

No. 21-

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IN THE  
**Supreme Court of the United States**

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OLAF SÖÖT DESIGN, LLC,

*Petitioner,*

*v.*

DAKTRONICS, INC. AND DAKTRONICS HOIST, INC.,

*Respondents.*

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ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED  
STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

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**PETITION FOR A WRIT OF CERTIORARI**

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## QUESTION PRESENTED

In *Markman v. Westview Instruments, Inc.*, 517 US 370 (1996), this Court held that the meaning of terms in a patent “claim” stands as a question of law and must be construed by the court. Under the Seventh Amendment, if requested by the patent owner, the jury must make the factual determination as to whether the defendant infringed the patent in light of the court’s claim construction. Consistent with the Seventh Amendment, the *Markman* decision leaves to the jury all factual determinations beyond the court’s construction of the claim. The question presented by this petition for writ of certiorari is:

Whether the Seventh Amendment allows the Federal Circuit to reverse a jury verdict based on a *sua sponte* new claim construction of a term the district court concluded was not a term of art and construed to have its plain and ordinary meaning; where the Federal Circuit’s *sua sponte* claim construction essentially recasts a specific infringement factual question, previously decided by the jury, as a claim construction issue, to be decided *de novo* by the appellate court.

**PARTIES TO THE PROCEEDING BELOW  
AND RULE 29.6 STATEMENT**

The caption of the case contains the names of all the parties to the proceeding.

Petitioner Olaf Sööt Design, LLC has no parent corporations and no publicly held company owns 10 percent or more of its stock.

**RULE 14.1(B)(III) STATEMENT**

The proceedings in federal trial and appellate courts identified below are directly related to the above-captioned case in this Court.

*Olaf Sööt Design LLC v. Daktronics Inc. and Daktronics Hoist, Inc.*, Case No. 1:15-cv-05024 (S.D.N.Y.). The United States District Court for the Southern District of New York entered an amended judgment regarding Petitioner's patent claims in this matter on August 29, 2019.

*Olaf Sööt Design LLC v. Daktronics Inc. and Daktronics Hoist, Inc.*, Case Nos. 2019-1009, 2019-1034 (Fed. Cir.). The Federal Circuit entered judgment in this matter on January 7, 2021. The Federal Circuit denied Petitioners' combined petition for panel rehearing and rehearing *en banc* on April 19, 2021.

**TABLE OF CONTENTS**

	<i>Page</i>
QUESTION PRESENTED .....	i
PARTIES TO THE PROCEEDING BELOW AND RULE 29.6 STATEMENT .....	ii
RULE 14.1(B)(III) STATEMENT .....	iii
TABLE OF CONTENTS.....	iv
TABLE OF APPENDICES .....	vii
TABLE OF CITED AUTHORITIES .....	viii
OPINIONS BELOW.....	1
JURISDICTION.....	1
STATUTORY AND CONSTITUTIONAL PROVISIONS INVOLVED .....	2
INTRODUCTION.....	2
STATEMENT OF THE CASE .....	5
A. The '485 Patent's Fixed Screw-Hollow Hub Design and Daktronics' Infringement .....	5
B. Jury Finds Infringement.....	6

*Table of Contents*

	<i>Page</i>
C. Federal Circuit Reversed in Reliance on <i>O2 Micro</i> .....	6
REASONS FOR GRANTING THE WRIT .....	7
THE 2008 <i>O2 MICRO</i> FEDERAL CIRCUIT RULING INVADES THE JURY FUNCTION IN RESOLVING INFRINGEMENT BY USURPING FACTUAL ASSESSMENTS RESERVED FOR THE JURY.....	7
A. Under <i>Markman</i> , the Claim Construction Legal Issue Reserved for the Court Was Directed to “terms of art” set out in the patent .....	7
B. <i>O2 Micro</i> Upends <i>Markman</i> ’s Careful Balance By Authorizing Court Resolution of Infringement Facts.....	8
C. <i>O2 Micro</i> ’s Demand That the Court Determines “Scope” of Ordinary Terms in the Patent Claim Authorizes the Court to Resolve the Ultimate Fact of Infringement in Violation of the Seventh Amendment.....	13
D. Neither <i>Markman</i> Nor <i>O2 Micro</i> Justify Reversal a Jury Verdict by <i>Sua Sponte</i> Introduction of a New Claim Construction That was Not Raised at Trial or on Appeal .....	17

*Table of Contents*

	<i>Page</i>
THIS COURT’S REVIEW OF <i>O2 MICRO</i> IS WARRANTED NOW .....	20
A. Guidance on the Proper Limits of <i>O2 Micro</i> are Necessary .....	20
B. This Case is an Ideal Vehicle for Tackling the <i>O2 Micro</i> Issue .....	21
CONCLUSION .....	22

**TABLE OF APPENDICES**

	<i>Page</i>
APPENDIX A — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT, FILED JANUARY 7, 2021 .....	1a
APPENDIX B — MEMORANDUM DECISION AND ORDER OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, FILED AUGUST 27, 2019 .....	17a
APPENDIX C — OPINION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, FILED OCTOBER 26, 2016 .....	67a
APPENDIX D — DENIAL OF REHEARING OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT, DATED APRIL 19, 2021 .....	93a



## TABLE OF CITED AUTHORITIES

	<i>Page</i>
<b>Cases</b>	
<i>ActiveVideo Networks, Inc. v. Verizon Commc'ns, Inc.</i> , 694 F.3d 1312 (Fed. Cir. 2012) .....	11
<i>Akamai Techs., Inc. v. Limelight Networks, Inc.</i> , 805 F.3d 1368 (Fed. Cir. 2015) .....	18
<i>Anderson v. City of Bessemer City</i> , 470 U.S. 564 (1985).....	21
<i>Cobalt Boats, LLC v. Brunswick Corp.</i> , 773 F. App'x 611 (Fed. Cir. 2019) .....	10
<i>Core Wireless Licensing S.A.R.L. v. Apple Inc.</i> , 899 F.3d 1356 (Fed. Cir. 2018) .....	18, 19
<i>Creative Internet Advertising Corp. v. Yahoo!, Inc.</i> , 476 F. App'x 724 (Fed. Cir. 2011) .....	10
<i>Dimick v. Schiedt</i> , 293 U.S. 474 (1935).....	2
<i>E.I. du Pont De Nemours &amp; Company v. Unifrax I LLC</i> , 921 F.3d 1060 (Fed. Cir. 2019).....	10
<i>Eon Corp. IP Holdings LLC v. Silver Spring Networks, Inc.</i> , 815 F.3d 1314 (Fed. Cir. 2016).....	10

*Cited Authorities*

	<i>Page</i>
<i>Google LLC v. Oracle Am., Inc.</i> , 141 S. Ct. 1183 (2021) . . . . .	16
<i>GPNE Corp. v. Apple Inc.</i> , 830 F.3d 1365 (Fed. Cir. 2016) . . . . .	11
<i>Hormel v. Helvering</i> , 312 U.S. 552 (1941) . . . . .	19
<i>Huawei Techs. Co. v. T-Mobile US, Inc.</i> , 2017 WL 4070592 (E.D. Tex. Aug. 29, 2017), <i>adopted</i> , 2017 WL 4049251 (E.D. Tex. Sept. 13, 2017) . . . . .	9
<i>Kaneka Corp v. Xiamen Kingdomway Group</i> , 790 F.3d 1298 (Fed. Cir. 2015) . . . . .	11
<i>Lavender v. Kurn</i> , 327 U.S. 645 (1946) . . . . .	20
<i>Markman v. Westview Instruments, Inc.</i> , 517 U.S. 370 (1996) . . . . .	<i>passim</i>
<i>Merck &amp; Co, Inc. v.</i> <i>Teva Pharmaceuticals USA, Inc.</i> , 395 F.3d 1364 (Fed. Cir. 2005) . . . . .	14
<i>NobelBiz, Inc. v. Glob. Connect, L.L.C.</i> , 701 F. App'x 995 (Fed. Cir. 2017) . . . . .	3, 10

*Cited Authorities*

	<i>Page</i>
<i>NobelBiz, Inc. v. Glob. Connect, L.L.C.</i> , 876 F.3d 1326 (Fed. Cir. 2017) . . . . .	3, 4, 9, 10
<i>NobelBiz, Inc. v. Glob. Connect, L.L.C.</i> , No. 2016-1104, 2017 WL3044641 (Fed. Cir. July 19, 2017) . . . . .	9
<i>Nuance Commc'ns, Inc. v.</i> <i>ABBYY USA Software House, Inc.</i> , 813 F.3d 1368 (Fed. Cir. 2016) . . . . .	18
<i>O2 Micro v. Beyond Innovation</i> <i>Technology Co., Ltd.</i> , 521 F.3d 1351 (Fed. Cir. 2008) . . . . .	<i>passim</i>
<i>Olaf Sööt Design, LLC v. Daktronics, Inc.</i> , 220 F. Supp. 3d 458 (S.D.N.Y. 2016) . . . . .	20
<i>Olaf Soot Design, LLC v. Daktronics, Inc.</i> , 406 F. Supp. 3d 328 (S.D.N.Y. 2019) . . . . .	16
<i>Omega Patents, LLC v. CalAmp Corp.</i> , 920 F.3d 1337 (Fed. Cir. 2019) . . . . .	10
<i>Phillips v. AWH Corp.</i> , 415 F.3d 1303 (Fed. Cir. 2005) . . . . .	8
<i>Queens University at Kingston v.</i> <i>Samsung Elecs. Co.</i> , 2015 WL 2250384 (E.D. Tex. May 13, 2015) . . . . .	11

*Cited Authorities*

	<i>Page</i>
<i>SciMed Life Systems v. Advanced Cardiovascular Systems, Inc.</i> , 242 F.3d 1337 (Fed. Cir. 2001) .....	14
<i>Silicon Graphics, Inc. v. ATI Techs., Inc.</i> , 2007 WL 5614112 (W.D. Wis. Oct. 15, 2007), <i>aff'd in part, rev'd in part</i> , 607 F.3d 784 (Fed. Cir. 2010) .....	14
<i>Summit 6, LLC v. Samsung Elecs. Co.</i> , 802 F.3d 1283 (Fed. Cir. 2015) .....	11
<i>Union Carbide Chems. &amp; Plastics Tech. Corp. v. Shell Oil Co.</i> , 425 F.3d 1366 (Fed. Cir. 2005), <i>overruled on other grounds by Cardiac Pacemakers, Inc. v. St. Jude Med., Inc.</i> , 576 F.3d 1348 (Fed. Cir. 2009) .....	11

**Statutes and Other Authorities**

U.S. Const., Amend. VII .....	2, 3
28 U.S.C. § 1254(1) .....	1
Rule 50(b) .....	1
Woodward, <i>Definiteness and Particularity in Patent Claims</i> , 46 Mich. L. Rev. 755, 765 (1948) .....	14

Petitioner Olaf Sööt Design, LLC respectfully petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Federal Circuit in this case.

### **OPINIONS BELOW**

The merits opinion of the Federal Circuit is reported at 839 Fed. App'x 505 and reprinted at App. 1a-16a, *infra*. The order of the court of appeals denying rehearing is not reported and is reprinted at App. 93a-94a.

The Rule 50(b) opinion of the district court is reported at 406 F. Supp. 3d 328 and reprinted at App. 17a-66a. The district court's *Markman* opinion is reported at 220 F. Supp. 3d 458 and reprinted at App. 67a-92a.

### **JURISDICTION**

The Federal Circuit issued its opinion on January 7, 2021. It denied rehearing and rehearing en banc on April 19, 2021. This Court has jurisdiction under 28 U.S.C. § 1254(1). Pursuant to this Court's July 19, 2021 Standing Order, the Court had previously extended the deadline to file petitions for writs of certiorari in all cases due on or after the date of that order to 150 days from the date of the lower court judgment, order denying discretionary review, or order denying a timely petition for rehearing. This order applied to all writs of certiorari between March 19, 2020 and July 19, 2021.

## STATUTORY AND CONSTITUTIONAL PROVISIONS INVOLVED

U.S. Constitution, Amendment VII, provides:

In suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any court of the United States, than according to the rules of the common law.

## INTRODUCTION

The Federal Circuit reversed Petitioner’s jury infringement verdict by *sua sponte* rejecting and rewriting the district court’s “plain and ordinary meaning” claim construction of a common, easily understood term. The court thereby resolved the infringement dispute explicitly reserved for the jury under the guise of claim construction. Justification of this invasion of clearly factual matters reserved for jury resolution was premised on an expansion of the Federal Circuit decision in *O2 Micro v Beyond Innovation Technology Co., Ltd.*, 521 F.3d 1351 (Fed. Cir. 2008). The expansion of *O2 Micro* decision cannot be reconciled with this Court’s long-standing recognition of the sanctity of the Seventh Amendment right to trial by jury. As this Court emphasized in *Dimick v. Schiedt*, 293 U.S. 474, 486 (1935), “[m]aintenance of the jury as a fact-finding body is of such importance and occupies so firm a place in our history and jurisprudence that any seeming curtailment of the right to a jury trial should be scrutinized with utmost care.”

As illustrated by the decision below, *O2 Micro* has been extended by the Federal Circuit to now routinely displace properly resolved claim construction decisions and strip litigants of their constitutional right to trial by jury guaranteed by the Seventh Amendment. This line of authority within the Federal Circuit extends well beyond this Court's *Markman* ruling and now fundamentally disrupts the orderly resolution of patent disputes at the trial level.

District courts across the country are battling with the *O2 Micro* issue and their role in resolving potentially late-breaking disputes and allowing the jury to perform its required function. The substantive dissent in *NobelBiz, Inc. v. Glob. Connect, L.L.C.* recognized this issue:

In cases where the question of “claim scope” is directly congruent to the ultimate question of infringement, and the claim terms do not have a disputed or complex technical meaning, it was not reversible error for the trial judge to refer the question of infringement to the jury. The jury is well suited to evaluate the disclosure and to compare the claimed technology with the accused system, including weighing the views of the dueling expert witnesses.

701 F. App'x 995, 1001 (Fed. Cir. 2017) (Newman, J. dissenting). This *O2 Micro* problem has become a well-recognized trap at the trial level as noted by Judge O'Malley in her dissent from the denial of rehearing *en banc* in *NobelBiz*:

[B]y relying on *O2 Micro International Ltd. v. Beyond Innovation Technology Co.*, 521 F.3d 1351 (Fed. Cir. 2008), to support its holding, the majority has added to the growing confusion regarding the scope of that decision. In the nearly ten years since *O2 Micro* issued, this court has stretched its holding well beyond the factual circumstances at issue there. In so doing, we have caused unnecessary difficulties for district courts, which must manage these already difficult-enough cases, and have intruded on the jury’s factfinding role.

876 F.3d at 1326, O’Malley, J., dissenting from denial of rehearing).

The panel in this matter has applied *O2 Micro* to now authorize *sua sponte* review of a district court’s “plain and ordinary meaning” claim construction that was not challenged below or on appeal. In this case, Respondent proposed that “no construction was necessary” to the district court at the pre-trial claim construction hearing (“*Markman*”), which was accepted by the district court, used as part of the jury instructions and not appealed by either party.

During oral argument before the Federal Circuit panel, when asked directly whether *O2 Micro* was applicable or if there was a claim construction dispute between the parties, Respondent’s counsel stated: “***It’s not a claim construction issue. It’s plain and ordinary meaning.***” Oral Arg.<sup>1</sup> 4:38-4:45. Neither *O2 Micro* nor any other

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1. “Oral Arg.” refers to the November 6, 2020 Oral Argument before the Federal Circuit, available at: <http://www.cafc.uscourts>.



authority permits a review of an issue never appealed nor even raised at the district court. Without guidance, parties and district courts will expend significant resources on litigation and trial, while the specter of *O2 Micro* looms even when no “disputed” patent claim terms remain.

The present petition provides this Court with a vehicle for bringing the Federal Circuit back into line with the Seventh Amendment and this Court’s cases construing the Seventh Amendment.

### STATEMENT OF THE CASE

#### **A. The ’485 Patent’s Fixed Screw-Hollow Hub Design and Daktronics’ Infringement**

OSD owns the ’485 patent, which is directed to a winch used to raise and lower scenery and lighting in theatrical productions. The ’485 patent teaches a winch where a fixed screw is used to laterally progress a drum, rather than rotating with the drum. The lead screw engages with an elongated hub on the drum. The drum and its hub include a passage to allow entry of the fixed screw, thus the drum and its drum endcap are hollow. The ’485 patent’s claims required that the fixed screw enter the “drum.”

Daktronics’ infringing product, the Vortek winch, used the same arrangement. The Vortek winch includes a fixed screw anchored to the carriage, and the hollow hub extending out from the drum endcap to engage the fixed screw. With the Vortek product, the screw enters

a portion of the drum (the hollow hub), but not into the remainder of the drum.

### **B. Jury Finds Infringement**

After a two-week trial the jury made the factual determination that Daktronics' Vortek product infringed the '485 patent. Respondent appealed the jury verdict of infringement, but never raised any *O2 Micro* concerns and never challenged the district court's plain and ordinary meaning claim construction.

### **C. Federal Circuit Reversed in Reliance on *O2 Micro***

The Federal Circuit reversed, *sua sponte* rewrote the plain meaning of "hollow drum" under the guise of *O2 Micro*, set aside the jury's factual finding of infringement, and entered judgment for Daktronics as a matter of law. Petitioner sought panel and *en banc* review of the ruling. The Federal Circuit denied the petition.

The decision below expands a disturbing line of Federal Circuit decisions that infringes on the right to trial by jury in patent infringement cases. Certiorari should be granted to halt the Federal Circuit's practice of depriving litigants of their right to trial by jury under the Seventh Amendment.

**REASONS FOR GRANTING THE WRIT****THE 2008 02 MICRO FEDERAL CIRCUIT RULING  
INVADES THE JURY FUNCTION IN RESOLVING  
INFRINGEMENT BY USURPING FACTUAL  
ASSESSMENTS RESERVED FOR THE JURY****A. Under *Markman*, the Claim Construction Legal  
Issue Reserved for the Court Was Directed to  
“terms of art” set out in the patent**

In *Markman*, this Court protected important Seventh Amendment rights by carefully limiting the court’s role to resolving claim construction issues anchored in the legal and technical patent record. This balanced ruling carefully carved out for resolution by the court the legal claim construction from the overall infringement question reserved for the jury: “We hold that the construction of a patent, *including terms of art* within its claim, is exclusively within the province of the court.” *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 372, (1996) (emphasis added). Under *Markman*, the court was authorized to construe only those disputed terms that require consideration of the legal and technical record to discern the appropriate meaning of each term. This Court limited its reach to “terms of art” by recognizing that “the Seventh Amendment does not require *terms of art* in patent claims to be submitted to the jury.” *Markman*, 517 U.S. at 383-84 n.9 (emphasis added). Specialized meanings for disputed claim terms are resolved by the court based on the Patent Office record and industry practice.

