

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

**ALPS SOUTH, LLC, a Florida
Corporation,**

Plaintiff,

v.

Case No. 8:08-cv-1893-T-35-MAP

**THE OHIO WILLOW WOOD
COMPANY, an Ohio Corporation,**

Defendant.

ORDER

THIS CAUSE comes before the Court for consideration of Alps South, LLC's ("ALPS") Renewed Motion for Summary Judgment (Dkt. S-22), The Ohio Willow Wood Company's ("Ohio Willow") Response in Opposition (Dkt. S-21), and Ohio Willow's Motion for Summary Judgment (Dkt. S-19) and ALPS' Response in Opposition. (Dkt. 20) and oral arguments on the Motions held on March 22, 2012. Upon consideration of all relevant findings, case law, and being otherwise fully advised, the Court hereby **GRANTS in part and DENIES in part** ALPS' Motion for Summary Judgment (Dkt. S-22) and Ohio Willow's Motion for Summary Judgment (Dkt. S-19), as described herein.

I. BACKGROUND

A. Procedural History

On September 23, 2008, ALPS initiated this action alleging Ohio Willow infringed U.S. Patent No. 6,552,109 (the "109 Patent"). (Dkt. 1) On November 11, 2008, ALPS filed an amended complaint alleging Ohio Willow infringed the '109 Patent, and U.S.

Patent Nos. 5,633,286 (the “286 Patent”), and 6,867,253 (the “253 Patent”). (Dkt. 12) On November 18, 2009, ALPS filed a second amended complaint removing the ‘286 Patent and alleging Ohio Willow infringed the ‘109 Patent and ‘253 Patent (collectively “patents-in-suit”). (Dkt. 35) The patents-in-suit involve articles comprising a gel combined with a substrate such as fabric. On December 3, 2009, Ohio Willow filed its Answer and Affirmative Defenses. (Dkt. 39) Ohio Willow also filed a two-count counterclaim seeking a declaratory judgment that (1) Ohio Willow did not infringe the patents-in-suit; (2) the patents-in-suit are invalid and unenforceable; and (3) the patents-in-suit are unenforceable due to the inventor, Mr. Chen’s inequitable conduct. (Dkt. 39)

On January 18, 2011, the Court stayed this action pending resolution of the reexaminations of the patents-in-suit before the United States Patent and Trademark Office (“USPTO”). (Dkt. 168) During the reexaminations, the asserted claims in the patents-in-suit were initially rejected. Specifically claims 1-12 of the ‘109 Patent were rejected on December 18, 2009 (Dkt. 46-2), and claims 1-5, 7, 8, 10-12 and 14-17 of the ‘253 Patent were rejected on December 2, 2010. (Dkt. 154-1) After amendments and a demonstration by the inventor, Mr. Chen, the patents-in-suit were reissued by the USPTO. A Reexamination Certificate was issued on the ‘253 Patent on June 7, 2011. (Dkt. 185-4) A Reexamination Certificate was issued on the ‘109 Patent on July 5, 2011. (Dkt. 175) On July 15, 2011, the Court lifted the stay in this action. (Dkt. 177)

On August 17, 2011, ALPS filed a supplement to its Second Amended Complaint. (Dkt. 185) On August 26, 2011, Ohio Willow filed its Amended Answer and Counterclaim to the supplemented Second Amended Complaint. (Dkt. 192) On

December 7, 2011, the Parties filed their Motions for Summary. (Dkts. S-19, S-23) On December 19, 2011, the matter was transferred to the Undersigned. (Dkt. 217)

B. ALPS' Renewed Motion for Summary Judgment

ALPS moves for summary judgment on (1) its infringement claim, (2) Ohio Willow's invalidity defense pled in Count 1 of Ohio Willow's counterclaims as it relates to the so-called Hammond prior art reference, and (3) certain affirmative defenses. (Dkt. S-22 at 1-2) Additionally, ALPS seeks to have the Court define the term "physically interlocked" as

an inherent result of forming a gel composite article by heating the gel to a molten state and then cooling the gel while it is in contact with a substrate, so that the molten gel penetrates the spaces or irregularities in the surface of the substrate and becomes attached to the substrate after it cools to a solid state.

