344 F.3d 1234, 1238-39 (Fed. Cir. 2003)).

Submitting that Mr. Chen drafted his patent claims so broadly that they include "infinite" combinations of additives, gels and substrates, and composite articles made from unlikely substrate combinations, "without adequate teachings within the specifications," Willow Wood argues that the asserted patent claims are invalid for lack of enablement. (Def.'s Mot. Summ. J., at 31). Alps responds, referencing the testimony of Drs. Geoffrey Holden, Jerry Atwood, and Aldo Laghi, to support its assertion that a person of ordinary skill in the art would be able to determine which polymers to use without undue experimentation. (Pl.'s Resp. in Opp. to Def.'s Mot. for Summ. J., at 26-27).

Specifically, Alps notes that Dr. Holden testified that he would be able to experiment based on the amount of oil added and would be "able to figure out what might work." (Pl.'s Resp. in Opp. to Def.'s Mot. for Summ. J., at Tab 7, page 250). Supplementing this assertion, Alps states that Dr. Atwood explained that as a person with ordinary skill in the art, he would have knowledge of the listed optional polymers

such that, if he had a reason or purpose to add one, he would be able to determine how much and which polymers to add with minimal testing. (Id. at Tab 5, ¶ 11-13). Alps also referenced the deposition of Dr. Laghi, who testified that such testing is "done routinely" in this industry, and that if a person with ordinary skill in the art was trying to make a particular device he would know what oil and polymers to use and then would test it. (Id. at Tab 8, at 56-58).

Where, as here, there is conflicting record evidence regarding whether the disclosures at issue would require undue experimentation before a person skilled in the art would be able to make and use the inventions, summary judgment is inappropriate. ALZA Corp., 603 F.3d at 940. The Court therefore denies Willow Wood's Motion for Summary Judgment as to enablement.

**V. Conclusion**


For the foregoing reasons, the Court grants Alps's Motion for Summary Judgment as to Willow Wood's Affirmative Defense number two, regarding lack of standing. Otherwise, Alps's Motion for Summary Judgment is denied. Willow Wood's Motion for Summary Judgment is denied.

Accordingly, it is

**ORDERED, ADJUDGED, and DECREED:**

- (1) Alps South's Motion for Summary Judgment as to Willow Wood's Affirmative Defense number two, regarding lack of standing, is **GRANTED**. The remainder of Alps South's Motion for Summary Judgment is **DENIED**.
- (2) Willow Wood's Motion for Summary Judgment is **DENIED**.

**DONE** and **ORDERED** in Chambers in Tampa, Florida, this 18th day of January, 2011.

  
VIRGINIA M. HERNANDEZ COVINGTON  
UNITED STATES DISTRICT JUDGE

Copies: All Counsel of Record