In contrast, absent evidence to the contrary, if the disputed term is a common English word or phrase it

should be given its “ordinary and customary meaning” as the proper construction. *Phillips v. AWH Corp.* 415 F.3d 1303, 1314 (Fed. Cir. 2005) (*en banc*). Where the district court determines the claim term should be construed with its ordinary meaning, this is simply a ruling by the court that nothing exists in the patent’s file history or technical literature necessitating a specialized construction. The normal, English usage of the term will suffice. Under *Markman*, it remains the jury’s responsibility to decide infringement – that is, whether the accused product falls within the scope of the properly construed claim – a fundamental question of fact reserved for the jury. *Markman*, 517 U.S. at 384-91.

**B. *O2 Micro* Upends *Markman*’s Careful Balance By Authorizing Court Resolution of Infringement Facts**

This Court’s careful division between the role of the court and the role of the jury in patent infringement actions has been upended by *O2 Micro*. In cases where a “plain and ordinary meaning” construction controls, the *O2 Micro* precedent has, in essence, authorized court resolution of the protected Seventh Amendment jury questions of infringement. Federal Circuit panels have relied on *O2 Micro*, to resolve disputes, even if factual – as happened in this case – to discard jury verdicts.

When facing a potential *O2 Micro* issue, district courts struggle to discern where a claim construction issue ends and the infringement question begins. As recently lamented by a district court, the disruptive impact of *O2 Micro* is not in dispute:

*O2 Micro* problems are difficult to evaluate with any confidence during pretrial (or trial, for that matter) because it is frequently impossible to delineate between a pure claim construction argument and a noninfringement argument. Yet juries are summoned, trials are held, and verdicts are reached, only to have the case fall in the *O2Micro* trap on appeal. *See, e.g., NobelBiz, Inc. v. Glob. Connect, L.L.C.*, No. 2016-1104, 2017 WL3044641 (Fed. Cir. July 19, 2017). Short of holding both a jury trial and an identical bench trial in every patent case, there is not a clear path around *O2 Micro*.

*Huawei Techs. Co. v. T-Mobile US, Inc.*, No. 2:16-CV00052-JRG-RSP, 2017 WL 4070592, at \*1 (E.D. Tex. Aug. 29, 2017), *adopted*, 2017 WL 4049251 (E.D. Tex. Sept. 13, 2017).

The *O2 Micro* demands on the court have become a well-recognized trap at the trial level. Judge O'Malley further described the dichotomy in her dissent to the *en banc* denial in *NobelBiz*:

*O2 Micro*'s general rule is easy enough to state in the abstract: "When . . . parties raise an actual dispute regarding the proper scope of the[]claims, the court, not the jury, must resolve that dispute." *O2 Micro*, 521 F.3d at 1360. We have not articulated, however, what constitutes an "actual dispute" in this context. While we expect district courts to distinguish *bona fide* infringement arguments from those masquerading as claim construction disputes,

we have not provided the lower courts with effective guidance to do so. As a result, courts have struggled to strike the delicate balance between ensuring that they do not permit the jury to determine claim scope, on the one hand, and ensuring that they do not encroach upon the constitutionally mandated function of the jury to find facts, on the other.

*NobelBiz*, 876 F.3d at 1327-28.

The Federal Circuit has displaced numerous infringement decisions premised upon an *O2 Micro* “plain and ordinary meaning” claim construction dispute. These panels have taken the infringement issue away from the jury, under *O2 Micro*, by ruling that if any dispute remains after an “plain and ordinary meaning” construction, it must be resolved by the district court. *See, e.g., NobelBiz, Inc. v. Glob. Connect, L.L.C.*, 701 Fed. App’x. 994, 997-999 (Fed. Cir. 2017); *Eon Corp. IP Holdings LLC v. Silver Spring Networks, Inc.*, 815 F.3d 1314, 1319–20 (Fed. Cir. 2016) (finding that the district court erred by instructing the jury that the terms “portable” and “mobile” should be given their plain and ordinary meanings); *Creative Internet Advertising Corp. v. Yahoo!, Inc.*, 476 F. App’x 724, 728 (Fed. Cir. 2011) (the Federal Circuit held that the district court erred in its failure to construe the disputed term and reversed the verdict); *see also Cobalt Boats, LLC v. Brunswick Corp.*, 773 F. App’x 611, 615 (Fed. Cir. 2019); *Omega Patents, LLC v. CalAmp Corp.*, 920 F.3d 1337, 1346 (Fed. Cir. 2019) (the Federal Circuit held that the district court erred by not construing the term “vehicle device”); *E.I. du Pont De Nemours & Company v. Unifrax I LLC*, 921 F.3d 1060, 1083, 1083 n.5 (Fed. Cir. 2019) (dissent noted

“the *O2 Micro* trap” that district courts face); *Kaneka Corp v Xiamen Kingdomway Group* 790 F.3d 1298 (Fed. Cir. 2015) (district court erred by giving “sealed tank” its ordinary meaning); *Queens University at Kingston v Samsung Elecs. Co.*, 2015 WL 2250384, at \*1 (E.D. Tex. May 13, 2015) (plain meaning).

At best, the Federal Circuit also struggles to consistently apply *O2 Micro*. *NobelBiz, Inc. v. Glob. Connect, L.L.C.* 876 F.3d 1326, 1328 (Fed. Cir. 2017) (O’Malley, J., dissenting from denial of rehearing *en banc*) (collecting cases); *GPNE Corp. v. Apple Inc.*, 830 F.3d 1365, 1371–73 (Fed. Cir. 2016) (finding no *O2 Micro* violation where the district court declined to construe the term “pager,” and determining that the real dispute was about allowing the defendant “to make certain arguments to the jury”); *Summit 6, LLC v. Samsung Elecs. Co.*, 802 F.3d 1283, 1291 (Fed. Cir. 2015) (finding that the district court did not err in declining to construe the disputed term, which was itself “comprised of commonly used terms; each is used in common parlance and has no special meaning in the art”); *ActiveVideo Networks, Inc. v. Verizon Commc’ns, Inc.*, 694 F.3d 1312, 1326 (Fed. Cir. 2012) (finding that the district court did not err under *O2 Micro* in concluding that “superimposing” claim terms “have plain meanings that do not require additional construction”); *see also Union Carbide Chems. & Plastics Tech. Corp. v. Shell Oil Co.*, 425 F.3d 1366, 1377 (Fed. Cir. 2005) (“Because the claim language does not require a particular form of testing, this inquiry is not a claim construction question, which this court reviews *de novo*. Rather, this court reviews this inquiry as a question of fact.”), *overruled on other grounds by Cardiac Pacemakers, Inc. v. St. Jude Med., Inc.*, 576 F.3d 1348 (Fed. Cir. 2009)).

In this case, the district court construed the term “hollow drum” to have its “plain and ordinary meaning” as used in the patent (specifically, “element h”). Infringement turned on whether the accused “hollow drum” included a drum endcap/hub as part of the drum. Solely because the parties debated whether the accused product included the claimed “hollow drum” (which included the endcap) before the jury, the jury verdict was discarded by the Federal Circuit applying *O2 Micro*.

The Federal Circuit panel *sua sponte* rewrote the plain and ordinary meaning claim construction of hollow drum in “element h” by injecting its own factual finding regarding infringement (under the guise of claim construction) by ruling that “the claimed hollow hub is not a component of the claimed hollow drum.” App. 8a-11a. That is, the Federal Circuit believed that the plain and ordinary meaning of drum *excludes* its endcaps – essentially resolving as a factual matter as to whether Respondent’s winch infringes the patent.<sup>2</sup>

By injecting its own view of an ordinary term (“hollow drum”), the appellate court usurped the factual determination by the jury – using the “plain and ordinary meaning” of element h – that Respondent’s design infringes Petitioner’s patent. The factual application of non-technical, readily understood claim terms is within the province of the jury – not the circuit court. This is particularly true when the Respondent did not object to the claim construction.

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2. The disputed “element h” is a phrase that simply describes the interaction between the screw and hub/drum, with infringement resolved by determining whether the accused Vortek winch “hollow drum” included as a component its endcap/hub. App. 26a-37a, 48a-49a.



This Court's *Markman* ruling made clear that while claim construction is for the court, the jury determines infringement. *O2 Micro* has improperly expanded claim construction to authorize appellate resolution of common terms, thereby invading the jury's obligation to determine the facts bearing on infringement. The decision below violates the Seventh Amendment on two fronts and was never sanctioned by *Markman*. Where a term is given its ordinary meaning, applying this meaning is a question of fact well within the ambit of the jury and fundamentally a question of infringement for the jury. This was the careful balance that *Markman* crafted, and it is improper for *O2 Micro* to remove such determinations from the jury.

**C. *O2 Micro*'s Demand That the Court Determines "Scope" of Ordinary Terms in the Patent Claim Authorizes the Court to Resolve the Ultimate Fact of Infringement in Violation of the Seventh Amendment**

Applying *O2 Micro* to vacate a jury infringement finding premised on the existence of a factual dispute regarding the scope of a plain and ordinary claim term usurps the role of the jury and violates the Seventh Amendment right to trial by jury, under both clauses of the Seventh Amendment.

This Court in its *Markman* ruling made clear that claim construction reserved to the court includes the interpretation of the patent records, technical terms of art or terms having specialized meanings. *Markman*, 517 U.S. at 388-89.<sup>3</sup> This is consistent with the recognition of the

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3. Specialized terms under *Markman* that require court definition are illustrated by: "s10e5" – construed by the court to be a term of art on a floating point format.

court's role in interpreting legal documents.<sup>4</sup> In contrast, the *Markman* ruling is silent on court involvement in determining the “scope” of the claim terms having common ordinary meaning. *Id.*

A simple example illustrates where the jury applies its understanding of a common ordinary term as part of the jury role on infringement. Consider a patent claim that requires a “circular opening.” This involves a term that a jury can apply without explicit definition by the court. Indeed, it is unclear how the court would rephrase such a term for the jury.

If the accused product has an opening that deviates from a perfect circle by a small amount, it is the jury's role to determine whether it is “circular” by applying its view on whether the small deviation is enough to no longer be circular. In contrast, if the patent itself defines the level of deviation permitted to remain “circular” – the court would so instruct the jury on this specialized definition.

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*Silicon Graphics, Inc. v. ATI Techs., Inc.*, 2007 WL 5614112, at \*11–12 (W.D. Wis. Oct. 15, 2007), *aff'd in part, rev'd in part*, 607 F.3d 784 (Fed. Cir. 2010); “dual lumen catheter” a term that acquired specialized meaning in the PTO by excluding “side by side” lumens. *SciMed Life Systems v. Advanced Cardiovascular Systems, Inc.*, 242 F.3d 1337, 1343–44 (Fed. Cir. 2001); and “about” a term redefined by the specification to mean “exact.” *Merck & Co, Inc. v. Teva Pharmaceuticals USA, Inc.*, 395 F.3d 1364, 1370–71 (Fed. Cir. 2005).

4. *See Markman*, 517 U.S. 389: “the claims of patents have become highly technical in many respects as the result of special doctrines relating to the proper form and scope of claims that have been developed by the courts and the Patent Office.” Woodward, *Definiteness and Particularity in Patent Claims*, 46 Mich. L. Rev. 755, 765 (1948).

*Markman* cannot justify the expanded role of the court under *O2 Micro*'s ruling simply because a defendant argues that its device is not infringing based on the plain and ordinary meaning of the words of the patent (and the plaintiff argues to the contrary). Under *Markman*, once the court has determined that a common term used in the claim has no special meaning in the context of the patent or the underlying technology and should therefore be construed in accordance with the ordinary meaning of the words of the claim, the remaining infringement question is squarely within the province of the jury.

Claim terms are construed by the court by defining the outer boundaries of the invention. This “peripheral claiming” approach may overlap with the ultimate jury fact question on infringement – an inquiry directed to whether an accused device falls within the claim language. If the term is commonly understood, defining what it excludes by the court risks an invasion of that jury role, and usurps the infringement question under the guise of claim construction.

The panel's decision in this case defined “hollow drum” by what it excluded – its endcap and hub – and thus resolved infringement in a manner that clearly undermined the fact-finding role of the jury. Following a two-week trial, the district court judge referred the question of infringement to the jury. The jury resolved the parties' factual disputes and determined infringement. The infringement decision was confirmed by a separate district court judge after a *de novo* review.<sup>5</sup> Nonetheless,

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5. After Judge Robert W. Sweet passed away in March 2019, the case was reassigned to Judge George B. Daniels.

no deference was provided to any of the jury’s findings of fact as to infringement – nor to the district court’s fact-finding regarding claim constructions confirmed after hearing extensive expert testimony.

The decision below emphasizes the critical need for clarification so that courts can identify the circumstances where a plain and ordinary meaning dispute is an “actual” one within the meaning of *O2 Micro*. This case presents the opportunity for this Court to clarify the confusion created by *O2 Micro* and the havoc it has wreaked on jury determinations.

The Federal Circuit’s *O2 Micro* requirement additionally violates the Reexamination Clause of the Seventh Amendment, prohibiting appellate courts from reexamining any “fact tried by a jury”. *O2 Micro* mandates such a reexamination of factual determinations by a jury when a plain and ordinary meaning construction has been tried. *Cf. Google LLC v. Oracle Am., Inc.*, 141 S. Ct. 1183, 1200 (2021). Where the jury makes factual determinations of infringement with a plain and ordinary meaning construction, the Federal Circuit now mandates review of the jury’s factual determinations to evaluate whether such determinations were actually claim scope disputes that were required to be resolved by the court.

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Judge Daniels undertook a *de novo* review post-verdict – and, after extensive briefing and a full-day hearing, issued a 35-page Opinion, again rejecting each of Daktronics’ arguments. App. 17a-66a; *see Olaf Soot Design, LLC v. Daktronics, Inc.*, 406 F. Supp. 3d 328, 334 (S.D.N.Y. 2019).

**D. Neither *Markman* Nor *O2 Micro* Justify Reversal a Jury Verdict by *Sua Sponte* Introduction of a New Claim Construction That was Not Raised at Trial or on Appeal**

The panel’s application of *O2 Micro* has further elevated a “plain and ordinary meaning” claim construction into a *per se* appealable issue even if neither party challenged on appeal the district court constructions given to the jury at trial.<sup>6</sup> The lack of any claim construction issue on appeal was clearly acknowledged by Respondent:

**Chief Judge Prost:** “We have an old case called *O2 Micro* ... plain and ordinary meaning wasn’t good enough where the heart of the dispute came down to claim construction and the claim construction should have been done. Did you ever, you knew this was part of the dispute in the case, did you ever seek a specific claim construction on plain and ordinary meaning?”

**Respondent’s Counsel:** “No Your Honor, we saw plain and ordinary meaning. We think this claim was very clear and it requires both a hollow hub and a hollow drum. Both of them to be sized, such that the hollow drum can receive the screw. That doesn’t seem like anything that requires any construction, your Honors.

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6. At no point during the trial below or on appeal did Respondent raise any dispute as to the construction of “element h” or the related “hollow drum” term – relying solely on its arguments using the “plain and ordinary meaning” construction it had earlier proposed to the district court, that were accepted. *See* App. 73a-74a, 80a.

I think the way that OSD is construing and as well as the district court just makes no sense in context.” Oral Arg. 2:50-3:39. (emphasis added).

...

**Chief Judge Prost:** “Is it *de novo* review because it’s vitiation or because you think it’s a claim construction dispute?”

**Respondent’s Counsel:** “It’s a legal issue, Your Honor. Vitiation ... *It’s not a claim construction issue. It’s plain and ordinary meaning.*”

Oral Arg. 4:34-4:45. (emphasis added).

Here, the district court at *Markman* hearing found in Respondent’s favor by adopting the plain and ordinary meaning of the “element h” and “hollow drum” claim terms. The fact that after trial Respondent became dissatisfied with the application of its own proposed construction by the jury should not authorize *sua sponte* review under *O2 Micro. Nuance Commc’ns, Inc. v. ABBYY USA Software House, Inc.*, 813 F.3d 1368 (Fed. Cir. 2016); *Akamai Techs., Inc. v. Limelight Networks, Inc.*, 805 F.3d 1368, 1376 (Fed. Cir. 2015).

This carries more weight here as neither party raised *O2 Micro* on appeal. As the Federal Circuit stated in *Core Wireless*:

It appears that a claim scope dispute went unresolved during the course of trial, which resulted in the experts presenting competing

theories of claim construction to the jury. ... This court has made clear that “[w]hen the parties present a fundamental dispute regarding the scope of a claim term, it is the court’s duty to resolve it.” *O2 Micro Int’l Ltd. v. Beyond Innovation Tech. Co.*, 521 F.3d 1351, 1362 (Fed. Cir. 2008). Neither party raised this issue on appeal, however, so we do not address it further.

*Core Wireless Licensing S.A.R.L. v. Apple Inc.*, 899 F.3d 1356, 1363 n.1 (Fed. Cir. 2018).

Reliance on *O2 Micro* should not justify *sua sponte* rejection of the district court’s “plain and ordinary meaning” claim construction. *Hormel v. Helvering*, 312 U.S. 552, 556 (1941) (rule prohibiting considering on appeal argument not raised to the district court ensures that “parties may have the opportunity to offer all the evidence they believe relevant to the issues ... [and] in order that litigants may not be surprised on appeal by final decision there of issues upon which they have had no opportunity to introduce evidence”).

The panel’s application of *O2 Micro* authorizes appellate review to address a plain and ordinary meaning claim construction not raised by Respondent below or on appeal. For the benefit of litigants and courts today and in the future, the circumstances where *sua sponte* injection of a claim construction issue that was never appealed is allowable should be clarified by this Court.<sup>7</sup>

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7. The Panel mistakenly credits Respondent with “contend[ing] that the hub and drum are separate” as part of

**THIS COURT’S REVIEW OF *O2 MICRO* IS  
WARRANTED NOW**

**A. Guidance on the Proper Limits of *O2 Micro* are Necessary**

As shown above, this Court’s guidance is necessary to delineate the procedural and substantive bounds of the *O2 Micro* decision. *O2 Micro* allows for the Federal Circuit to turn factual determinations by a jury under proper plain and ordinary meaning constructions, into purported claim scope determinations for mandatory *de novo* review by appellate courts. Such a mandate by the appellate court violates the Seventh Amendment requirements for a jury trial and allows for improper reexamination of factual determinations into an effort to resolve “actual” disputes as to claim meanings, after the fact.