(Dkt. S-22 at 7-17)

C. Ohio Willow's Motion for Summary Judgment

Ohio Willow's Motion for Summary Judgment seeks a declaration that:

1. The definition of "physically interlocked" means

A connection between a gel, G , and substrate, M that occurs on a molecular level detectable only with an electron microscope, as a result of contacting a gel, at a temperature above the softening point of the block copolymer used in the gel, with a substrate and subsequently allowing said gel to cool below the softening point that results in glassy polystyrene domains, with dimensions on the order of hundreds of Angstroms, forming in, or on, surface irregularities of the substrate which is not to be confused with a mechanical type interlocking that occurs when the gel penetrates and grips a cross section of the substrate at a macro level.

2. The claims asserted in this action were substantively altered during the reexaminations by amendments made to the claims.

3. ALPS cannot recover damages from Ohio Willow prior to June 7, 2011, for any infringement related to claims of the '253 Patent.
4. ALPS cannot recover damages from Ohio Willow prior to July 5, 2011, for any infringement related to the '109 Patent.
5. Ohio Willow is entitled to absolute intervening rights with respect to the patents-in-suit.
6. Ohio Willow is entitled to equitable intervening rights with respect to the patents-in suit.
7. Ohio Willow did not infringe on the asserted claims of the patents-in-suit.
8. Ohio Willow did not willfully infringe the patents-in-suit.
9. Claims 3 and 17 of the '253 Patent are invalid.

II. LEGAL STANDARD

Summary judgment is appropriate when the movant can show that there is no genuine issue of material fact and that the movant is entitled to judgment as a matter of law. Fennell v. Gilstrap, 559 F.3d 1212, 1216 (11th Cir. 2009) (citing Welding Servs., Inc. v. Forman, 509 F.3d 1351, 1356 (11th Cir. 2007)). Which facts are material depends on the substantive law applicable to the case. Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248 (1986). The moving party bears the burden of showing that no genuine issue of material fact exists. Clark v. Coats & Clark, Inc., 929 F.2d 604, 608 (11th Cir. 1991). Evidence is reviewed in the light most favorable to the non-moving party. Fennell, 559 F.3d at 1216.

A moving party discharges its burden by showing there is an absence of evidence to support the non-moving party's case. Dietz v. Smithkline Beecham Corp.,

598 F.3d 812, 815 (11th Cir. 2010). 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 there is a genuine issue for trial. Porter v. Ray, 461 F.3d 1315, 1321 (11th Cir. 2006). The party opposing a motion for summary judgment must rely on more than conclusory statements or allegations unsupported by facts. Evers v. Gen. Motors Corp., 770 F.2d 984, 986 (11th Cir. 1985) ([C]onclusory allegations without specific supporting facts have no probative value.”). If material issues of fact exist that would not allow the Court to resolve an issue as a matter of law, the Court must not decide them, but rather, must deny the motion and proceed to trial.

III. DISCUSSION

A. Definition of “Physically Interlocked”

During the reexaminations of the patents-in-suit, amendments were made to several claims. In particular, the term “physically interlocked” was added to claims 1-6, 11 and 12 of the ‘109 Patent and claims 7, 8, 10-12, and 14 of the ‘253 Patent. The Parties dispute the definition of the term and seek a determination from this Court as to its meaning. Each Party’s proposed definition is provided in Section I of this Order.

Claim construction is a question of law for the Court. Markman v. Westview Instruments, Inc., 517 U.S. at 370, 372 (1996). “It is a ‘bedrock principle’ of patent law that ‘the claims of a patent define the invention to which the patentee is entitled the right to exclude.’” Phillips v. AWH Corp., 415 F.3d 1303, 1312 (Fed. Cir. 2005).

Claims should be construed from the point of view of a person of ordinary skill in the field of the invention at the time of the invention. Innova/Pure Water, Inc. v. Safari

Water Filtration Sys., Inc., 381 F.3d 1111, 1116 (Fed. Cir. 2004). It is well-settled that proper construction of claim terms is based primarily on the intrinsic evidence: the claims, the specification, and the prosecution history. See Vitronics Corp. v. Conceptronic, Inc., 90 F.3d 1576, 1582 (Fed. Cir. 1996) (“Such intrinsic evidence is the most significant source of the legally operative meaning of disputed claim language.”)

Generally, terms in the claim are to be given their ordinary and accustomed meaning. Johnson Worldwide Assoc, Inc. v. Zebco Corp., 175 F.3d 985, 989 (Fed.Cir. 1999). “A court must presume that the terms in the claim mean what they say, and, unless otherwise compelled, give full effect to the ordinary and accustomed meaning of the claim terms.” Id.

However, a patentee may choose to be his own lexicographer and use terms in a manner other than their ordinary meaning, as long as the special definition of the term is clearly stated in the specification or prosecution. Vitronics Corp., 90 F.3d at 1582. In such a case, the “specification acts as a dictionary when it expressly defines terms used in the claims or when it defines terms by implication.” Id. Further, the Court may need to consider to the specification when the “term or terms chosen by the patentee so deprive the claim of clarity that there is not means by which the scope of the claim may be ascertained from the language used.” Johnson Worldwide Assoc, Inc., 175 F.3d at 990.

The prosecution history “contains the complete record of all the proceedings before the Patent and Trademark Office, including any express representations made by the applicant regarding the scope of the claims.” Vitronics Corp., 90 F.3d at 1582. Therefore, “the prosecution history can often inform the meaning of the claim language

by demonstrating how the inventor understood the invention and whether the inventor limited the invention in the course of prosecution.” Phillips v AWH Corp., 415 F.3d 1303, 1371 (Fed. Cir. 2005).

ALPS argues its proposed definition matches with the plain and ordinary meaning of the term “physically interlocked” and the analogies provided in the ‘253 Patent’s specification. (Dkt. S-23 at 14-15) Further, ALPS argues Ohio Willow’s proposed definition “concentrates not on the structure described in the claims, . . . but rather, on the process that occurs chemically when gel is heated beyond its melting point.” (Id. at 15) Moreover, ALPS argues the composite’s end result of being physically interlocked is not detectable only by an electron microscope and the phrase “softening point” used in Ohio Willow’s definition is vague and hard to determine. (Id. at 16)

Ohio Willow contends its proposed definition of the term is based on what it contends were clear and unambiguous statements made by the patentee to the USPTO during prosecution and based upon a definition as provided in the ‘253 patent. (Dkt. S-19 at 15, 19) Further, Ohio Willow contends the definition proposed by ALPS does not reflect the relationship between the gel and substrate as described by Mr .Chen and fails to account for the representations made to the USPTO regarding the term’s meaning. (Id. at 16)

Consistent with its proposed definition, Ohio Willow would have the Court conclude that physical interlocking can only be detected with an electron microscope. The specification for the ‘253 Patent and the prosecution history for the ‘109 Patent does not reflect such a conclusion. The specifications for the ‘253 Patent and the

prosecution history for the '109 Patent provide that “the sub-micron glassy domains which provides the physical interlocking are too small to see with the human eye, too small to see using the highest power optical microscope and only adequately enough to see using the electron microscope.” (Dkt. 220-2 at 25) (emphasis added). The sub-micron glassy domains are an inherent part of the gel composition. The patents-in-suit teach that the sub-micron glassy domains can only be adequately seen using the electron microscope, not that the result of physically interlocking can be only seen with an electron microscope. Therefore, any definition of “physically interlocked” that includes a requirement that it can only be detectable with an electron microscope is inconsistent with the specification and prosecution history of the patents-in-suit. Additionally, that part of the Ohio Willow definition that speaks to a cooling process “that results in glassy polystyrene domains, with dimensions on the order of hundreds of Angstroms” teaches the polymers’ composition rather than the definition of physically interlocked. Finally, the concluding parenthetical in Ohio Willow’s proposed definition is superfluous and confusing, speaking only to what physically interlocked does not include rather than what it is defined to include. Accordingly, the Court rejects Ohio Willow’s definition for “physically interlocked.”