Deference should be given to these factual determinations, regardless of whether an appellate court would view the evidence in a different way. *See, e.g., Lavender v. Kurn*, 327 U.S. 645, 653 (1946) (“[T]he appellate court’s function is exhausted when that evidentiary basis [for the jury’s verdict] becomes

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the *Markman* process. App. 7a-8a. There is no support for this conclusion and the record is clear that Respondent insisted that “no construction was necessary” for this element – and the district court explicitly adopted this approach – providing a plain and ordinary meaning construction. *See* App. 73a-74a, 80a; *Olaf Sööt Design, LLC v. Daktronics, Inc.*, 220 F. Supp. 3d 458, 467–68 (S.D.N.Y. 2016). This was not a case of the district court “fail[ing] to resolve the parties’ dispute as to the meaning of the claim” – this was Respondent receiving its requested plain and ordinary meaning construction. App. 73-77a, 80a; *see* App. 7a-8a.



apparent, it being immaterial that the court might draw a contrary inference or feel that another conclusion is more reasonable.”); *Anderson v. City of Bessemer City*, 470 U.S. 564, 573-74 (1985) (“If the district court’s account of the evidence is plausible in light of the record viewed in its entirety, the court of appeals may not reverse it even though convinced that had it been sitting as the trier of fact, it would have weighed the evidence differently.”).

*O2 Micro*’s mandate to resolve any “actual” dispute as to the scope of ordinary claim terms, at any stage of litigation including for the first time on appeal, should be scrutinized.

**B. This Case is an Ideal Vehicle for Tackling the *O2 Micro* Issue**

This case demonstrates the potential overbreadth of *O2 Micro*. The element at issue was construed by the district court to have the construction proposed by Respondent. At no point in the litigation did Respondent request any further guidance from the court regarding the construction of “element h” or “hollow drum”. Respondent likewise did not object to the constructions presented to the jury. On appeal, Respondent framed the issue as one of vitiation, a factual question regarding the doctrine of equivalents, and confirmed during oral argument that Respondent did not see this as a claim construction issue.

On appeal, however, the Federal Circuit has used the reach of *O2 Micro* to completely upend a jury’s factual determination of infringement on the basis that a dispute between the parties was actually one of claim “scope.” Here, reexamination of factual determinations

made by the jury pursuant to the agreed constructions and disputed evidence was precluded by the Seventh Amendment.

**CONCLUSION**

For the reasons stated above, the Petition should be granted.

Respectfully submitted,

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## **APPENDIX**

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**APPENDIX A — OPINION OF THE UNITED  
STATES COURT OF APPEALS FOR THE  
FEDERAL CIRCUIT, FILED JANUARY 7, 2021**

UNITED STATES COURT OF APPEALS  
FOR THE FEDERAL CIRCUIT

2020-1009, 2020-1034

OLAF SOOT DESIGN, LLC,

*Plaintiff-Cross-Appellant,*

v.

DAKTRONICS, INC.,

*Defendant-Appellant.*

Appeals from the United States District Court for  
the Southern District of New York in No. 1:15-cv-05024-  
GBD-OTW, Judge George B. Daniels.

January 7, 2021, Decided

Before PROST, *Chief Judge*, LOURIE and REYNA, *Circuit  
Judges*.

Opinion for the court filed by *Chief Judge* PROST,  
in which LOURIE and REYNA, *Circuit Judges*, join.

Additional views filed by *Circuit Judge* LOURIE.

*Appendix A*

PROST, *Chief Judge*.

Olaf Sööt Design, LLC (“OSD”) sued Daktronics, Inc. (“Daktronics”), alleging that Daktronics’s Vortek product infringes claim 27 of U.S. Patent No. 6,520,485 (“the ’485 patent”). Four of the eight elements of claim 27—elements b, d, e, and h—were tried to a jury, which ultimately found that the Vortek product met each of these elements under the doctrine of equivalents. After the jury verdict, Daktronics moved for judgment as a matter of law (“JMOL”) of noninfringement. Daktronics argued that the Vortek product did not meet element h either literally or under the doctrine of equivalents. The district court denied this motion. *See Olaf Sööt Design, LLC v. Daktronics, Inc.*, 406 F. Supp. 3d 328, 338 (S.D.N.Y. 2019) (“*Decision Denying JMOL*”). Daktronics appealed the final judgment of infringement and several additional rulings. OSD cross-appealed the district court’s judgment of no willful infringement and denial of OSD’s motion for an exceptional-case determination and attorneys’ fees. We have jurisdiction under 28 U.S.C. § 1295(a)(1).

We reverse the final judgment of infringement, mooted the remainder of Daktronics’s appeal and OSD’s cross-appeal.

## BACKGROUND

## I

The ’485 patent discloses a theater winch for moving scenery and lighting by winding and unwinding cables,

## Appendix A

which are attached to the scenery, around a drum. '485 patent col. 3 ll. 41-51. An embodiment of the winch described by the '485 patent is shown below. The winch is a "zero fleet angle winch," which means that the cables wind and unwind together without tangling and are maintained perpendicular to the drum. *Id.* at col. 4 ll. 14-29. The winch achieves zero fleet angle via movement of cable drum 11 laterally along carriage 40 as cable drum 11 ro-

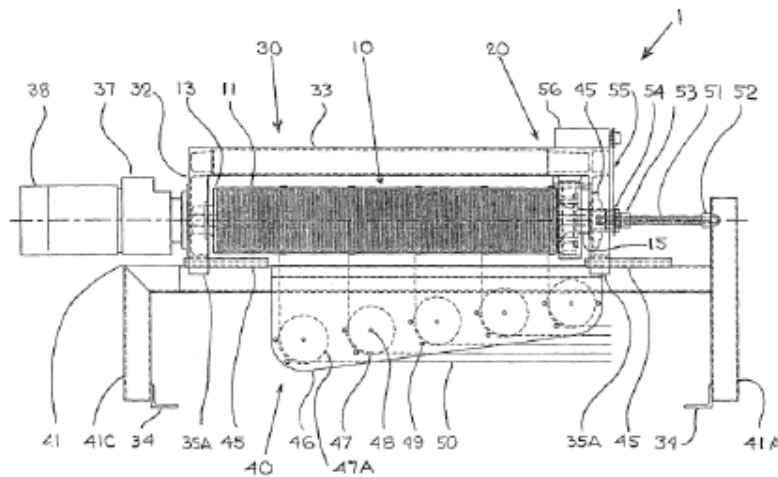


FIG 7

tates, permitting cables 50 to wind and unwind uniformly and preventing the cables from winding on themselves. *Id.* at col. 4, ll. 14-29.

More specifically, "nut 53 is non-rotatably mounted to the drum assembly 10 brake end cap 14 elongated hub." *Id.* at col. 4 ll. 38-40. A motor rotates drum 11 and the mounted nut around fixed screw 51, which causes the nut to engage with and rotate around fixed screw 51. *Id.*

*Appendix A*

at col. 4, ll. 30-60. Such engagement causes the nut and drum 11 to move laterally along carriage 40. *Id.* at col. 4, ll. 30-60. As drum 11, the elongated hub, and the nut move laterally, “the screw 51 can pass, via the hollow hub, inside the drum 11, which is also hollow.” ’485 patent col. 4 ll. 40-41. Advantages of this setup include that “the screw 51 is protected” inside drum 11 and that the “overall length (its long dimension) of the winch 1” is reduced. *Id.* at col. 4, ll. 41-42, 47-49.

Claim 27—the only claim at issue on appeal—recites:

27. A motorized fly system winch, drum and carriage combination for raising and lowering an object, comprising:

- a) a carriage,
- b) a base member having first and second end portions,
- c) an elongated hollow drum having cable grooves and having a longitudinal axis and rotatably mounted on the base member and a cable for simultaneously winding and unwinding the cable on or off the drum grooves when the drum is rotated, said cable passing from the outside of the drum directly or via a sheave to the object such that rotation of the drum causes the object to move up and down,

5a

*Appendix A*

d) first means for slideably mounting the base member to the carriage,

e) said drum having at a first end a hollow hub rotatably journalled at the first end portion of the base member,

f) second means for rotating the drum relative to the base member such that the base member with its drum and the carriage can move with respect to each other in synchronism with the rotation of the drum to control the cable run to the object,

g) said second means comprising an elongated screw having a first end non-rotatably mounted to the carriage and a second end connected to the drum and axially aligned with the hollow hub and the hollow drum, said screw extending mainly outside of the hollow drum when the cable is wound up on or unwound from the drum and the object is in its respective up or down position,

*h) said hollow hub and hollow drum being sized such that the screw can move into the hollow hub to allow the hollow drum to receive the screw as the cable unwinds from or winds up on the drum as the object moves to its respective down or up position.*

(emphasis added).

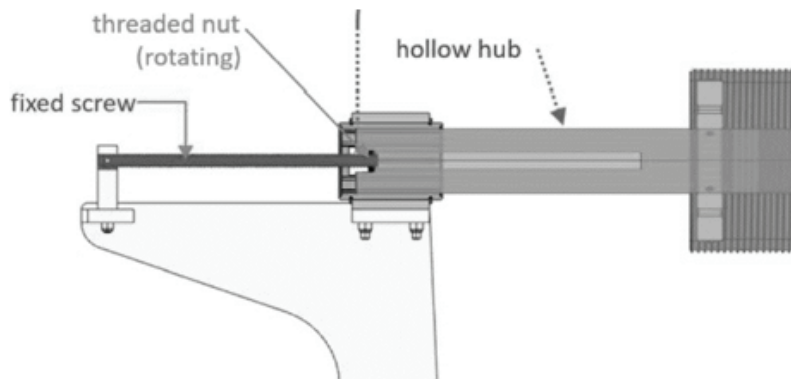


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*Appendix A*

II

The relevant portion of Daktronics's Vortek product is depicted below. As shown, *see* Cross-Appellant's Br. 16, the internal passage for the screw ends within the hub, approximately two inches from the inside of the wider grooved drum member that receives and engages with the cables.



DISCUSSION

We conclude that the Vortek product does not infringe claim 27 of the '485 patent as a matter of law and thus reverse the final judgment of infringement. This holding moots the remainder of Daktronics's appeal and OSD's cross-appeal.

I

In *O2 Micro International Ltd. v. Beyond Innovation Technology Co.*, we explained that “[w]hen the parties present a fundamental dispute regarding the scope of a

*Appendix A*

claim term, it is the court’s duty to resolve it.” 521 F.3d 1351, 1362 (Fed. Cir. 2008). Otherwise, a legal question will be “improperly submitted to the jury.” *Id.*

Here, the district court failed to resolve a fundamental dispute regarding the scope of claim element h—specifically, whether the hub is part of the drum.

OSD argued in its claim construction briefing that “the hub is a part of the drum.” J.A. 415. Because it is undisputed that the Vortek hub is able to receive the screw, under OSD’s interpretation of element h that the hub is part of the drum, it would necessarily follow that the Vortek drum would be able to receive the screw, as element h requires.

Daktronics, on the other hand, contended that the hub and drum are separate and that OSD was attempting to “drop[] the [claim] requirement that the drum receives the screw.” J.A. 836. Because it is undisputed that the Vortek screw is received by the hub and not the wider grooved drum member that receives the cables, under Daktronics’s interpretation of element h that the hub is not part of the drum, the Vortek drum would not receive the screw, as element h requires.

In its *Markman* order, the court stated that “[n]o construction of [element h] is necessary” and failed to resolve the parties’ dispute as to the meaning of the claim. *Olaf Sööt Design, LLC v. Daktronics, Inc.*, 220 F. Supp. 3d 458, 467-68 (S.D.N.Y. 2016). The court did not otherwise resolve this claim construction dispute prior to the jury trial. This failure violates *O2 Micro*.

*Appendix A*

The district court belatedly resolved the claim construction dispute in its post-jury-verdict decision denying JMOL of noninfringement. Specifically, the district court concluded that the hub is part of the drum and, on that basis, rejected Daktronics's argument that the Vortek product does not infringe as a matter of law because the Vortek drum does not receive the screw. *Decision Denying JMOL*, 406 F. Supp. 3d. at 340-41. The district court explained that "the jury relied on ample evidence that the hollow drum and the hollow hub are not separate entities for purposes of receiving the screw." *Id.* at 342. That claim construction dispute was for the judge to decide, not the jury. The district court's failure to resolve this material claim construction dispute prior to trial resulted in a claim construction dispute being "improperly submitted to the jury." *O2 Micro*, 521 F.3d at 1362.

## II

In *O2 Micro*, "[b]ecause we determine[d] that the district court [was] in the best position to determine the proper construction of the claim in the first instance," we did not resolve the claim construction dispute in the first instance and instead remanded for further proceedings. *Id.* at 1362-63, 1366. Here, however, because we have the benefit of the district court's belated claim construction, and because the parties have briefed the dispute, no remand is necessary. We agree with Daktronics that, with respect to claim 27, the claimed hollow hub is not a component of the claimed hollow drum.

*Appendix A*

“The proper construction of a patent’s claims is an issue of Federal Circuit law.” *Powell v. Home Depot U.S.A., Inc.*, 663 F.3d 1221, 1228 (Fed. Cir. 2011). “The construction of claim terms based on the claim language, the specification, and the prosecution history are legal determinations.” *Trs. of Columbia Univ. v. Symantec Corp.*, 811 F.3d 1359, 1362 (Fed. Cir. 2016) (citing *Teva Pharms. USA, Inc. v. Sandoz, Inc.*, 574 U.S. 318, 328, 135 S. Ct. 831, 190 L. Ed. 2d 719 (2015)).

Claim terms “are generally given their ordinary and customary meaning,” which “is the meaning that the term would have to a person of ordinary skill in the art in question at the time of the invention.” *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312-13 (Fed. Cir. 2005) (en banc). “[T]he claims themselves provide substantial guidance as to the meaning of particular claim terms.” *Id.* at 1314. “[T]he person of ordinary skill in the art is deemed to read the claim term not only in the context of the particular claim in which the disputed term appears, but in the context of the entire patent, including the specification.” *Id.* at 1313. Although claim terms are interpreted in the context of the entire patent, it is improper to “read[] limitations from the specification into the claim.” *Id.* at 1323. “[T]he line between construing terms and importing limitations can be discerned with reasonable certainty and predictability if the court’s focus remains on understanding how a person of ordinary skill in the art would understand the claim terms.” *Id.*

Element h of claim 27 recites, in relevant part, that the “hollow hub and hollow drum [are] sized such that the

*Appendix A*

screw can move into the hollow hub to allow the hollow drum to receive the screw.” This language makes clear that the hollow hub is not part of the hollow drum. The claim language treats the hub and drum as two components, reciting that both “the hollow hub *and* hollow drum” are sized to receive the screw. Furthermore, it would make no sense for the hollow hub to be part of the hollow drum given that the claim says that the screw moves into the hollow hub “*to allow* the hollow drum to receive the screw.” That language indicates that the screw’s entry into one component, the hollow hub, *facilitates* entry of the screw into another component, the hollow drum, not that entry into the hollow hub *is* entry into the hollow drum. In sum, the clearest reading of the claim language is that the hollow hub is not a component of the drum.

The specification confirms this conclusion. In particular, the specification explains that the “hub is hollow so that the screw 51 can pass, via the hollow hub, inside the drum 11, which is also hollow.” ’485 patent col. 4 ll. 39-41. This passage confirms that the screw enters the drum via passage through another component, the hollow hub. And, after explaining that the hub is hollow, the passage continues treating the hub and drum as separate components by disclosing that the drum is “also” hollow.

OSD contends that the hub is part of the drum. In support, OSD argues that element e of claim 27—which recites “said drum having at a first end a hollow hub”—confirms that the hub is a component of the drum. We disagree. Element e merely specifies that the hollow hub is positioned at one of the ends of the drum.

*Appendix A*

OSD also points to the specification's explanation that "the grooved cable drum 11 can be constructed of one tubular member 12, one drive end cap 13 and one brake end cap 14, all welded together," *id.* at col. 5 ll. 7-9, and that the hub is "part of the cable drum 11 brake end cap 14," *id.* at col. 3 ll. 59-61. However, this language is permissive, not mandatory: at most, this passage explains that the hub *can* be part of the drum, not that the hub *is* part of the drum. And the specification passage discussed previously contemplates embodiments in which the hub is not considered part of the drum. *See id.* at col. 4 ll. 39-41. For these reasons, and because claim 27 indicates that the hub is not part of the drum, we are not persuaded by OSD's reliance on this passage of the specification.<sup>1</sup>

Accordingly, we conclude that, for purposes of claim 27, the hub is not part of the drum.

## III

Under the proper construction, the Vortek product does not infringe claim 27 either literally or under the doctrine of equivalents. The Vortek product does not literally meet element h of claim 27 because the hollow drum of the Vortek is not able to receive the screw.

In addition, we conclude as a matter of law that the Vortek product does not meet element h under the doctrine of equivalents. The Vortek drum is unable to receive the

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1. We note that "[i]t is not necessary that each claim read on every embodiment." *Baran v. Med. Device Techs., Inc.*, 616 F.3d 1309, 1316 (Fed. Cir. 2010).

*Appendix A*

screw, and the Vortek product has no equivalent function. Thus, a finding of infringement under the doctrine of equivalents would be inappropriate under these specific circumstances because such a finding would impermissibly eliminate the requirement that the hollow drum be able to receive the screw as the cable winds or unwinds on the drum. *See, e.g., Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 29, 117 S. Ct. 1040, 137 L. Ed. 2d 146 (1997) (“[T]he application of the doctrine [of equivalents], even as to an individual element, is not allowed such broad play as to effectively eliminate that element in its entirety.”); *Power Integrations, Inc. v. Fairchild Semiconductor Int’l, Inc.*, 843 F.3d 1315, 1344-45 (Fed. Cir. 2016) (rejecting a theory of infringement under the doctrine of equivalents that would vitiate a claim limitation by rendering it meaningless); *Freedman Seating Co. v. Am. Seating Co.*, 420 F.3d 1350, 1358 (Fed. Cir. 2005) (concluding that “an element of an accused product or process is not, as a matter of law, equivalent to a limitation of the claimed invention if such a finding would entirely vitiate the limitation”); *Pfizer, Inc. v. Teva Pharms., USA, Inc.*, 429 F.3d 1364, 1379 (Fed. Cir. 2005) (“The all limitations rule ‘provides that the doctrine of equivalents does not apply if applying the doctrine would vitiate an entire claim limitation.’” (quoting *Asyst Techs., Inc. v. Emtrak, Inc.*, 402 F.3d 1188, 1195 (Fed. Cir. 2005))).