The Court finds instead that ALPS’ definition of “physically interlocked” sufficiently defines the scope of the claims. It adequately describes the physically interlocked process, including the heating and cooling of the gel with the substrate. Additionally, it reflects the specification and prosecution history that teaches that the gel penetrates the substrate to form the resulting composite. Accordingly, the Court finds that the definition of “physically interlocked” means

an inherent result of forming a gel composite article by heating the gel to a molten state and then cooling the gel while it is in contact with a substrate, so that the molten gel penetrates the spaces or irregularities in the surface of the substrate and becomes attached to the substrate after it cools to a solid state.

B. Patent Infringement of the Patents-in-Suit

ALPS argues Ohio Willow infringed claims 1-6, 11 and 12 of the '109, and claims 1-3, 7, 8, 10-12 and 14 of the '253 patent. ALPS provides a comparison chart between claim 1 of the '109 Patent and Ohio Willow's products and a comparison chart between claim 1 of the '253 Patent and Ohio Willow's products offering record evidence to argue that Ohio Willow's products infringe each of the elements of claim 1 of the patents-in-suit. ALPS asserts the remaining infringed claims are highly repetitive of claim 1 and that no genuine issues of material fact remain regarding whether Ohio Willow's products infringe claims 1-6, 11 and 12 of the '109 patent and Claims 1-3, 7, 8, 10-12 and 14 of the '253 patent.

Ohio Willow contends "there is no evidence in the record that [Ohio Willow] makes a composite with a diblock copolymer" which Ohio Willow asserts is a vital limitation in the '109 Patent. (Dkt. S-19 at 16) Further, Ohio Willow submits that ALPS' lacks proof that any of the gels utilized in Ohio Willow's products, or any of the polymers from which Ohio Willow's products are manufactured, exhibit twenty percent or more polyethylene crystallinity, which Ohio Willow also asserts is a qualifying characteristic of the patents-in-suit. (Id. at 13) ALPS argues that Ohio Willow's arguments involve requirements that are not in the claims of the patents-in-suit. (Dkt.S-23 at 23).

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). Genuine issues of material fact, including whether Ohio Willow’s products contain diblock copolymers or exhibit at least twenty percent polyethylene crystallinity and whether such requirements are qualifying characteristics of the ALPS patents-in-suit remain in question. Accordingly, the Court **DENIES** ALPS’ Motion for Summary Judgment regarding infringement.

C. Obviousness of Hammond Reference on the Patents-in-Suit

ALPS argues that the international patent application WO 93/23472 (the “Hammond Reference”) does not render the patents-in-suit obvious. First, ALPS questions whether the Hammond Reference is prior art. (Dkt. S-22 at 31) Second, ALPS asserts the patents-in-suit are not predictable, and the “unexpected test results” that led to the claimed invention cannot be rendered obvious by the Hammond Reference in combination with any other art. (Id.)

Ohio Willow contends ALPS argument fails to consider other pieces of prior art namely, Patent No. 5,336,708. (Dkt. S-19 at 23) Ohio Willow asserts that it has pointed to facts tending to show that person of ordinary skill in the field of the invention would have been motivated to combine the Hammond Reference with other prior art. (Id. at 24) Further, Ohio Willow argues that ALPS has not established a “nexus between its allegedly unexpected results and the claimed invention as is required to rebut obviousness.” (Id.)

A patent is 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 question of patent validity is one of law, the question of obviousness is based on underlying findings of fact. Graham v. John Deere Co., 383 U.S. 1, 17 (1966). “The factual determinations underpinning the legal conclusion of obviousness include 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) evidence of secondary factors, also known as objective indicia of non-obviousness.” Eisai Co. Ltd. V. Dr. Reddy’s Laboratories, Ltd., 533 F.3d 1353, 1356 (Fed. Cir. 2008).

Because the record reveal material disputes of the fact on this issue, summary judgment is inappropriate. Accordingly, the Court **DENIES** ALPS’ motion for summary judgment regarding obviousness of the Hammond Reference.

D. Affirmative Defenses

1. No. 2 Lack of Standing

ALPS seeks summary judgment in its favor regarding Ohio Willow’s second affirmative defense regarding standing. On April 24, 2012, the Court held a hearing on issue of standing. The Court held that on the date this action was initiated ALPS had constitutional standing to bring the suit but lacked prudential standing. The Court found, however, that the prudential standing defect was sufficiently cured with Amended Patent and Sale License Agreement entered into on January 28, 2010, between AEI and

ALPS. Accordingly, the Court **GRANTS** ALPS' motion for summary judgment regarding Ohio Willow's affirmative defense on lack of standing.

2. No. 3 – Non-Infringement

ALPS seeks summary judgment in its favor regarding Ohio Willow's third affirmative defense regarding non-infringement. The Court has already determined that genuine issues of material fact exist regarding whether Ohio Willow infringed the patents-in-suit. Accordingly, the Court **DENIES** ALPS' motion for summary judgment regarding Ohio Willow's affirmative defense on non-infringement.

3. No. 14 - Estoppel

ALPS seeks summary judgment in its favor regarding Ohio Willow's fourteenth affirmative defense regarding estoppel. In order to succeed on its estoppel defense, Ohio Willow must prove that: (i) ALPS engaged in misleading conduct; (ii) Ohio Willow relied on that conduct; and (iii) due to that reliance, Ohio Willow will be harmed materially if ALPS is allowed to assert any claim inconsistent with this earlier conduct. Vanderlande Indus. Nederland BV v. I.T.C., 366 F.3d 1311, 1324 (Fed. Cir. 2004).

ALPS argues that there is no evidence to prove that ALPS engaged in misleading conduct such that Ohio Willow could reasonably infer that ALPS did not intend to enforce its patent rights. (Dkt. S-22 at 38) ALPS asserts that it never communicated with Ohio Willow, nor did it take any action regarding Ohio Willow that would demonstrate a lack of intent to enforce its patent rights. (Id.)

Ohio Willow contends that: (i) "for the purposes of equitable estoppel, Alps stands in the shoes of [Mr.] Chen;" (ii) Mr. Chen misled Ohio Willow to reasonably infer that he did not intend to enforce the patent against Ohio Willow; (iii) Ohio Willow relied

on that conduct; (iv) and due to that reliance, Ohio Willow was harm materially as evidenced by Ohio Willow's increased production of its ALPHA line product, and its investment in manufacturing equipment and capacity. (Dkt. S-20)

These same arguments were made in the ALPS' previous motion for summary judgment and Ohio Willow's response in opposition. No new evidence has been present that would alter this Court's previous ruling. As such, the Court **DENIES** ALPS' motion for summary judgment relation to Ohio Willow's affirmative defense on estoppels.

E. Claims After Re-examinations and Defenses Provided by 35 U.S.C. § 252

Ohio Willow contends that the amendments made to the claims in the patents-in-suit altered the scope of the original claims, and therefore the amended claims are not substantially identical to the original claims. Specifically, Ohio Willow asserts the following amendments altered the scope of the claims by:

1. the insertion of term "physically interlocked" into claims 1-6, 11 and 12 of the '109 patent and claims 7, 8, 10-12, and 14 of the '253 patent;
 2. the insertion of "comprising poly(styrene-ethylene-ethylene-propylene-styrene)" into claims 1-6, 11 and 12 of the '109 patent¹;
 3. the removal of the viscosity point from claim 4 of the '109 patent;
 4. changing the requirement of the Septon® in claim 11 of the '109 patent;
 5. changing the viscosity range in claims 1-7, 10, and 11-12 of the '253 patent;
- and

¹ The Court notes that Claims 11 of the '109 patent were not amended to insert "comprising poly(styrene-ethylene-ethylene-propylene-styrene)."

6. the deletion of poly(styrene-ethylene-ethylene-propylene)_n and poly(styrene-ethylene-propylene-ethylene)_n from claims 1-3 of the '253 patent.

Further, Ohio Willow contends that since the amended claims are not substantially identical to the original claims in the patents-in-suit, it is entitled to the defenses provided by 35 U.S.C. § 252. 35 U.S.C. § 252 provides:

The surrender of the original patent shall take effect upon the issue of the reissued patent, and every reissued patent shall have the same effect and operation in law, on the trial of actions for causes thereafter arising, as if the same had been originally granted in such amended form, but in so far as the claims of the original and reissued patents are substantially identical, such surrender shall not affect any action then pending nor abate any cause of action then existing, and the reissued patent, to the extent that its claims are substantially identical with the original patent, shall constitute a continuation thereof and have effect continuously from the date of the original patent.