13a

*Appendix A*

CONCLUSION

We have considered OSD's remaining arguments but find them unpersuasive. For the foregoing reasons, we conclude that the Vortek product does not infringe claim 27 of the '485 patent, and we therefore reverse the final judgment of infringement. In view of this conclusion, we dismiss the remainder of Daktronics's appeal and the entirety of OSD's cross-appeal as moot.

**REVERSED-IN-PART AND DISMISSED-IN-PART**



*Appendix A*

LOURIE, *Circuit Judge*, additional views.

I concur in the panel’s decision and fully agree with its reasoning as set forth in Chief Judge Prost’s opinion. I write these separate comments to express concern over the use of the doctrine of equivalents to find infringement when four claim limitations have not literally been met by the accused device.

Infringement under our law is basically determined by whether the accused device, or process, or compound, meets the claims of the patent. That is literal infringement, the usual situation in patent litigation. We do have a doctrine of equivalents, which is clearly part of our law. *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605, 70 S. Ct. 854, 94 L. Ed. 1097, 1950 Dec. Comm’r Pat. 597 (1950); *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 122 S. Ct. 1831, 152 L. Ed. 2d 944 (2002); *Eli Lilly & Co. v. Hospira, Inc.*, 933 F.3d 1320 (Fed. Cir. 2019). But almost always when an equivalence issue arises, it is with respect to one, or perhaps two, claim limitations.

Equivalence requires meeting the function-way-result test, or the insubstantial differences test, or both. *See Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 40, 117 S. Ct. 1040, 137 L. Ed. 2d 146 (1997) (“Different linguistic frameworks may be more suitable to different cases, depending on their particular facts.”). But the Supreme Court has cautioned that the application of these tests requires “a special vigilance against allowing the concept of equivalence to eliminate completely any such elements” that are not literally met. *Id.* In short, in applying the doctrine of equivalents, judges and juries must use common sense.

*Appendix A*

I have previously noted that in the pharmaceutical industry it is quite possible that two compounds might satisfy the function-way-result test even though they are not equivalent on a structural, or identity, basis. *See Mylan Institutional LLC v. Aurobindo Pharma Ltd.*, 857 F.3d 858, 869 (Fed. Cir. 2017) (noting that the substantially different compounds aspirin and ibuprofen could be considered to have the same function, way, and result). In such a case, the law should not be so rigid as to restrain a factfinder from recognizing the clear lack of equivalence.

Similarly, common sense must be applied to the insubstantial differences test. Having multiple differences from the claim should be a hallmark of noninfringement. It fails the straight face test to assert that the accused subject matter does not meet the claims in multiple distinct ways, but infringes anyway.

Here, we have four claim limitations that are not met literally. I have found no case in which we have affirmed a finding of infringement under the doctrine of equivalents when four separate claim limitations are not met literally. That would be equivalent (no pun intended) to holding that the accused product infringes when it does not infringe. We have a concept in patent law of “inventing around,” and that is considered socially desirable for the promotion of competition and the benefit of consumers. *See, e.g., Westvaco Corp. v. Int’l Paper Co.*, 991 F.2d 735, 745 (Fed. Cir. 1993); *State Indus., Inc. v. A.O. Smith Corp.*, 751 F.2d 1226, 1235-36 (Fed. Cir. 1985). To find that multiple significant instances of inventing around still infringe runs counter to that important theory of patent law. Such a conclusion, whether by a jury, as here, or by a judge, makes a mockery of claims.

*Appendix A*

Moreover, shockingly, the patent owner in this case cross appeals on the issue of willful infringement and relies on supposed evidence that the accused infringer allegedly copied the patent owner's product. To argue willfulness in making or selling a device that fails in four separate respects to literally meet the claims would almost qualify for a chutzpah award. *See Dainippon Screen Mfg. Co. v. CFMT, Inc.*, 142 F.3d 1266, 1271 (Fed. Cir. 1998); *Refac Int'l, Ltd. v. Lotus Dev. Corp.*, 81 F.3d 1576, 1584 (Fed. Cir. 1996); *Checkpoint Sys., Inc. v. United States Int'l Trade Comm'n*, 54 F.3d 756, 763 n.7 (Fed. Cir. 1995) (noting that "chutzpah" describes "the behavior of a person who kills his parents and pleads for the court's mercy on the ground of being an orphan"). The only acts that seem willful were avoiding the patented device.

We have here found deficiencies in the district court's analysis of element (h) of the asserted claim, but I write only to call attention to the danger in the orderly thinking about infringement determinations, by business people, by attorneys, or by courts, in extending equivalence to multiple claim limitations, which has the potential of destroying the primacy of claims. Yes, we have a doctrine of equivalents, but "it is the exception . . . not the rule, for if the public comes to believe (or fear) that the language of patent claims can never be relied on, and that the doctrine of equivalents is simply the second prong of every infringement charge, regularly available to extend protection beyond the scope of the claims, then claims will cease to serve their intended purpose." *Wallace London & Clemco Prods. v. Carson Pirie Scott & Co.*, 946 F.2d 1534, 1538 (Fed. Cir. 1991).

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**APPENDIX B — MEMORANDUM DECISION AND  
ORDER OF THE UNITED STATES DISTRICT  
COURT FOR THE SOUTHERN DISTRICT  
OF NEW YORK, FILED AUGUST 27, 2019**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

15 Civ. 5024 (GBD)

OLAF SÖÖT DESIGN, LLC,

*Plaintiff,*

-against-

DAKTRONICS, INC.  
and DAKTRONICS HOIST INC.,

*Defendants.*

August 27, 2019, Decided  
August 27, 2019, Filed

**MEMORANDUM DECISION AND ORDER**

GEORGE B. DANIELS, United States District Judge:

Plaintiff Olaf Sööt Design, LLC (“OST”) brought this action against Defendants Daktronics, Inc. and Daktronics Hoist Inc. for infringement of U.S. Patent No. 6,520,485 (the “485 Patent”) under the Patent Act, 35 U.S.C. § 271. (Am. Compl., ECF No. 190; Decl. of Kenneth L. Bressler in Supp. of Defs.’ Mot. for Summ. J. of Non-Infringement

*Appendix B*

(“Bressler Decl.”), Ex. 1 (The ’485 Patent), ECF No. 35-1.) The ’485 Patent is for a stage scenery winch system that helps to move large sets quickly and efficiently. (the “485 Patent Winch”). (*Id.*) From December 10 to 18, 2018, Judge Robert W. Sweet presided over a jury trial in this action that resulted in a judgment against Defendants in the sum of \$1,702,800.00. (J., ECF No. 327.)

Before this Court are five post-trial motions. Defendants filed a renewed motion for judgment as a matter of law under Federal Rule of Civil Procedure 50(b) and a motion for a new trial under Federal Rule of Civil Procedure 59(a). (ECF Nos. 329, 346). Plaintiff filed a motion for judgment as a matter of law under Federal Rule of Civil Procedure 50(b), a motion to amend the judgment under Federal Rule of Civil Procedure 59(e), and a motion for attorney’s fees under the Patent Act, 35 U.S.C § 285. (ECF Nos. 342, 338, 353.)

Defendants’ motions for judgment as a matter of law and for a new trial are DENIED. Plaintiff’s motions for judgment as a matter of law and for attorney’s fees are DENIED. Plaintiffs motion to amend the judgment is GRANTED.

**I. FACTUAL & PROCEDURAL HISTORY**

On February 18, 2003, U.S. Patent Application No. 09/690,116 matured into the ’485 Patent and was assigned to Plaintiff. (Bressler Decl., Ex. 1 (The ’485 Patent).) The ’485 Patent’s Abstract provides a brief description of the ’485 Patent Winch as follows:

*Appendix B*

A motorized fly system winch, drum and carriage combination for raising and lowering, for example, theatre scenery by means of cables and which incorporates functions for emergency braking, for moving the drum in synchronization with relation to the carriage containing cable-guiding means and for driving of a limit switch if desired. The winding and unwinding the cables on or off the drum does not change the cable runs relative to the theatre. The fly system winch can be installed at the sides of the stage, up at the stage gridiron, or above the gridiron. With this combination, counter-weights are unnecessary. The fly system winch is compact and can be economically manufactured.

(*Id.* at 57.) Defendants designed and built winches known as VORTEK Classic Hoists (the “Vortek”) that are used by professional theaters, school auditoriums, places of worship, and other performance spaces. (Compl., ECF No. 1, ¶¶ 13-14.)

Plaintiff commenced the instant action against Defendants for patent infringement on June 26, 2015. (*Id.* at 5.) Plaintiff alleged that Defendants engaged in the “manufacture, use, offer for sale, sale, importation, promotion, and/or demonstration of winches [covered by one or more of the ’485 Patent claims] including manufacture, marketing and/or sales in New York.” (*Id.* ¶ 12.)

*Appendix B*

Defendants moved for summary judgment on April 29, 2016. (Defs.' Notice of Mot. & Mot. for Summ. J. of Non-Infringement, ECF No. 32.) On May 9, 2016, Plaintiff moved for claim construction on twelve terms appearing in the '485 Patent. (Pl.'s Opening Claim Constr. Br., ECF No. 44.) Judge Sweet ruled on both motions on October 26, 2016, denying summary judgment and construing the disputed terms in the '485 Patent. (Op. dated Oct. 26, 2016 ("Claim Constr. Op."), ECF No. 72.) Judge Sweet also denied Defendants' motion to reconsider his denial of summary judgment on May 17, 2017. (Op. dated May 17, 2017 ("Recons. of Summ. J. Op."), ECF No. 137.)

On October 26, 2017, Judge Sweet granted Plaintiff's motion to amend the complaint to include a claim of willful infringement under the Patent Act, 35 U.S.C § 271. (Op. dated Oct. 26, 2017, ECF No. 176.) Plaintiff filed an amended complaint on November 7, 2017. (Am. Compl.) Subsequently, Defendants moved for partial summary judgment to establish that they did not *willfully* infringe the '485 Patent. (Defs.' Mot. for Partial Summ. J. of No Willful Infringement, ECF No. 200.) Judge Sweet granted Defendants' motion for partial summary judgment on July 18, 2018 and denied Plaintiff's motion to reconsider on November 27, 2018. (J. re Part. Summ. J., ECF No. 258; Op. dated Nov. 27, 2018, ECF No. 292.)

On December 6, 2018, Judge Sweet granted in part and denied in part the parties' motions *in limine*.<sup>1</sup> (Op.

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1. Defendants' filed five motions *in limine* requesting that Judge Sweet preclude Plaintiff from (1) "arguing and presenting evidence on literal infringement"; (2) "referring to the Vortek

*Appendix B*

re Mots. *In Limine*, ECF No. 304.) Judge Sweet presided over an eight-day jury trial from December 10 to 18, 2018. (Trial Tr., ECF Nos. 315-326.) The jury returned a verdict in Plaintiff's favor and granted damages in the amount of \$1,072,800. (Trial Tr. at 840:13-841:25.) The parties filed post-trial motions between January 7 and March 13, 2019. (Defs.' Notice of Renewed Mot. for J. as a Matter of Law ("Defs.' JMOL Mot"), ECF No. 329; Daktronics' Notice of Mot. for New Trial, or Alt., Remittitur ("Defs.' Mot. for New Trial Mot"), ECF No. 346; Pl.'s Notice of Mot. to Amend the J. ("Pl.'s Mot. to Amend J."), ECF No. 338; Pl.'s Renewed Mot. Pursuant to FRCP 50(b) for J. as a Matter of Law ("Pl.'s JMOL Mot."), ECF No. 342; Pl.'s Mot. for Attorneys' Fees Pursuant to 35 U.S.C. § 285 ("Pl.'s Mot. for Attorney's Fees"), ECF No. 353.)

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motor bracket as a 'base member"; (3) "speculating that Defendants . . . copied the '485 patent"; (4) "stating or implying that Defendant withheld discovery or produced documents in an untimely manner"; and (5) "presenting evidence or arguing concerning the *inter partes* review and Daktronics' withdrawal of its invalidity defense." (Op. re Mots. *In Limine* at 1; Defs.' Mots. *In Limine*, ECF No. 158.) Judge Sweet granted Defendants' motions *in limine* (1), (2), (4), and (5) in full, and motion (3) in part. (Op. re Mots. *In Limine* at 6-11.)

Plaintiff filed two motions *in limine* requesting Judge Sweet to (1) "[e]xclude prior art references and related testimony suggesting or related to the purported invalidity of the '485 patent"; and (2) "[e]xclude Defendant from presenting, relying on, or referring to the settlement agreement entered into between Applied Technology and J.R. Clancy, Inc." (Op. re Mots. *In Limine* at 2; Pl.'s Consol. Mots. *In Limine*, ECF No. 159.) Judge Sweet granted Plaintiff's motion *in limine* (1) in full and denied motion (2) in full. (Op. re Mots. *In Limine* at 12-16.)



*Appendix B*

This case was reassigned to this Court on April 30, 2019 after Judge Sweet's passing. On July 9, 2019, this Court heard oral arguments on the parties' motions for judgment as a matter of law and on Defendants' motion for a new trial.

**II. LEGAL STANDARDS****A. Rules 50(a) and (b) Motions for Judgment as a Matter of Law.**

Federal Rule of Civil Procedure 50(a) permits a court to enter judgment against a party “[i]f a party has been fully heard on an issue during a jury trial and the court finds that a reasonable jury would not have a legally sufficient evidentiary basis to find for the party on that issue. . . .” Fed. R. Civ. P. 50(a)(1). Pursuant to Federal Rule of Civil Procedure 50(b), a party may renew a motion for judgment as a matter of law “[n]o later than 28 days after the entry of judgment.” Fed. R. Civ. P. 50(b). When deciding a Rule 50(b) motion, a court may “(1) allow judgment on the verdict, if the jury returned a verdict; (2) order a new trial; or (3) direct the entry of judgment as a matter of law.” *Id.*

However, a Rule 50(b) post-trial motion for judgment as a matter of law “is limited to those grounds that are specifically raised in the prior motion for [JMOL].” *Galdieri-Ambrosini v. Nat’l Realty & Dev. Corp.*, 136 F.3d 276, 286 (2d Cir. 1998) (quoting *Samuels v. Air Transport Local 504*, 992 F.2d 12, 14 (2d Cir. 1993) (internal quotation marks omitted)); *see also* *AIG Global Sec. Lending Corp.*

*Appendix B*

*v. Banc of Am. Sec., LLC*, 386 Fed. Appx. 5, 6 (2d Cir. 2010) (finding that a Rule 50 motion “may be renewed after an unfavorable verdict, but limited only to the grounds specifically raised in the prior motion for judgment as a matter of law; new grounds may not be added post-trial”).

Therefore, when evaluating a Rule 50(b) motion, courts review “the evidence in the light most favorable to the non-moving party.” *Rosioreanu v. City of N.Y.*, 526 F. App’x 118, 119 (2d Cir. 2013). Further, when reviewing the evidence, a court may not “weigh evidence, assess credibility, or substitute its opinion of the facts for that of the jury.” *Advance Pharm., Inc. v. United States*, 391 F.3d 377, 390 (2d Cir. 2004) (citing *Vt. Plastics, Inc. v. Brine, Inc.*, 79 F.3d 272, 277 (2d Cir. 1996)). Accordingly, judgment as a matter of law should only be granted where:

(1) there is such a complete absence of evidence supporting the verdict that the jury’s findings could only have been the result of sheer surmise and conjecture, or (2) there is such an overwhelming amount of evidence in favor of the movant that reasonable and fair minded [persons] could not arrive at a verdict against [it].

*Id.* (citing *Galdieri-Ambrosini*, 136 F.3d at 289).

**A. Rule 59(a) Motion for a New Trial.**

The decision to grant a motion for a new trial, pursuant to Rule 59(a), rests within the “sound discretion

*Appendix B*

of the district court.” *Sequa Corp. v. GBJ Corp.*, 156 F.3d 136, 143 (2d Cir. 1998). Such a motion should not be granted unless the court “is convinced that the jury has reached a *seriously erroneous* result or that the verdict is a *miscarriage of justice*.” *Kosmynka v. Polaris Industries, Inc.*, 462 F.3d 74, 82 (2d Cir. 2006) (citations omitted) (emphasis added); *see also DLC Mgmt. Corp. v. Town of Hyde Park*, 163 F.3d 124, 134 (2d Cir. 1998) (noting that the court should only grant such a motion when the jury’s verdict is “egregious” (citing *Dunlap-McCuller v. Riese Org.*, 980 F.2d 153, 158 (2d Cir. 1992)). “Unlike judgment as a matter of law, a new trial may be granted even if there is substantial evidence supporting the jury’s verdict.” *DLC Mgmt. Corp.*, 163 F.3d at 134. The Court may independently weigh the evidence and, in doing so, the evidence need not be viewed “in the light most favorable to the verdict winner.” *Martin v. Moscovitz*, 272 F. App’x 44, 47 (2d Cir. 2008) (citing *DLC Mgmt. Corp.*, 163 F.3d at 134).

**B. Rule 59(e) Motion to Amend the Judgment.**

A party may move to “alter or amend [the] judgment” under Rule 59(e) to add pre- and post-judgment interest. Fed. R. Civ. P. 59(e); *see also Foresco Co. v. Oh*, 337 F. Supp. 3d 304, 306 (S.D.N.Y. 2018) (citing *Osterneck v. Ernst & Whinney*, 489 U.S. 169, 175-76, 109 S. Ct. 987, 103 L. Ed. 2d 146 (1989)) (“[A] Rule 59(e) motion to alter or amend a judgment is the proper basis for bringing a request for prejudgment interest.”). When evaluating such a motion, “[a] district court has discretion to add prejudgment interest to a jury award as it is not a decision left solely for the jury.” *Foresco Co.*, 337 F. Supp. 3d at

*Appendix B*

306. However, while “Rule 59(e) permits a court to alter or amend a judgment, . . . it may not be used to relitigate old matters, or to raise arguments or present evidence that could have been raised prior to the entry of judgment.” *Exxon Shipping Co. v. Baker*, 554 U.S. 471, 485 n.5, 128 S. Ct. 2605, 171 L. Ed. 2d 570 (2008) (citation and internal quotation marks omitted).

The Second Circuit established four factors for evaluating a Rule 59(e) motion: (1) “the need to fully compensate the wronged party for actual damages suffered”; (2) “considerations of fairness and the relative equities of the award”; (3) “the remedial purpose of the statute involved”; and (4) “such other general principles as are deemed relevant by the court.” *Jones v. UNUM Life Ins. Co. of Am.*, 223 F.3d 130, 139 (2d Cir. 2000) (citing *S.E.C. v. First Jersey Sec., Inc.*, 101 F.3d 1450, 1476 (2d Cir. 1996)). Moreover, the same considerations that “inform the court’s decision whether or not to award interest at all should inform the court’s choice of interest rate.” *Id.*

### C. Motion for Attorney’s Fees

Under the Patent Act, “[t]he court in exceptional cases may award reasonable attorney fees to the prevailing party.” 35 U.S.C. § 285. This Circuit has defined an “exceptional” case as one that simply “stands out from others with respect to the substantive strength of a party’s litigating position . . . or the unreasonable manner in which the case was litigated.” *Sleepy’s LLC v. Select Comfort Wholesale Corp.*, 909 F.3d 519, 530 (2d Cir. 2018) (citing *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 572

*Appendix B*

U.S. 545, 554, 134 S. Ct. 1749, 188 L. Ed. 2d 816 (2014)). In evaluating an exceptional case, a court must consider “the totality of the circumstances, considering a wide variety of factors, including ‘frivolousness, motivation, objective unreasonableness (both in the factual and legal components of the case) and the need in particular circumstances to advance considerations of compensation and deterrence.’” *Id.* (quoting *Octane Fitness, LLC.*, 572 U.S. at 554 (2014)).

**III. DEFENDANTS’ MOTION FOR JUDGMENT  
AS A MATTER OF LAW IS DENIED**

Defendants’ renewed motion for judgment as a matter of law<sup>2</sup> challenges Claim 27(h) of the ’485 Patent, which reads:

said hollow hub and hollow drum being sized such that the screw can move into the hollow hub to allow the hollow drum to receive the screw as the cable unwinds from or winds up on the drum as the object moves to its respective down or up position.

(Defs.’ Mem. of Law in Supp. of its Renewed Mot. for J. as a Matter of Law (“Defs.’ JMOL Mem.”), ECF No. 330, at 7 (citing the ’485 Patent, at col. 15, 1. 1-15).)

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2. Defendants first moved for judgment as a matter of law during trial on December 14, 2018. (Defs.’ Pre-Verdict Not. Of Mot. for Judgment as a Matter of Law (“Defs.’ Pre-Verdict JMOL Mot”), ECF No. 313.) Judge Sweet heard oral argument that same day and denied the motion without prejudice. (Tr. Trans. at 546:5-547:16, 551:22-25.)

*Appendix B*

Defendants argue that this Court should grant judgment as a matter of law in their favor for two reasons: (1) “[Claim 27(h)] is *vitiated* by the Vortek shaft, which prevents the hub and *drum from being sized such that the drum can receive the screw*” (the “Vitiation Claim”); and (2) “[Claim 27(h)] cannot capture a winch with a shaft because the use of a shaft was *expressly disclaimed* in the ‘485 Patent” (the “Disclaimer Claim”). (Defs.’ JMOL Mem. at 12, 19.)

A party bringing a motion for judgment as a matter of law must meet a “particularly heavy burden where, as here, the jury has deliberated in the case and actually returned its verdict in favor of the non-movant.” *Eastman Kodak Co. v. Ricoh Co., Ltd.*, 4 F. Supp. 3d 574, 577 (2d Cir. 2014) (citing *Carroll v. Cty. of Monroe*, 712 F.3d 649, 651 (2d Cir. 2013)). Defendants have not met this burden here on either the Vitiation Claim or the Disclaimer Claim. The Vitiation Claim fails because the Vortek performs “substantially the same function, in substantially the same way” as the ‘485 Patent Winch, thereby meeting the standard for the doctrine of equivalents. *Romag Fasteners, Inc. v. Mitzi Int’l Handbag & Accessories, Ltd.*, 323 F. Supp. 2d 512, 518 (2d Cir. 2004) (citation omitted). Defendants’ Disclaimer Claim also fails because they did not raise it in their original motion for judgment as a matter of law at the close of trial. *See Tolbert v. Queens College*, 242 F.3d 58, 70 (2d Cir. 2001) (“The posttrial motion is limited to those grounds that were ‘specifically raised in the prior motion for [JMOL].’” (quoting *McCardle v. Haddad*, 131 F.3d 43, 51 (2d Cir. 1997))).

*Appendix B***A. Defendants' Vitiating Claim Fails.**

Under the doctrine of equivalents, an accused device may infringe a patented invention even when “the accused device does not contain every element of the patented invention, . . . if the differences between the claimed invention and the accused device are *insubstantial*.” *Romag Fasteners, Inc.*, 323 F. Supp. 2d at 518 (internal quotation marks omitted) (emphasis added). The Second and Federal Circuits have found differences to be “insubstantial” where, for each disputed element, the accused product performs “substantially the same *function*, in substantially the same *way*, to give substantially the same *result*” (the “function-way-result test”). *Id.* (citing *Hormone Research Found., Inc. v. Genentech, Inc.*, 904 F.2d 1558, 1564 (Fed. Cir. 1990) (emphasis added)). Moreover, “[t]hese circumstances are met when the alleged infringer seeks to appropriate the invention with minor modifications to avoid the literal language of the claims.” *Carman Indus., Inc. v. Wahl*, 724 F.2d 932, 942 (Fed. Cir. 1983).

Vitiating is best understood not as “an exception to the doctrine of equivalents, but instead [as] a legal determination that ‘the evidence is such that no reasonable jury could determine two elements to be equivalent.’” *Brilliant Instruments, Inc. v. GuideTech, LLC*, 707 F.3d 1342, 1347 (Fed. Cir. 2013) (quoting *Deere & Co. v. Bush Hog, LLC*, 703 F.3d 1349, 1356 (Fed. Cir. 2012)); *see also* *Cadence Pharms., Inc. v. Exela PharmSci Inc.*, 780 F.3d 1364, 1371 (Fed. Cir. 2015) (defining vitiating as a “legal conclusion of a lack of equivalence based on the evidence

*Appendix B*

presented and the theory of equivalence asserted”). In fact, “the proper inquiry for the court is to apply the doctrine of equivalents, asking whether an asserted equivalent represents an ‘insubstantial difference’ from the claimed element, or ‘whether the substitute element matches the “function,” “way,” and “result” of the claimed element.’” *Brilliant Instruments, Inc.*, 707 F.3d at 1347 (quoting *Deere & Co.*, 703 F.3d at 1349). The Federal Circuit also notes that when conducting a vitiation analysis, “[c]ourts should be cautious not to shortcut this inquiry by identifying a ‘binary’ choice in which an element is either present or ‘not present.’” *Deere & Co.*, 703 F.3d at 1356.

Here, the jury had ample evidence to find that the Vortek “performed substantially the same function, way and result as provided by the hub/drum arrangement of the ’485 patent.” (Pl.’s Opp’n to Daktronics’ Renewed Mot. Pursuant to FRCP Rule 50(b) for J, as a Matter of Law (“Pl.’s JMOL Opp’n”), ECF No. 336, at 18; Trial Tr. 170:16-172:16.) The jury also concluded that stopping the screw two inches from the plane of the grooved portion of the Vortek did not make a substantial difference. (Pl.’s JMOL Opp’n at 18; Trial Tr. 841:12-21.) In other words, the jury found that these differences between the hollow hubs in the ’485 Patent Winch and the Vortek are *insubstantial*. See *Romag Fasteners, Inc.*, 323 F. Supp. 2d at 518. Accordingly, the jury found that the Vortek’s hollow hub is equivalent to the ’485 Patent Winch’s hollow hub.

Defendants nonetheless allege that the Vortek’s shaft vitiates Claim 27(h) of the ’485 Patent because the “shaft causes the Vortek to be the *antithesis* of [Claim



*Appendix B*

27(h)].” (Defs.’ JMOL Mem. at 12 (emphasis added).) This is because the Vortek’s shaft is solid, which “prevents the hollow hub and hollow drum being sized such that the drum can receive the screw.” (*Id.* at 12.) In short, Defendants argue that if the Vortek’s shaft prevents the screw from entering the drum, the Vortek’s hub and drum are the antithesis to, or opposite of, the ’485 Patent Winch’s hollow hub, as described in Claim 27(h). (*Id.* at 18.)

However, “the determination of equivalence depends not on labels like ‘vitiation’ and ‘antithesis’ but on the proper assessment of the *language of the claimed limitation* and substantiality of whatever relevant differences may exist in the accused structure.” *Cadence Pharms.*, 780 F.3d at 1372 (emphasis added). Moreover, where a reasonable trier of fact concluded that a process is “insubstantially different from that recited in the claims,” as the jury did in this case, “the argument that a claim limitation is vitiated by the district court’s application of the doctrine of equivalents is both incorrect and inapt.” *Id.*

To properly assess the “language of the claimed limitation,” this Court must consider the exact language defining the ’485 Patent Winch’s hollow hub and drum in the ’485 Patent. Here, all the descriptions of the hollow hub unambiguously indicate that the hollow hub is *part of not separate from*, the drum. The language of the ’485 Patent is unambiguous in describing the hollow drum as “drum 11,” which “*can be constructed of one tubular member 12, one drive end cap 13, and one brake end cap 14, all welded together.*” (Bressler Decl., Ex. 1 (The ’485 Patent) at col. 5, 1. 7-9 (emphasis added).) The ’485 Patent

*Appendix B*

goes on to state, “the cable drum 11 is supported from bearing 39 by an elongated hub, *part of the cable drum 11 brake end cap 14.*” (*Id.* at col. 3, 1. 59-61 (emphasis added).) It also states that “[a] nut 53 is non-rotatably mounted to the drum assembly 10 brake end cap 14 elongated hub, which hub is hollow so that the screw 51 can pass, *via the hollow hub, inside the drum 11, which is also hollow.*” (*Id.*, at col. 4, 1. 37-41 (emphasis added).) Moreover, Judge Sweet construed the hollow hub as “*a portion of the drum end caps* within an elongated opening to allow passage of the elongated screw.” (Claim Constr. Op. at 14 (emphasis added).) Accordingly, as Plaintiff correctly points out, because of this construction of Claim 27(h), “the Vortek hub/drum assembly unquestionably ‘receives the screw’ as found by the jury.” (Pl.’s JMOL Opp’n at 1.)

Furthermore, Plaintiff convincingly argues that “construing the hub as separate from the drum would render several claim terms unintelligible.” (*Id.* at 16.) Claim 27(g) of the ’485 Patent reads “said [elongated] screw extending *mainly outside of the hollow drum* when the cable is wound up on or unwound from the drum.” (Bressler Decl., Ex. 1 (The ’485 Patent) at col. 15, 1. 54-57.) Figure 2 in the ’485 Patent depicts the screw as “*completely* outside the tubular member 12 (the ‘drum’ in Daktronics’ view) while still *partially* within the hub. . . . As such, the hollow hub must be *part of the* hollow drum.” (Pl.’s JMOL Opp’n at 16 (emphasis added).)

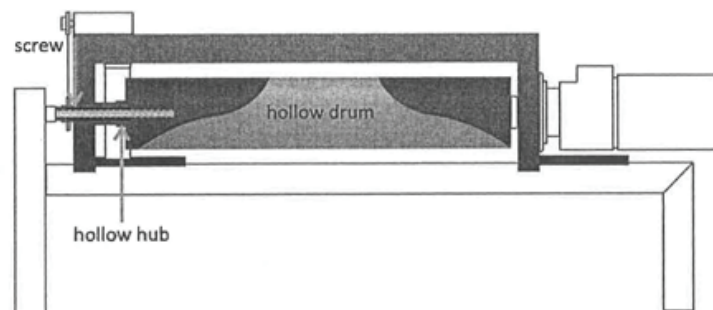
Plaintiff’s analogy is also helpful: “the drum includes a hollow hub” is akin to “the car includes a trunk,” such that “if you place a suitcase in the trunk the car ‘receives

*Appendix B*

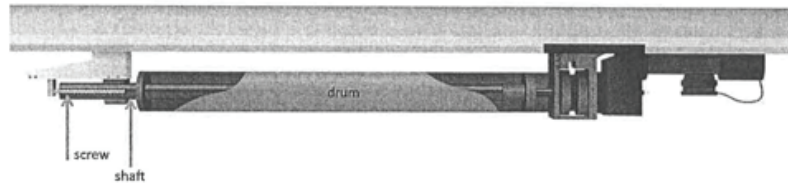
the suitcase.” (Pl.’s JMOL Opp. at 6 n.2.) Defendants nonetheless reiterate that the hollow hub is separate and apart from the hollow drum by attempting to repurpose Plaintiff’s analogy. (Defs.’ Reply in Supp. of its Renewed Mot. for J. as a Matter of Law (“Defs.’ JMOL Reply”), ECF No. 362, at 1.) Defendants argue that inserting a suitcase in a trunk large enough to fit it entirely (the “Vortek Car”) is “substantially different” from inserting a suitcase in a trunk that is so small that the suitcase fills the trunk and part of the back-passenger compartment (the “OST Car”). (*Id.*)



(*Id.*) According to Defendants, this comparison is equivalent to inserting a screw into a hollow hub large enough to fit it entirely (the Vortek Winch), as opposed to inserting a screw in a hollow hub that is so small that the screw fills the hollow hub and part of the hollow drum (the '485 Patent Winch). (*Id.*)



'485 Patent Winch

*Appendix B**Vortek Winch*

(Defendants' July 9, 2019 Oral Arg. Presentation, slides 14, 17.)

Defendants' further attempt to repurpose Plaintiff's analogy by adapting the language of Claim 27 (h) using car components: "said hollow *trunk* and hollow *passenger compartment* being sized such that the *suitcase* can move into the *hollow trunk* to allow the hollow *passenger compartment* to receive the suitcase." (Defendants' JMOL Reply at 1 (emphasis added).) However, this adaptation misconstrues the proper construction of Claim 27(h)—supported by the overwhelming evidence in the language of the '485 Patent—which is that the hollow hub is *part of* the hollow drum. Accordingly, the correct adaptation of Claim 27 (h) using car components is: said hollow *trunk* and hollow *car* being sized such that the *suitcase* can move into the hollow *trunk* to allow the hollow *car* to receive the suitcase. If a suitcase is in a trunk, then it is in a car, much like if a screw is in the hub, then it is in the drum.

The proper construction of Claim 27(h) also undermines Defendants' argument that the shaft in the Vortek drum makes it "impossible for the screw to pass into the drum." (Defendants' JMOL Mem. at 18.) In fact, if the '485 Patent Winch contained a shaft akin to that in the Vortek, it would make

*Appendix B*

it impossible for the screw to pass into tubular member 12, not drum 11. (Bressler Decl., Ex. 1 (The '485 Patent) at col. 5, 1. 7-9, fig. 2.) This is because the screw would still be able to enter the end cap (hub) 14, which is *part of* drum 11. (*Id.* at col. 5, 1. 7-9.) Therefore, as Plaintiff properly points out, given the “overwhelming evidence that the *hollow drum* necessarily *includes* its *hub* . . . when the ‘screw’ moves into the ‘hub’ in the Vortek product, the drum literally ‘receives’ the screw.” (Pl.’s JMOL Opp’n at 16.)

Defendants point to several cases where the Federal Circuit found no infringement under the doctrine of equivalents due to claim vitiation, but these cases are inapposite. (Defs.’ JMOL Mem. at 14-17 (collecting cases).) As Plaintiff correctly points out, Defendants’ analysis is “dominated by cases describing vitiation without acknowledging that each case stands on its own facts.” (Pl.’s JMOL Opp’n at 17.) Specifically, the cases that Defendants rely on involve findings of opposite meaning as opposed to limitations of positional degree and are therefore not dispositive of this case. *See e.g., Hoganas AB v. Dresser Indus., Inc.*, 9 F.3d 948 (Fed. Cir. 1993) (finding a “hollow straw-shaped” fiber forming element is the opposite of a “solid fiber” of a different shape); *Moore U.S.A., Inc. v. Standard Register Co.*, 229 F.3d 1091 (Fed. Cir. 2000) (finding that “majority” is the opposite of “minority”); *Asyst Techs. v. Emtrak, Inc.*, 402 F.3d 1188 (Fed. Cir. 2005) (concluding that the “mounted” limitation is the opposite of “unmounted”); *Planet Bingo, LLC v. GameTech Intern., Inc.*, 472 F.3d 1338 (Fed. Cir. 2006) (determining that the winning combination “before” the first ball dropped is the opposite of doing so “after” the ball dropped).

*Appendix B*

In sum, the jury relied on ample evidence that the hollow drum and the hollow hub are not separate entities for purposes of receiving the elongated screw. In fact, the text of the '485 Patent clearly establishes that the hollow hub is *part of* the drum. Therefore, the jury in this case found that the Vortek winch has an equivalent to Claim 27(h). (Trial Tr. 841:12-21.) Separate and apart from the overwhelming evidence, significant deference is given to a jury's verdict and Defendants have an extremely heavy burden to overturn such a verdict. *See Eastman Kodak Co.*, 4 F. Supp. 3d at 577; *Cadence Pharms. Inc.*, 780 F.3d at 1372. After reviewing the underlying evidence, this Court determines that Defendants have not met this heavy burden.

**B. Defendants' Disclaimer Claim Fails.**

Where a claim has not been raised in the original Rule 50(a) motion for judgment as a matter of law, it cannot be asserted in a renewed Rule 50(b) motion. *See Holmes v. United States*, 85 F.3d 956, 962 (2d Cir. 1996) ("Together, Rules 50(a) and (b) 'limit the grounds for judgment [as a matter of law] to those specifically raised in the prior motion for a directed verdict.") (quoting *Lambert v. Genesee Hosp.*, 10 F.3d 46, 54 (2d Cir. 1993)). This is in part because the "earlier motion informs the opposing party of the challenge to the sufficiency of the evidence and affords a clear opportunity to provide additional evidence that may be available." *Lore v. City of Syracuse*, 670 F.3d 127, 153 (2d Cir. 2012) (citation omitted). The Second Circuit has held that this "specificity requirement is obligatory." *Holmes*, 85 F.3d at 962 (citation omitted).