A reissued patent shall not abridge or affect the right of any person or that person's successors in business who, prior to the grant of a reissue, made, purchased, offered to sell, or used within the United States, or imported into the United States, anything patented by the reissued patent, to continue the use of, to offer to sell, or to sell to others to be used, offered for sale, or sold, the specific thing so made, purchased, offered for sale, used, or imported unless the making, using, offering for sale, or selling of such thing infringes a valid claim of the reissued patent which was in the original patent. The court before which such matter is in question may provide for the continued manufacture, use, offer for sale, or sale of the thing made, purchased, offered for sale, used, or imported as specified, or for the manufacture, use, offer for sale, or sale in the United States of which substantial preparation was made before the grant of the reissue, and the court may also provide for the continued practice of any process patented by the reissue that is practiced, or for the practice of which substantial preparation was made, before the grant of the reissue, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced before the grant of the reissue.

35 U.S.C. § 252. The first paragraph of section 252 holds that "if the claims in the original and reissued patents are 'identical,' the reissued patent is deemed to have effect from the date of the original patent. If not, then the patentee has no rights to

enforce before the date of the reissue because the original patent was surrendered.” Kaufman Co., Inc. v. Lantech, Inc., 807 F.2d 970, 976 (Fed. Cir. 1986). “[I]dential means, at most, ‘without substantive change.’” Seattle Box Co., Inc. v. Industrial Crating & Packing, Inc., 731 F.2d 818, 828 (Fed. Cir. 1984).

The second paragraph of section 252 establishes two separate and distinct defenses under the doctrine of intervening rights: absolute intervening rights and equitable intervening rights. BIC Leisure Prods., Inc. v. Windsurfing Intern, Inc., 1 F.3d 1214, 1220 (Fed. Cir. 1993). When an accused infringer enjoys absolute intervening rights, it has “the absolute right to use or sell a product that was made, used, or purchased before the grant of the reissue patent as long as this activity does not infringe a claim of the reissue patent that was in the original patent.” Id. at 1220-21 (emphasis added). For equitable intervening rights, the Court may grant the accused infringer the “continued manufacture, use, or sale of additional products covered by the reissue patent when the [accused infringer] made, purchased, or used identical products, or made substantial preparations to make, use, or sell identical products, before the reissue date.” Id. at 1221.

Here, the Court finds the amended claims 1-6, 11 and 12 of the ‘109 patent and the amended claims 1-3, 7, 8, 10-12, and 14 of the ‘253 patent represent a substantial change from their original claims. During the reexaminations of the patents-in-suit, all the asserted claims were rejected by the USPTO. Only after the presentment of amendments to the claims, a declaration by Mr. Chen and a demonstration by Mr. Chen were the claims allowed for the patents-in-suit.

Particularly for the '109 Patent, the patent examiner's reason for patentability is stated as follows:

The declaration under 1.132 by John Y. Chen filed 2/10/2011 is sufficient to overcome all the art rejections in the final Office action mailed 12/13/2010. In particular, the declaration shows the unexpected resistance to shear of poly(styrene-ethylene-ethylene-propylene-styrene) gel physically interlocked with various substrates as a composite here claimed, in head-to-head comparison with the prior art poly(styrene-ethylene-butylene-styrene) gel physically interlocked with various substrates.

(Dkt. S-21, Tab 8) The patent examiner acknowledged the importance of the gel being "physically interlocked" with the various substrates and the gel being comprised of poly(styrene-ethylene-ethylene-propylene-styrene). Prior to the amendments, claims 1-6, 11 and 12 of the '109 patent and claims 7, 8, 10-12, and 14 of the '253 patent did not contain the term "physically interlocked." Additionally, prior to the amendments, claims 1-6 and 12 of the '109 patent did not require the gel to be comprised of poly(styrene-ethylene-ethylene-propylene-styrene). The prior rejections coupled with subsequent amendments and demonstrations of the properties of the subsequent amendments establish that the claims were substantively changed by the amendments. See Laitram Corp. v. NEC Corp., 163 F.3d 1342, 1348 (Fed. Cir. 1348) ("[I]t is difficult to conceive of many situations in which the scope of a rejected claim that became allowable when amended is not substantively changed by the amendment.").