*Appendix B*

Defendants did not assert their Disclaimer Claim in their pre-verdict motion for judgment as a matter of law. (Defs.' Pre-Verdict Not. of Mot. for Judgment as a Matter of Law ("Defs.' Pre-Verdict JMOL Mot."), ECF No. 313.) While this Court may nevertheless "grant a motion to alter or amend a judgment 'to correct a clear error of law or prevent manifest injustice,'" *Guzman v. Jay*, 303 F.R.D. 186, 196 (S.D.N.Y. 2014) (quoting *Munafu v. Metro. Transp. Auth.*, 381 F.3d 99, 105 (2d Cir. 2004)), this case presents neither.

Defendants argue that Plaintiff was put on notice of the Disclaimer Claim through a summary judgment motion that Defendants made *before* trial, and that the claim is therefore permissible. (Defs.' JMOL Reply at 8.) But that is not the standard that Rule 50 requires. Rather, Rule 50 unequivocally states that "[a] motion for judgment notwithstanding the verdict will not lie unless it was preceded by a motion for a directed verdict made at the close of all the evidence." Fed. R. Civ. P. 50(b) (1963 Am.). Defendants attempt to argue that they are entitled to an exception to this rule based on "legal error" and to prevent "manifest injustice." (Letter from Domingo M. Llagostera dated Jul. 25, 2019, ECF No. 402, at 1-2.) However, this Court does not find that "relieving defendants of their procedural default is necessary to avoid injustice" in this case. *Kirsch v. Fleet St. Ltd.*, 148 F.3d 149, 164 (2d Cir. 1998). Defendants had ample opportunity to present their case to the jury. The jury nonetheless found that the Vortek had an equivalent to Claim 27(h). (Trial Tr. 170:16-172:16.)

*Appendix B*

Accordingly, upon reviewing the underlying evidence, Defendants' motion for judgment as a matter of law is DENIED.

**IV. DEFENDANTS' MOTION FOR  
A NEW TRIAL IS DENIED**

Defendants move for a new trial pursuant to Rule 59 on four grounds: (1) “the jury’s doctrine of equivalents findings for each of the four disputed claim elements are against the great weight of the evidence”; (2) “the Court’s preclusion of prior art . . . was unfairly prejudicial to [Defendants] and resulted in a miscarriage of justice”; (3) “the jury’s damages award was excessive”; and (4) “the Court charged the jury erroneously by striking [Defendants’] instruction on claim vitiation.” (Defs.’ Mem. of Law in Supp. of Mot. for New Trial, or Alternatively, Remittitur (“Defs.’ New Trial Mem.”), ECF No. 347, at 2.)

“[A] trial court should not grant a motion for a new trial unless it is ‘convinced that the jury . . . reached a seriously erroneous result or that the verdict is a miscarriage of justice.’” *Ali v. Kipp*, 891 F.3d 59, 64 (2d Cir. 2018) (quoting *Amato v. City of Saratoga Springs*, 170 F.3d 311, 314 (2d Cir. 1999)). Defendants point out that a “trial judge may overturn a jury’s verdict, even where there is ‘substantial evidence’ to support it.” *United States v. Landau*, 155 F.3d 93, 104 (2d Cir. 1998) (citations omitted). However, while judges have the power and ability to “weigh the evidence . . . [and] consider the credibility of witnesses,” *Landau*, 155 F.3d at 104, “judges should not become a ‘13th juror’” when doing so, *TradeCard, Inc. v. S1 Corp.*, 509 F. Supp.



*Appendix B*

2d 304, 323 (S.D.N.Y. 2007) (quoting *Akermanis v. Sea-Land Service, Inc.*, 521 F. Supp. 44, 48 (S.D.N.Y. 1981)). As such, “motions for new trials should rarely be granted” and the standard for doing so is especially high for jury verdicts that “should rarely be disturbed.” *TradeCard*, 509 F. Supp. 2d at 323 (quoting *Farrior v. Waterford Bd. of Educ.*, 277 F.3d 633, 635 (2d Cir. 2002)).

In this case, there was no “miscarriage of justice,” nor was the jury “seriously erroneous” in finding equivalent elements in the Vortek and the '485 Patent Winch. Defendants’ motion for a new trial is therefore DENIED.

**A. The Jury’s Verdict for the Four Disputed Claims Was Not Against the Great Weight of the Evidence.**

Finding infringement is a two-step process: (1) “the court must construe the asserted claims as a matter of law to ascertain their meaning and scope,” and (2) “the claims as construed are compared to the allegedly infringing device.” *Dawn Equip. Co. v. Kentucky Farms Inc.*, 140 F.3d 1009, 1014 (Fed. Cir. 1998). “Each claim limitation must [also] be present in the accused product, literally *or* equivalently.” *Id.* (emphasis added).

Under the doctrine of equivalents, the “determination of equivalence should be applied as an objective inquiry on an element-by-element basis.” *Regeneron Pharms. v. Merus B.V.*, No. 14 Civ. 1650 (KBF), 2014 U.S. Dist. LEXIS 152924, 2014 WL 5463376, at \*3 (S.D.N.Y. 2014) (quoting *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520

*Appendix B*

U.S. 17, 40, 117 S. Ct. 1040, 137 L. Ed. 2d 146 (1997)). During this inquiry, the patent holder must establish that each disputed element satisfies the “function-way-result test.” See *Romag Fasteners, Inc.*, 323 F. Supp. 2d at 518 (“The patent holder must establish that with respect to each disputed element the accused product performs ‘substantially the *same function*, in substantially the *same way*, to give substantially the *same result*’” (quoting *Hormone Research Found., Inc. v. Genentech, Inc.*, 904 F.2d 1558, 1564 (Fed. Cir. 1990)) (emphasis added)); *Warner-Jenkinson Co.*, 520 U.S. at 39 (holding that the “function-way-result test” is “suitable for analyzing mechanical devices”).

**a. Claim 27(b): The “Base Member” Element.**

Claim 27(b) is “a base member having first and second end portions.” (Bressler Decl., Ex. 1 (The ’485 Patent) at col. 15, 1. 32.) Judge Sweet defined “base member” as “one or more components of the winch, including first and second end portions, which are connected to and separate from the carriage, supporting the drum.” (Claim Constr. Op. at 8.)

Defendants make three arguments as to why the jury’s verdict regarding Claim 27(b) was “seriously erroneous” and a “miscarriage of justice”: (1) “[Plaintiff’s doctrine of equivalents] analysis for the base member completely ignored the Court’s claim construction requiring a horizontal member”; (2) “[Plaintiff] did not offer evidence to prove the claimed base member way is substantially similar to the Vortek’s base member way”; and (3) “the

*Appendix B*

'base member' element has been vitiated." (Defs.' New Trial Mem. at 5-6.)

As to Defendants' first argument, Judge Sweet noted during claim construction that "for *literal infringement*, there must be a horizontal member." (Claim Constr. Op. at 20 (emphasis added).) But the '485 Patent is clear that while a horizontal member *may* be used to connect the base, "*other means* for constructing the base 30, or connecting its components to each other, *can be used.*" (Bressler Decl., Ex. 1 (The '485 Patent) at col. 5, 1. 37-39 (emphasis added).) Accordingly, in ruling on Defendants' summary judgment motion, Judge Sweet held that "the Vortek winch's base member is infringing under the doctrine of equivalents" because to find "that there is no infringement for having a base member that supports the drum, but lacks a horizontal member would allow [u]nimportant and insubstantial substitutes for certain elements [to] defeat the patent." (Claim Constr. Op. at 22 (quoting *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 731, 122 S. Ct. 1831, 152 L. Ed. 2d 944 (2002)); Pl.'s Mem. of Law in Opp'n to Defs.' Mot. for New Trial or Remittitur ("Pl.'s New Trial Opp'n"), ECF No. 367, at 3.)

Defendants' expert Dr. Charles Garris testified at trial that the base member functions provide: (1) "slideable support," (2) "rigidity," and (3) "the ability to mount an overspeed break", which is achieved "through the horizontal member." (Trial Tr. 499:1-24; Defs.' New Trial Mem. at 5.) Defendants attempt to use this testimony to argue that the Vortek does not have a horizontal member

*Appendix B*

and that it therefore “does not have the rigidity required nor the ability to hold a[n] [overspeed] break.” (Defs.’ New Trial Mem. at 5-6.) But Plaintiff properly points out that “the overspeed brake is not in asserted Claims 21 or 27; and is part of an alternate configuration not at issue in this case.” (Pl.’s New Trial Opp’n at 4.) Moreover, the horizontal member is merely one means of connecting the base, and the ’485 Patent specifically contemplates that other means “can be used.” (Bressler Decl., Ex. 1 (The ’485 Patent) at col. 5, 1. 37-39.) As such, Defendants’ argument goes against Judge Sweet’s construction of Claim 27(b) and the language of the ’485 Patent.

Regarding their second argument, Defendants assert that “there is absolutely no evidence that the alleged Vortek base member is substantially the same as the claimed base member.” (Defs.’ New Trial Mem. at 6 (emphasis omitted).) But this argument ignores the evidence and testimony presented at trial. In fact, Plaintiff testified specifically as to how the ’485 Patent Winch’s base member compares to the “function,” “way,” and “result” of the Vortek base member, concluding that the two base members are equivalent in all aspects. (Trial Tr. 138:16-139:20.) Accordingly, the jury was given sufficient evidence to appropriately reach a verdict that the ’485 Patent Winch’s base member and the Vortek base member are equivalent.

Defendants’ finally argue that Claim 27(b) was vitiated, again making an inappropriate binary argument that “two elements likely are not insubstantially different when they are polar opposites.” (Defs.’ New Trial Mem. at

*Appendix B*

7 (citing *Brilliant Instruments*, 707 F.3d at 1347).) Yet, the Federal Circuit has rejected precisely this type of binary analysis. (Pl.’s New Trial Opp’n at 5); see *Deere & Co.*, 703 F.3d at 1356. Defendants have not met their burden of showing how the ’485 Patent Winch’s base member is the “exact opposite” of the Vortek’s base member. They also fail to adequately challenge how it meets the “function-way-result” test.

Accordingly, Defendants have not shown that the jury’s verdict regarding Claim 27(b) was “seriously erroneous,” “a miscarriage of justice,” or against the great weight of the evidence.

**b. Claim 27(d): The “First Means Structure” Element.**

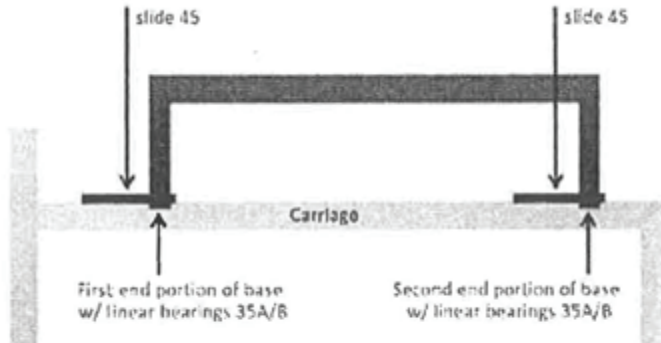
Judge Sweet construed Claim 27(d), which describes the ’485 Patent Winch’s “first means structure,” as follows:

[T]he structure is two slides 45 that are mounted to the carriage and engage linear bearings, which can be a combination of 35A and 35B that are mounted to the top of the base member’s first and second end portions that function to slideably mount the base member to the carriage providing relative linear motion between the carriage and the base member.

(Claim Constr. Op. at 13.) Defendants provide a diagram of the first means structure in their motion for a new trial:

43a

*Appendix B*



*The '485 Patent Winch*



*The Vortek Winch*

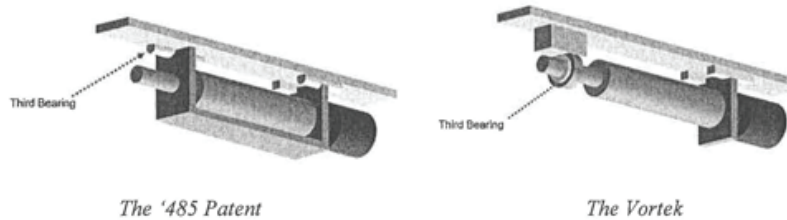
(Defs.' New Trial Mem. at 8.) Defendants argue that Claim 27(d) does not meet the "function-way-result" test and that the Vortek's first means structure is therefore not equivalent to the claimed first means element. (*Id.* at 8-11.)

As to the first means structure's "function", Defendants claim that because the "tail base portion of the Vortek is affixed, the so-called Vortek base member cannot

*Appendix B*

slide relative to the carriage as required by the Court’s construction.” (*Id.* at 9.) But this again misconstrues the doctrine of equivalents. Indeed, Judge Sweet denied summary judgment to Defendants on this exact issue because a “reasonable factfinder could find the Vortek’s design . . . [contained] an ‘insubstantial structural difference’ that is structurally equivalent in performing an equivalent function to the ’485 Patent.” (Recons. of Summ. J. Op. at 5; PL’s New Trial Opp’n at 7 (citation omitted).) At trial, Plaintiff described how the Vortek’s first means structure performs substantively the same “function” as the ’485 Patent Winch’s first means structure because the drum is allowed to move relative to the carriage. (Trial Tr. 142:4-9,148:21-23,149:5-14; Pl.’s New Trial Opp’n at 6.) Dr. Garris agreed that moving the drum laterally “is essential to any zero-fleet angle winch.” (Trial Tr. 574:5-15.) Accordingly, the jury was presented with sufficient evidence to reasonably conclude that the first means structure’s “function” is equivalent in the Vortek and the ’485 Patent Winch.

Plaintiff offered evidence at trial that the ’485 Patent considers two “ways” to structure the first means structure in “three-bearing and four-bearing arrangements.” (Trial Tr. 99:2-100:3, 143:13-17, 143:23-144:15; Pl.’s New Trial Opp’n at 7.) Dr. Garris also confirmed this in his trial testimony, stating: “Yes. The patent talks about a three-bearing system.” (Trial Tr. 586:3-12.) Plaintiff also offered testimony that “the Vortek employed the three-bearing arrangement that uses the same linear bearings disclosed in the ’485 patent—with two linear bearings on the motor bracket and one linear bearing on the screw end bracket.” (Pl.’s New Trial Opp’n at 7; Trial Tr. 144:19-145:25, 146:6-10.)

*Appendix B*

(Pl.’s New Trial Opp’n at 7-8.) In short, the only clear difference between the first means structures in the ’485 Patent Winch and the Vortek is the placement of the third bearing. This difference is not substantial because both structures allow the “motor end base member—and, critically, its drum—to move with respect to the carriage.” (*Id.* at 8.) Based on this evidence, a reasonable jury could find that the “ways” in which these two first means structures move the base member are equivalent.

Defendant finally argues that the “result” of the first means structure in the ’485 Patent Winch is not equivalent to the “result” of the Vortek’s first means structure because the “[c]ourt defined the first means as allowing the base to move, not the drum.” (Defs.’ New Trial Mem. at 10-11.) Plaintiff testified during trial, however, that “the drum [in both structures] is moving in its longitudinal axis with respect to the carriage while it’s being supported laterally in all other directions.” (Trial Tr. 150:25-151:4.) In short, relying on this evidence, the jury reasonably found that the alleged differences in “results” between the two first means structures were insubstantial.



*Appendix B*

Accordingly, while the first means structures in the '485 Patent Winch and the Vortek are not literally the same, a reasonable fact finder could (and did) find them to be equivalent under the “function-way-result” test.

**c. Claim 27(e): The “Hollow Hub” Element.**

Judge Sweet construed “hollow hub” as “a portion of the drum end cap with an elongated opening to allow passage of the elongated screw.” (Claim Constr. Op. at 14.) Defendants make three arguments as to why the jury’s verdict regarding Claim 27(e) is “seriously erroneous” and a “miscarriage of justice”: (1) Claim 27(e) fails the “function-way-result” test; (2) Plaintiff disclaimed the shaft; and (3) the jury’s verdict “vitiates the ‘hollow hub’ element.” (Defs.’ New Trial Mem. at 11-16.)

Regarding the “function” of the hollow hub, Defendants note that Plaintiff and Dr. Garris “agree that the claimed hollow hub and the Vortek shaft (what [Plaintiff] called the Vortek hollow hub) perform two functions: moving and supporting the drum.” (Defs.’ New Trial Mem. at 12.) While Defendants acknowledge that the Vortek’s hollow hub “engages the ACME screw axially to *move* the drum,” they argue that Plaintiff did not offer testimony at trial on how the '485 Patent’s and Vortek’s hollow hubs *support* the drum. (*Id.* at 12-13 (emphasis added).) This statement ignores the fact that Plaintiff introduced “evidence [that] demonstrated that the Vortek extended hub supports the drum by being rotatably journalled to a bearing on the base member.” (Trial Tr. 92:24-93:1, 93:5-12, 94:9-18, 133:16-24, 135:8-13, 138:23-139:6, 149:3-14, 150:15-19,

*Appendix B*

157:5-15, 190:15-18; Pl.'s New Trial Opp'n at 12.) Moreover, Plaintiff also notes that even Dr. Garris "agreed that the Vortek extended hub acts as a beam that transfers lateral loads from the drum by being rotatably journalled into a bearing on the base member." (Trial Tr. 536:10-11, 536:15-19, 554:11-20, 557:19-558:9, 574:12-15; Pl.'s New Trial Opp'n at 13.) Accordingly, Plaintiff presented ample evidence to support a finding that the Vortek's hollow hub performed substantially the same "function" as the '485 Patent Winch's hollow hub.

Regarding the "way" the two hollow hubs perform their moving and supporting "functions," Defendants argue that the Vortek hollow hub has a "much simpler design" than the '485 Patent Winch's hollow hub, and therefore supports the drum in a "substantially different way." (Defs.' New Trial Mem. at 13.) But at trial, the jury was presented with testimony from Defendants' own expert admitting that the design of the Vortek is not relevant to the "way" that the hollow hub supports the drum. (Trial Tr. at 558:1-9; Pl.'s New Trial Opp'n at 13.) The jury therefore reasonably concluded that the Vortek's and the '485 Patent Winch's hollow hubs move and support the drum in substantially the same "way."

As to the respective hollow hubs' "results," Defendants argue that the evidence Plaintiff presented was "conclusory" and exactly the kind of "testimony that the Federal Circuit has deemed insufficient to prove the [doctrine of equivalents]." (Defs.' New Trial Mem. at 13.) Defendants point to several inapposite cases where the Federal Circuit found that testimony lacking any

*Appendix B*

particularized discussion of structure or functionality could not support a finding of equivalence. (*Id.*) That is not the case here. Rather, Plaintiff presented ample testimonial and documentary evidence to support the jury’s conclusion that both hollow hubs produced substantially the same “result.” (Trial Tr. 94:9-25, 123:6-17, 135:8-13, 138:23-139:14, 154:24-155:1, 155:9-16, 155:25-156:7, 162:25-163:10, 522:15-25, 540:5-12; Pl.’s New Trial Opp’n at 14); *see Texas Instruments, Inc. v. Semiconductor Corp.*, 90 F.3d 1558, 1567-68 (Fed. Cir. 1996) (rejecting a conclusory statement that claimed and accused processes were the same); *Malta v. Schulmerich Carillons, Inc.*, 952 F.2d 1320 (Fed. Cir. 1991) (rejecting expert testimony merely noting that two structures “function” similarly).

In arguments (2) and (3), Defendants merely reiterate the claims made in their motion for judgment as a matter of law. This Court rejected those arguments in Section III, *supra*, and need not revisit them here. Accordingly, this Court finds that the jury considered ample evidence that the Vortek’s hollow hub is equivalent to the ’485 Patent Winch’s hollow hub.

**d. Claim 27(h): The “Screw Into Drum” Element.**

Defendants again reiterate the same argument that they made in their motion for judgment as a matter of law that the Vortek’s shaft vitiates Claim 27(h) “because it does not allow the screw to go into the drum” and is therefore “the polar opposite of allowing it to go in.” (Defs. New Trial Mot. at 16.) This Court addressed this argument in

*Appendix B*

Section III, *supra*, denying Defendants' Vitiating Claim. Therefore, Defendants' argument pertaining to Claim 27(h) is dismissed for the same reasons.

**B. The Court Properly Precluded Defendants' Prior Art.**

According to Defendants, Judge Sweet made "a prejudicial evidentiary ruling that likely swayed the jury in [Plaintiff's] favor when it precluded the jury from hearing about the prior art." (Defs.' New Trial Mem. at 19.) Plaintiff responds with three arguments as to why that is not the case: (1) Defendants previously withdrew their "affirmative defense that [the '485 Patent] is invalid for failure to satisfy the conditions of patentability set forth in 35 U.S.C. §§ 101, 102, 103 and/or 112" (Joint Stip. & [Proposed] Order Regarding the Withdrawal of Certain Aff. Defenses ("Withdrawal Stip."), ECF No. 135, at 1); (2) "the prior art was irrelevant to this dispute at trial"; and (3) Federal Rule of Civil Procedure 61 "forecloses [Defendants'] [n]ew [t]rial demand." (Pl.'s New Trial Opp'n at 16-19.)

Before trial, Defendants petitioned the Patent Trial and Appeals Board ("PTAB") to conduct an *inter partes* review ("IPR") to invalidate the '485 Patent based on prior art. The PTAB rejected this petition, noting that "based on [its] review of the record, [it] conclude[s] that [Defendant] has failed to demonstrate that it is reasonably likely to prevail with respect to any of its challenges." (Pl.'s New Trial Opp, Ex. H ("PTAB Decision"), ECF No. 368-8, at 2.) Accordingly, Defendants withdrew their

*Appendix B*

invalidity defense on May 15, 2017. (Withdrawal Stip.) This is critical because “[w]here validity in view of the prior art has not been challenged, the court is less free to limit the application of the doctrine of equivalents than where invalidity is specifically urged by the alleged infringer.” *Thomas & Betts Corp. v. Litton Sys., Inc.*, 720 F.2d 1572, 1580 (Fed. Cir. 1983).

Defendants now attempt to argue that “with the benefit of this prior art, the jury would have understood that the [’485 Patent W]inch is not pioneering and is thus only entitled to a limited breadth of equivalents.” (Defs.’ New Trial Mem. at 22.) This argument flies in the face of Defendants’ withdrawal of their invalidity defense and the PTAB’s decision rejecting Defendants’ prior art invalidity argument. Moreover, Defendants filed a motion *in limine* seeking to block Plaintiff’s use of “(i) [Defendants’] failed IPR and (ii) the withdrawal of its invalidity claim.” (Pl.’s New Trial Opp’n at 16; Defs.’ Mots. *In Limine* at 6-7.) Accordingly, as Plaintiff argues, Defendants’ “successful argument that the detailed PTAB analysis on this [p]rior [a]rt was ‘irrelevant’ and should be excluded cannot be reconciled with its current position.” (Pl.’s New Trial Opp’n at 18-19.)

Defendants also attempt to rely on cases indicating that, under the doctrine of equivalents, “a greater degree of liberality and a wider range of equivalents are permitted where the patent is of a pioneer character than when the invention is simply an improvement.” (Defs.’ New Trial Mem. at 19 (quoting *Cimiotti Unhairing Co. v. Am. Fur Refining Co.*, 198 U.S. 399, 406, 25 S. Ct.

*Appendix B*

697, 49 L. Ed. 1100, 1905 Dec. Comm’r Pat. 729 (1905)).) Defendants attempt to argue that inclusion of the prior art would illustrate to the jury that the ’485 Patent is not of pioneering quality and that a finding of equivalence would therefore be erroneous. (Defs.’ New Trial Mem. at 21-22.) Yet, Defendants overlook *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, where the Supreme Court “largely eliminated any role for pioneering status . . . [holding] that equivalents must be determined on a *limitation by limitation* basis.” (Pl.’s New Trial Opp’n at 21 (citing 520 U.S. 17, 29-30, 117 S. Ct. 1040, 137 L. Ed. 2d 146 (1997)) (“[T]he doctrine of equivalents must be applied to individual elements of the claim, not to the invention as a whole.”) (emphasis in original).) In erroneously emphasizing the pioneering status of the patent as integral to a doctrine of equivalents analysis, Defendants do not point to any controlling authority decided after *Warner-Jenkinson*.

Plaintiff also points out that the prior art was irrelevant to the dispute at trial because he “never claimed the ’485 patent was a ‘pioneering’ invention,” that he “invented the zero-fleet angle winch,” or “that the prior art consisted solely of ‘sand bag’ counterweights and pulleys.” (Trial Tr. 85:17-90:4; Pl.’s New Trial Opp’n at 17.) Rather, Plaintiff points to several instances in which testimony revealed advances in the winch design prior to the ’485 Patent. (Pl.’s New Trial Opp’n at 17.) Moreover, prior art is primarily relevant to a claim that questions the *validity* of the patent, which Defendants refused to challenge after it was expressly upheld by the PTAB. (Withdrawal Stip.)

*Appendix B*

Finally, under Rule 61, “the court must disregard all errors and defects that do not affect any party’s substantial rights.” Fed. R. Civ. P. 61. Accordingly, “[a]n erroneous evidentiary ruling warrants a new trial only when a ‘substantial right of a party is affected,’ as when ‘a jury’s judgment would be swayed in a material fashion by the error.’” *Lore v. City of Syracuse*, 670 F.3d 127, 155 (2d Cir. 2012) (citation omitted). Here, Defendants’ withdrew their invalidity defense and even represented to the court in their motions *in limine* that this withdrawal, as well as the PTAB’s decision and prior art discussed therein were “irrelevant” to the issues presented at trial. (*See generally* Defs.’ Mots. *In Limine*.) This judicial admission is binding on Defendants and thereby relieves this Court of the burden of further addressing it here. *See Hoodho v. Holder*, 558 F.3d 184, 191 (2d Cir. 2009) (“Facts admitted by a party are judicial admissions that bind th[at] [party] throughout th[e] litigation.”). In light of this judicial admission, Defendants cannot now allege that the prior art was integral to their defense and that exclusion of it from evidence was “highly prejudicial.”

Accordingly, Defendants were not unduly prejudiced by the exclusion of the ’485 Patent’s prior art at trial.

**C. The Jury’s Damages Award Was Not Excessive & Conditional Remittitur Is Denied.**

“Where there is no particular discernable error, [the courts] have generally held that a jury’s damage award may not be set aside as excessive unless the award is so high as to shock the judicial conscience and constitute a

*Appendix B*

denial of justice.” *Lore*, 670 F.3d at 177 (citation omitted). Under the Patent Act, a prevailing patent owner is entitled to damages “adequate to compensate for the infringement, but in no event less than a reasonable royalty for the use made of the invention by the infringer.” 35 U.S.C. § 284. The Federal Circuit has held that “[d]eciding how much to award as damages is not an exact science, and the methodology of assessing and computing damages is committed to the sound discretion of the district court.” *State Indus., Inc. v. Mor-Flo Indus., Inc.*, 883 F.2d 1573, 1576-1577 (Fed. Cir. 1989). Therefore, a party that challenges a damages award “must show that ‘the district court *abused its discretion* by basing its award on clearly erroneous factual findings, legal error, or a manifest error of judgment.’” *Id.* at 1577 (quoting *DataScope Corp. v. SMEC, Inc.*, 879 F.2d 820 (Fed. Cir. 1989) (emphasis added)). In conducting this analysis, “[a]ny doubt[s] about the amount of the damages must be resolved against the infringer.” *Id.*

Defendants allege that Plaintiff’s damages expert, Joel Wacek, made three critical errors in his analysis that resulted in an over-inflated per-unit royalty rate: (1) “he did not apportion the royalties in the license agreements to the value of [the ’485] Patent,” (2) “he did not account for the fact that the license agreements were exclusive,” and (3) “he miscalculated the royalty rate in the settlements by failing to take into account royalty-free units that were part of the lump sum payments.” (Defs.’ New Trial Mem. at 23.)



*Appendix B*

A critical deficiency of these arguments is that they pertain to the *methodology* that Wacek used to calculate the royalty rate, which should have been resolved “under the framework of the Federal Rules of Evidence and through a challenge under *Daubert v. Merrell Dow Pharmaceutical, Inc.*, 509 U.S. 579, 113 S. Ct. 2786, 125 L. Ed. 2d 469 (1993).” *Versata Software, Inc. v. SAP America, Inc.*, 717 F.3d 1255, 1264 (Fed. Cir. 2013). Defendants cannot raise this issue now “under the guise of sufficiency of the evidence.” *Id.*

Even assuming that this inquiry is not precluded by *Daubert*, Plaintiff accurately argues that Wacek addressed in his testimony each of Defendants’ allegations. First, regarding apportionment, Wacek “concluded that the value in each agreement resided with the patent rights.” (Pl.’s New Trial Opp’n at 26.) As acknowledged by Defendants’ expert, Dawn Hall, this conclusion is not arbitrary as “trade secrets for mechanical designs can be reverse-engineered once sold—and thus, as with many industries, attribution of value resided with the ’485 Patent.” (*Id.*; Trial Tr. 655:6-8.) Second, regarding the exclusivity of the license agreements, to say that Wacek did not consider exclusivity at all is directly contradicted by his testimony:

I also considered that certain of these agreements, these manufacturers received exclusive rights, or the sole rights to use the patent, versus non-exclusive, where others could use it. That’s important because, in general, all things equal, an exclusive agreement may have

*Appendix B*

higher royalties than a non-exclusive agreement . . . I didn't see a big premium for exclusivity, and most of the agreements I'm focusing on were for non-exclusive rights anyways.

(Trial Tr. 326:20-327:6.) Finally, as to the royalty-free units, Defendants do not acknowledge Wacek's direct testimony explicitly saying that he took into account the royalty-free credits when calculating the rates for the licenses. (Trial Tr. 316:14-317:21, 321:5-324:10; Pl.'s New Trial Opp'n at 27-28.)

Accordingly, the jury's award of damages in this case does not "shock the judicial" conscience because it was within the range proffered by Wacek during trial and is supported by the evidence presented at trial.<sup>3</sup> (Trial Tr. 354:7-12.)

To be sure, both Defendants' and Plaintiff's experts presented differing opinions on the proper calculation for damages, and "when there is conflicting testimony at trial, and the evidence overall does not make only one finding on the point reasonable, the jury is permitted to make credibility determinations and believe the witness it considers more trustworthy." *MobileMedia Ideas LLC v. Apple Inc.*, 780 F.3d 1159, 1168 (Fed. Cir. 2015) (citing *Kinetic Concepts, Inc. v. Smith & Nephew, Inc.*, 688 F.3d

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3. Plaintiff also notes where Wacek addressed each license agreement and royalty rate that Defendants now dispute. (Trial Tr. 307:15-310:9 (CRS); 310:11-313:3, 368:10-12, 371:13-18 (Clancy); 313:21-314:23 (Protech); 315:3-318:21 (Stage Tech); 318:25-324:15, 383:22-384:1 (ETC); Pl.'s New Trial Opp'n at 24-25.)

*Appendix B*

1342, 1362 (Fed. Cir. 2012)). It is not this Court's function to "second guess or reevaluate the weight given to that evidence." *Id.* (citing *Comark Commc'ns v. Harris Corp.*, 156 F.3d 1182, 1192 (Fed. Cir. 1998)). The jury in this case was presented with testimony from both expert witnesses Wacek and Hall, and reached a reasonable conclusion based on that evidence that cannot now be challenged after trial.

**a. Conditional Remittitur is Denied.**

This Court has the power to enter a conditional order of remittitur where

(1) the court can identify an error that caused the jury to include in the verdict a quantifiable amount that should be stricken, . . . and (2) more generally, where the award is "intrinsically excessive" in the sense of being greater than the amount a reasonable jury could have awarded, although the surplus cannot be ascribed to a particular, quantifiable error.

*Kirsch*, 148 F.3d at 165. Here, because the jury's damages award fell within the range proffered by Plaintiff's expert, there is no basis to find that the award included a quantifiable amount that should be stricken or that it was "intrinsically excessive." (Trial Tr. 354:7-12.) Where the jury has heard both experts' testimony and reached a conclusion based on the evidence, it would be improper to impose a conditional remittitur contrary to the jury's verdict. *Comark Commc'ns*, 156 F.3d at 1192 (Fed. Cir. 1998).

*Appendix B***D. The Court Properly Instructed the Jury on the Doctrine of Equivalents.**

Defendants suggest that Judge Sweet “erred in striking the charge relating to vitiation” and improperly stated “vitiation was not at issue” at trial. (Defs.’ New Trial Mem. at 29; Trial Tr. 732:18-734:23.) As discussed at length in Section III (A), *supra*, Defendants’ vitiation claim fails. Indeed, Defendants proposed the jury instruction: “something that is the opposite of an equivalent, cannot infringe under the doctrine of equivalents.” (Defs.’ New Trial Mem. at 29.) But that is exactly the kind of “binary choice” the Federal Circuit cautions against. *Deere & Co.*, 703 F.3d at 1356. Therefore, Judge Sweet correctly noted that lilt seems to me that the issue is fairly presented as to whether they are equivalents, and to say opposite, I don’t know that opposite really works here.” (Trial Tr. 734:17-20.) As such, Judge Sweet properly excluded this instruction.

Accordingly, upon reviewing the underlying evidence and evaluating whether the verdict was “seriously erroneous” or a “miscarriage of justice,” and finding neither, Defendants’ motion for a new trial is DENIED.

**V. PLAINTIFF’S MOTION FOR JUDGEMENT AS A MATTER OF LAW IS DENIED**

Plaintiff’s renewed motion for judgment as a matter of law<sup>4</sup> argues that “the hub extension in the Vortek

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4. Plaintiff first moved for judgment as a matter of law during trial on December 17, 2018. (Trial Trans. 686:18-689:25). Judge Sweet heard oral argument that same day and denied the motion without prejudice. (Trial Trans. 691:7).

*Appendix B*

*literally* satisfies the ‘hollow hub’ limitation (e) from [C]laim 27 [of the ‘485 Patent].”<sup>5</sup> (Pl.’s Mem. of Law in Supp. of its Renewed Mot. Pursuant to FRCP 50(b) for J. as a Matter of Law (“Pl.’s JMOL Mem.”), ECF No. 343, at 1 (emphasis added).) Claim 27(e) states, “said drum having at a first end a hollow hub rotatably journalled at the first end portion of the base member.” (Bressler Decl., Ex. 1 (The ‘485 Patent) at col. 15,1.44-45.) Judge Sweet defined “hollow hub” as “a portion of the drum end caps within an elongated opening to allow passage of the elongated screw.” (Claim Constr. Op. at 14.)

Plaintiff argues that the jury misinterpreted the “hollow hub” limitation “as requiring that the hub be formed as a unitary extension of the end cap.” (Pl.’s JMOL Mem. at 1.) According to Plaintiff, the correct understanding of the “hollow hub” limitation is that “a portion’ includes functionally *equivalent* structures that are *connected together* to form a single functional arrangement.” (*Id.* (emphasis added).) According to Plaintiff, because this is the exact construction of the Vortek, judgment should be entered as a matter of law in its favor on this issue. (*Id.* at 1-2.)

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5. Plaintiff also argues that if this Court grants its renewed motion for judgment as a matter of law that the Vortek literally includes Claim 27(e), “this Court should similarly grant [their] renewed motion as to [Claim 27(h)]” because “the finding of equivalence of the ‘hollow hub’ impacts the determination of the literal inclusion of limitation (h) in the Vortek.” (Pl.’s JMOL. Mem. at 1 n. 1.)

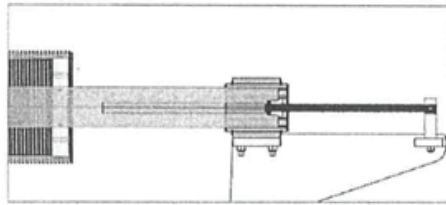
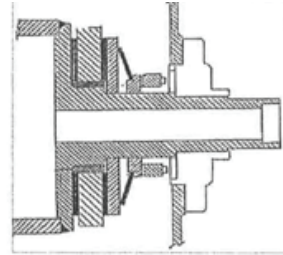
*Appendix B*

As previously indicated, however, a party bringing a motion for judgment as a matter of law must meet a “particularly heavy burden where, as here, the jury has deliberated in the case and actually returned its verdict in favor of the non-movant.” *Eastman Kodak Co.*, 4 F. Supp. 3d at 577 (citing *Carroll*, 712 F.3d at 651). Moreover, it is well established in this Circuit that when evaluating a motion under Rule 50, a court must “view the evidence ‘in the light most favorable’ to the non-moving party and give [the non-moving party] ‘the benefit of all reasonable inferences that the jury might have drawn in [its] favor from the evidence.’” *Vioni v. Providence Inv. Mgmt., LLC*, 750 F. App’x 29, 32 (2d Cir. 2018) (quoting *Tolbert v. Queens Coll.*, 242 F.3d 58, 70 (2d Cir. 2001)).