Likewise, the amendment to claims 1-3 of the '253 patent substantially changed the scope of the claims. The original claims 1-3 provided, in pertinent part, "[a] composite comprising: a gel denoted by G, being in adherent contact, adhesive contact, clinging contact, fastening contact, sticking contact, or in physical contact with a selected material M . . ." (Dkt. 185-3) These claims were initially rejected by the patent examiner. Thereafter, the claims were amended. The amended claims deleted "being

in adherent contact, adhesive contact, clinging contact, fastening contact, sticking contact, or” and added “formed by heat into a composite.” (Dkt. 185-4) Therefore, the amended claims 1-3 reads, in pertinent part, “[a] composite comprising: a gel denoted by G, being formed by heat into a composite in physical contact with a selected material M. . . .”

This amendment significantly narrows the methods used to create the composite article. Under the original claims 1-3, the gel could be “attached” to the material by glue or tape. The amended claims 1-3, however, allowed only heat as a method of attaching the gel to the material. Only after this amendment and a related demonstration by Mr. Chen before the patent examiner were the claims allowed. Subsequently, the claims 1-3 were corrected through a Certification of Correction adding the term “physically interlocked.” (Dkt. S-22 at Ex. C) Again, the Court can only conclude that the claims were substantively changed by the amendments.

Because the Court finds the amended claims 1-6, 11 and 12 of the ‘109 patent and the amended claims 1-3, 7, 8, 10-12, and 14 of the ‘253 patent represent a substantial change from their original claims, Ohio Willow is entitled to the defense provided in the first paragraph of section 252. Consequently, ALPS may only enforce the ‘253 patent from the date of its reissue, June 7, 2011, and the ‘109 patent from the date of its reissue, July 5, 2011. Additionally, the Court finds Ohio Willow is entitled to the defense of absolute intervening rights if Ohio Willow is found to be infringing the patents-in-suit.

The Court, however, reserves its ruling on equitable intervening rights. While absolute intervening rights exists here as a matter of law, the issue of equitable

intervening rights is a “fact intensive one.” Marine Polymer Tech., Inc. v. HemCon, Inc., 672 F.3d 1350, 1378 n.10 (Fed. Cir. 2012). The Court will consider several factors in determining whether to apply equitable intervening rights (1) whether “substantial preparation” was made by Ohio Willow before the reissued patents-in-suit; (2) whether Ohio Willow continued manufacturing the infringing products before the reissued patents-in-suit on advice of its patent counsel; (3) whether there were existing orders or contracts on Ohio Willow’s products before the reissued patents-in-suits; (4) whether non-infringing products can be manufactured from the inventory used to manufacture the infringing products and the cost of conversion; (5) whether there is a long period of sales and operations before the patents-in-suits reissued from which no damages can be assessed (6) whether Ohio Willow has made profits sufficient to recoup its investment; and (7) whether a jury finds Ohio Willow has willfully infringed the patents-in-suit. See Visto Corp. v. Sprogit Techs., Inc., 413 F. Supp. 2d 1073, 1090 (N.D. Cal. 2006); Shockley v. Arcan, Inc., 248 F.3d 1349, 1361 (Fed. Cir. 2001).

F. Willful Infringement by Ohio Willow

Ohio Willow contends it is entitled to summary judgment that it has not willfully infringed the patents-in-suit. Ohio Willow contends it is entitled to summary judgment because (1) ALPS did not seek a preliminary injunction in this matter, either initially or after issuance of the reexamination certificates, and (2) reexamination and amendment of the claims in the patents-in-suit are grounds to show that Ohio Willow did not infringe willfully. (Dkt. S-19 at 38)

ALPS contends Ohio Willow’s assertions concern only post-filing willful infringement and there is no bright line rule that a party must move for and obtain a

preliminary injunction order to be entitled to enhanced damages for post-filing willful infringement. (Dkt. S-20 at 26) Further, ALPS contends, there is no bright line rule that a reexamination will preclude a finding of willful infringement.

As properly pointed out by ALPS there is no bright line rule that it must have sought a preliminary injunction order in order to seek enhanced damages for post-filing.

The case Ohio Willow cites for its proposition states

when an accused infringer's post-filing conduct is reckless, a patentee can move for a preliminary injunction, which generally provides an adequate remedy for combating post-filing willful infringement. A patentee who does not attempt to stop an accused infringer's activities in this manner should not be allowed to accrue enhanced damages based solely on the infringer's post-filing conduct.

In re Seagate Tech., LLC, 497 F.3d 1360, 1374 (Fed. Cir. 2007) (emphasis added).

Thus, Seagate does not outright preclude an award of damages based solely on post-filing conduct; it does suggest it will ordinarily not be supportable as a matter of law.

Likewise, there is no bright line rule that a reexamination will preclude a finding of willful infringement. Indeed, the Middle District decision cited by Ohio Willow held that "once the USPTO had made its final decision, Defendant's continued use of the '437 Patent could reasonably be considered 'objectively reckless.'" UltraTech Intern., Inc. v. Swimways Corp., No. 3:05-cv-134-J-25MCR, 2009 WL 8590873, at *2 (M.D. Fla. March 3, 2009).

The Court finds that the two bases presented by Ohio Willow to preclude a willful infringement judgment are not dispositive. Accordingly, the Court **DENIES** Ohio Willow's motion for summary judgment that it has not willfully infringed the patents-in-suit.

G. Invalidity of Claims 3 and 17 of the '253 patent

Ohio Willow argues claims 3 and 17 of the '253 patent are invalid because they are anticipated by Patent No. 5,830,237 (the "'237 patent"). Ohio Willow asserts the '237 patent teaches each of the elements recited by claims 3 and 17 of the '253 patent. Specifically, the '237 patent teaches gel-fabrics liners that are formed into composite heat.

ALPS contends the '237 patent is not prior art, and even if it is, it does not anticipate any claims of the '253 patent. ALPS contends the '237 patent does not disclose the specific gel composites in the '253 patent and in particular does not disclose SEEPS or any of its advantageous qualities. Further, ALPS contends the '237 patent was disclosed to the patent examiner during the original prosecution of the applications resulting in the '109 and '253 patents.

As previously stated, anticipation is a question of fact. And here, the Court finds material factual issues are in dispute as to whether the '237 discloses each and every element of claims 3 and 17 of the '253 patent and if it qualifies as prior art. Therefore, the Court **DENIES** Ohio Willow's regarding the invalidity of claims 3 and 17.

H. Anticipation of Hammond Reference on the Patents-in-Suit

The remaining issue to be resolved by the Court is whether and to what extent the European Patent Application EP0108518 has been incorporated by reference into the Hammond Reference. The Court will address this issue by separate order.

IV. CONCLUSION

Upon consideration of the foregoing, it is hereby **ORDERED** as follows:

1. Alps South, LLC's Motion for Summary Judgment (Dkt. S-22) is **GRANTED in part and DENIED in part**. Alps South, LLC's Motion for Summary Judgment as to Ohio Willow Wood Company's Affirmative Defense No. 2 regarding lack of standing is **GRANTED**. The remainder of Alps South, LLC's Motion for Summary Judgment is **DENIED**.
2. "Physically interlocked" means "an inherent result of forming a gel composite article by heating the gel to a molten state and then cooling the gel while it is in contact with a substrate, so that the molten gel penetrates the spaces or irregularities in the surface of the substrate and becomes attached to the substrate after it cools to a solid state."
3. Ohio Willow's Motion for Summary Judgment (Dkt. S-19) is **GRANTED in part and DENIED in part**.
4. Ohio Willow is entitled to absolute intervening rights.
5. The Court reserves its ruling on equitable intervening rights.

DONE and **ORDERED** in Tampa, Florida this 29th day of April 2012.



MARY S. SCRIVEN
UNITED STATES DISTRICT JUDGE

Copies furnished to:
All Counsel of Record
All *Pro Se* parties