In this case, the jury reasonably found that the Vortek had an equivalent element to Claim 27(e), but declined to find that it “literally include[d] the hollow hub limitation.” (Trial Tr. 841:1-10.) Accordingly, upon evaluating the evidence, this Court finds that the jury did not err in concluding that the Vortek had an equivalent, but not literal, part to Claim 27(e).

**A. The Vortek Does Not Literally Include A “Hollow Hub.”**

The Vortek is made up of a “13-inch long hub extension (“hub extension”) [highlighted in green] that extends out from the end cap and has an 11-inch bore that is sized to receive a 10.75-inch long screw [highlighted in red].” (Pl.’s JMOL Mem. at 2 (alterations in original).)

*Appendix B**The Vortek**The '485 Patent Winch*

(*Id.* at 2-3.)

Plaintiff contends that the only difference between the Vortek and the '485 Patent is that “the Vortek hub extension and end cap are two separate pieces while the '485 [P]atent discloses the end cap with its hollow hub as a *single piece*.” (*Id.* at 3 (emphasis added).) In support of its argument, Plaintiff maintains that (1) Defendants’ expert did not address the connection between the Vortek’s hub extension and end cap, which “effectively bonds the end cap to the hub extension,” thereby creating a “single piece,” (*id.* at 5; *see also* Trial Tr. 530:4-9); and (2) the Vortek’s “hollow hub” matches the Court’s claim construction because Judge Sweet defined “hollow hub” as “a portion of the drum end caps within an elongated opening to allow passage of the elongated screw” (Pl.’s JMOL Mem. at 4).

Regarding Plaintiff’s first argument, Defendants properly indicate that Dr. Garris testified at trial that “the set screws simply position the shaft relative to the drum, but do *not* make the Vortek shaft a portion of the drum end cap because the end cap and the shaft are ‘separate and independent components.’” (Defs.’ Opp’n to Pl.’s Renewed

*Appendix B*

Mot. Pursuant to FRCP 50(b) for J. as a Matter of Law (“Defs.’ JMOL Opp’n”), ECF No. 369, at 8; Trial Tr. 478:5-10; 608:3-22.) Dr. Garriss further testified that the “piece of the shaft that [Plaintiff] calls the hollow hub is not ‘a portion’ of the end cap, it is a shaft that runs through the end cap.” (Defs.’ JMOL Opp’n at 6; Trial Tr. 477:25-478:10.) These determinations led Dr. Garriss to conclude that “the end of the Vortek shaft does not literally meet the Court’s definition of the ‘hollow hub.’” (Defs.’ JMOL Opp’n at 6.)

Moreover, Defendants argue that “the bore hole does not extend to the drum [and therefore] the shaft is not hollow and cannot be a ‘hollow hub,’ as found by the jury.” (Defs.’ JMOL Opp’n at 6.) This is supported by the trial transcript where Plaintiff admitted that the screw “does not reach the tubular portion of the drum” because the shaft is in the “way.” (Trial Tr. 226:1-10.) Accordingly, Defendants presented ample evidence for the jury to consider when determining whether the Vortek had an equivalent or literal corresponding element to Claim 27(e).

As to Plaintiff’s second claim construction argument, Defendants accurately point out that Plaintiff is attempting to “re-write the Court’s claim construction” by arguing that “a portion” includes “functionally *equivalent* structures that are connected together to form a single functional arrangement.” (Defs.’ JMOL Opp’n at 8; Pl.’s JMOL Mem. at 1.) Indeed, this construction would improperly conflate the definition of “equivalent” and “literal,” contradicting both Judge Sweet’s claim



*Appendix B*

construction order *and* the jury’s verdict in this case.<sup>6</sup> As Defendants argue, if Plaintiff “wanted a different [construction], such as a construction that the ‘hollow hub’ and drum end cap can be separate components, it should have sought reconsideration of the [c]ourt’s claim construction order.” (Defs.’ JMOL Opp’n at 7.)

Where a jury has deliberated and returned a verdict in favor of the non-moving party, as the jury did in this case, this Court may set aside such a verdict only if there is “such a complete absence of evidence supporting the verdict that the jury’s findings could only have been the result of sheer surmise and conjecture, or the evidence in favor of the movant is so overwhelming that reasonable and fair minded persons could not arrive at a verdict against it.” *Carroll v. Cty. of Monroe*, 712 F.3d 649, 651 (2d Cir. 2013) (quoting *Cash v. Cty. of Erie*, 654 F.3d 324, 333 (2d Cir. 2011)). That is not the case here. As already indicated, Defendants presented ample evidence at trial to support their assertion that the Vortek’s end cap did not literally correspond to the ’485 Patent Winch’s hollow hub. (Trial Tr. 478:5-10; 608:3-22; Defs.’ JMOL Opp’n.) Moreover, the jury had the opportunity to weigh the evidence presented

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6. Defendants also allege that Plaintiff’s motion for judgment as a matter of law is procedurally defective because “in order to literally infringe, *each element* of the claim must be *literally found* in the Vortek.” (Defs.’ JMOL Opp’n at 2 (emphasis added) (citing *Intellicall, Inc. v. Phonometrics*, 952 F.2d 1384, 1389 (Fed. Cir. 1992).) But Defendants misstate the relevant law. In *Intellicall*, the Federal Circuit held that “infringement requires that *every limitation* of a claim be met literally *or* by a substantial equivalent.” 952 F.2d at 1389 (emphasis added).

*Appendix B*

by both parties, and in doing so reached the reasonable conclusion that the Vortek contained an equivalent corresponding element to the '485 Patent Winch's hollow hub, rather than a literal one. (Trial Tr. 841:1-10.)

Accordingly, Plaintiff's motion for judgment as a matter of law as to Claim 27(e) and Claim 27(h) is DENIED.

**VI. PLAINTIFF'S MOTION FOR ATTORNEYS FEES IS DENIED**

Plaintiff's motion for attorney's fees alleges that "Daktronics' vexatious litigation strategy clearly presents the factual bases required to find this case exceptional" for the purposes of awarding such fees under the Patent Act, 35 U.S.C. § 285. (Pl.'s Mem. of Law in Supp. of Plt.'s Mot. for Attorneys' Fees Pursuant to 35 U.S.C. § 285 ("Attorney's Fees Mem."), ECF No. 354, at 1.) According to Plaintiff, Defendants filed meritless motions, repeatedly threatened Plaintiff's counsel with sanctions, and engaged in discovery misconduct, resulting in a four-year delay of trial. (*Id.*) But the totality of the circumstances here do not support a finding that Defendants' behavior was so unreasonable vis-à-vis its litigating position that it "stands out" as a particularly egregious case of attorney misconduct. *Octane Fitness*, 572 U.S. at 554 ("an 'exceptional' case is simply one that stands out from others with respect to the substantive strength of a party's litigating position (considering both the governing law and the facts of the case) or the unreasonable manner in which the case was litigated."). Accordingly, Plaintiff's motion for attorneys fees is DENIED.

*Appendix B***VII. PLAINTIFF'S MOTION TO AMEND  
THE JUDGMENT IS GRANTED**

The Patent Act explicitly states that a prevailing patentee in a patent infringement action is entitled to compensation that is “in no event less than a reasonable royalty for the use made of the invention by the infringer, *together with interest* and costs as fixed by the Court.” 35 U.S.C. § 284 (emphasis added). The Supreme Court and the Federal Circuit have therefore held that, in patent cases, “prejudgment interest should ordinarily be awarded absent some justification for withholding such an award, [and] a decision to award prejudgment interest will only be set aside if it constitutes an abuse of discretion.” *General Motors Corp. v. Devex Corp.*, 461 U.S. 648, 657, 103 S. Ct. 2058, 76 L. Ed. 2d 211 (1983); *see also Laitram Corp v. Cambridge Wire Cloth Co.*, 785 F.2d 292, 295-96 (Fed. Cir. 1986) (“CWC failed to provide this court or the trial court with any circumstances which excuse prejudgment interest on awarded damages. Consequently, we find that the magistrate abused his discretion by failing to award prejudgment interest.”). Because Plaintiff prevailed at trial, an award of prejudgment interest is appropriate here.

Prejudgment interest should be awarded under 35 U.S.C. § 284 at a rate to be determined by the trier of fact. *See Studiengesellschaft Kohle v. Dart Industries, Inc.*, 862 F.2d 1564, 1579-80 (Fed.Cir.1988). Plaintiff seeks an award of prejudgment interest at the New York statutory rate of 9%. N.Y.C.P.L.R. § 5004 (“Interest shall be at the rate of nine per centum per annum, except where otherwise provided by statute.”). The source of law underlying a party’s claims

*Appendix B*

determines the applicable prejudgment interest rate. *Gust, Inc. v. AlphaCap Ventures, LLC*, No. 15 Civ. 192 (DLC), 2017 U.S. Dist. LEXIS 104411, 2017 WL 2875642, at \*7 (S.D.N.Y. July 6, 2017) (“[C]laims that arise out of federal law are governed by federal rules, claims arising out of state law are governed by state rules.” quoting *In re Palermo*, 739 F.3d 99, 107 (2d Cir. 2014)). Plaintiff’s claims arise out of federal law, but there is no applicable federal statute or rule establishing a prejudgment interest rate. *See id.* Therefore, courts in this District award prejudgment interest in patent cases at the New York statutory rate of 9% per annum. *See e.g. Regeneron Pharms, Inc. v. Merus N.V.*, No. 14 Civ. 1650 (KBF), 2018 U.S. Dist. LEXIS 115661, at \*20 (S.D.N.Y. Jun. 25, 2018); *Gust*, 2017 U.S. Dist. LEXIS 104411, 2017 WL 2875642 at \*7; *Variable-Parameter Fixture Dev. Corp. v. Morpheus Lights*, No. 90 Civ. 5593 (DC), 1997 U.S. Dist. LEXIS 4645, 1997 WL 177886, at \*2 n.1 (S.D.N.Y. Apr. 14, 1997).

The jury determined that the relevant time period for damages purposes is from June 26, 2009, the date of Defendants’ first infringing sale of the Vortek, to January 2, 2019, the date of the judgment. (Decl. of Joel Wacek in Supp. Of Olaf Sööt Design, LLC’s Mot. For Prejudgment Interest (“Wacek Decl.”), ECF No. 340, ¶ 2.) Applying a 9% interest rate to the annual unit sales of the Vortek during the relevant time period yields a prejudgment award in the amount of \$765,328. (*Id.* ¶¶ 3-4.) Accordingly, Plaintiff is entitled to this amount on top of the jury’s damages award of \$1,072,800, for a total recovery of \$1,838,158.

Plaintiff also seeks post-judgment interest pursuant to 28 U.S.C. § 1961(a), which states that “[i]nterest shall be

*Appendix B*

allowed on any money judgment in a civil case recovered in a district court.” Defendants do not object to Plaintiff’s request for post-judgment interest. (Daktronics’ Opp’n to OSD’s Mot. To Am. the J., ECF No. 373, at 11.) Accordingly, Plaintiff’s request for an award of post-judgment interest in accordance with this District’s fee schedule is granted in full.

**VIII. CONCLUSION**

Defendants’ motions for judgment as a matter of law and for a new trial, ECF Nos. 329 and 346, are DENIED.<sup>7</sup> Plaintiff’s motions for judgment as a matter of law and for attorney’s fees, ECF Nos. 342 and 353, are DENIED. Plaintiff’s motion to amend the judgment to include prejudgment and postjudgment interest, ECF No. 338, is GRANTED.

The Clerk of the Court is instructed to close the motions.

Dated: New York, New York  
August 27, 2019

SO ORDERED.

/s/ George B. Daniels  
GEORGE B. DANIELS  
United States District Judge

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7. Defendants’ motion to strike portions of Plaintiff’s oral argument PowerPoint presentation, ECF No. 405, is also DENIED as moot. This Court did not rely on the contents of that presentation to decide Defendants’ motion for a new trial.

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**APPENDIX C — OPINION OF THE UNITED  
STATES DISTRICT COURT FOR THE SOUTHERN  
DISTRICT OF NEW YORK, FILED  
OCTOBER 26, 2016**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

15 Civ. 5024

OLAF SÖÖT DESIGN, LLC,

*Plaintiff,*

-against-

DAKTRONICS, INC. and  
DAKTRONICS HOIST, INC.,

*Defendants.*

October 26, 2016, Decided  
October 26, 2016, Filed

**Sweet, D.J.**

Plaintiff Olaf Sööt Design, LLC (“Olaf Sööt” or “Plaintiff”) has moved for claim construction on 12 terms appearing in U.S. Patent No. 6,520,485 (“the ’485 Patent”). Defendants Daktronics, Inc. and Daktronics Hoist, Inc. (“Daktronics” or “Defendants”) has moved for summary judgment of non-infringement on the ’485 Patent. Based on the conclusions set forth below and the claim constructions determined by the Court, the motion for summary judgment on non-infringement is denied.

*Appendix C***Prior Proceedings**

Plaintiff brought this action for patent infringement on June 26, 2015. The '485 Patent is for a stage scenery winch system that helps to move large scenes quickly and efficiently replacing the work that had been done by counterweight sets.

The instant motion for summary judgment on non-infringement was heard and marked fully submitted on June 8, 2016. The claim construction motion was heard and marked fully submitted on September 15, 2016.

**The Applicable Standard**

Summary judgment is appropriate only where “there is no genuine issue as to any material fact and ... the moving party is entitled to a judgment as a matter of law.” Fed. R. Civ. P. 56(e). A dispute is “genuine” if “the evidence is such that a reasonable jury could return a verdict for the nonmoving party.” *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248, 106 S. Ct. 2505, 91 L. Ed. 2d 202 (1986). The relevant inquiry on application for summary judgment is “whether the evidence presents a sufficient disagreement to require submission to a jury or whether it is so one-sided that one party must prevail as a matter of law.” *Id.* at 251-52.

A court is not charged with weighing the evidence and determining its truth, but with determining whether there is a genuine issue for trial. *Westinghouse Elec. Corp. v. N.Y. City Transit Auth.*, 735 F. Supp. 1205, 1212 (S.D.N.Y.

*Appendix C*

1990) (quoting *Anderson*, 477 U.S. at 249). “[T]he mere existence of some alleged factual dispute between the parties will not defeat an otherwise properly supported motion for summary judgment; the requirement is that there be no genuine issue of material fact.” *Anderson*, 477 U.S. at 247-48 (emphasis in original).

The Supreme Court has held that claim construction is a matter of law to be determined by the court in order to assist the jury with questions of patent infringement. *Markman v. Westview Instruments*, 517 U.S. 370, 372, 116 S. Ct. 1384, 134 L. Ed. 2d 577 (1996). There are two steps to an infringement claim on summary judgment. The first step is determining “the meaning and scope of the patent claims asserted to be infringed” and the second step is “comparing the properly construed claims to the device accused of infringing.” *Markman v. Westview Instruments*, 52 F.3d 967, 976 (Fed. Cir. 1995).

**Claim Construction Standard**

Claim terms “are generally given their ordinary and customary meaning” as understood by “a person of ordinary skill in the art at the time of invention.” *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312-13 (Fed. Cir. 2005) (en banc) (citations and internal quotation marks omitted). The court reads a claim term “not only in the context of the particular claim in which the disputed term appears, but in the context of the entire patent, including the specification.” *Id.* at 1313; see also, *Williamson ex rel. At Home Bondholders’ Liquidating Trust v. Verizon Communications Inc.*, Nos. 11 Civ. 4948(LTS)(HBP), 13



*Appendix C*

Civ. 0645(LTS)(HBP), 2013 U.S. Dist. LEXIS 114261, 2013 WL 4083267, at \*1-2 (Aug. 12, 2013).

The patent specification is “always highly relevant to the claim construction analysis” has been described as “a dictionary when it expressly defines terms used in the claims” and “the single best guide to the meaning of a disputed term.” *Vitronics Corp. v. Conceptor, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996). It is a “statutory requirement that the specification describe the claimed invention in ‘full, clear, concise, and exact terms.’” *Phillips*, 415 F.3d at 1316 (quoting 35 U.S.C. § 112).

“However, preferred embodiments and written descriptions in the specification should not be used to limit the scope of claims.” *Williamson ex rel. At Home Bondholders’ Liquidating Trust*, 2013 U.S. Dist. LEXIS 114261, 2013 WL 4083267, at \*2; see also, *Phillips*, 415 F.3d at 1320 (“reading a limitation from the written description into the claims” is “one of the cardinal sins of patent law”) (quoting *SciMed Life Sys., Inc. v. Advanced Cardiovascular Sys., Inc.*, 242 F.3d 1337, 1340 (Fed. Cir. 2001)). “[I]t is important to keep in mind that the purposes of the specification are to teach and enable those of skill in the art to make and use the invention,” not to define the limits of a claim term. *Phillips*, 415 F.3d at 1323.

**Agreed Upon Constructions**

The parties agreed to the constructions for Terms 1 and 2 and therefore the parties’ mutual constructions are adopted.

*Appendix C***Disputed Constructions****Term 3: Base Member**

The parties dispute the construction for Term 3, the base member. Plaintiff's proposed construction is "one or more components of the winch assembly that are connected to the carriage to support and position the drum assembly." Defendants' proposed construction is "a component of the winch that is separate from the carriage and supports the drum." There are three disputes in these competing constructions. The first is whether there can be more than one component in the base member; second, whether the base member is connected to the carriage or separate from the carriage; third, whether the base member supports the drum.

First, the parties dispute whether there can be more than one component in the base member because the allegedly infringing Vortek product produced by the Defendants is constructed with two components that collectively comprise the base member. If there can only be one base member, then the Vortek product is not infringing on Plaintiff's patent.

The Federal Circuit instructs that when interpreting a claim, "First, we look to the words of the claims themselves . . . to define the scope of the patented invention." *Vitronics Corp. v. Conception, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996). In the '485 Patent, Claims 21 and 27 both define base member as "a base member having first and second end portions." This language indicates that there is only one

*Appendix C*

base member. The key question is whether there can be more than one component that collectively comprises the base member. The claim lists two required components of the base member: first and second end portions. Therefore there are at least two components that comprise the base member and the base member can be comprised of two or more components.

Second, the parties dispute whether the base member is connected to the carriage or separate from the carriage. Both parties are correct. This issue is not addressed in the claim, but is detailed in the drawings and specifications. When the answer is not clear from the text of the claim, “second, it is always necessary to review the specification” which “acts as a dictionary when it expressly defines terms used in the claims or when it defines terms by implication.” *Vitronics*, 90 F.3d at 1582. Further, “Claims must be read in view of the specification, of which they are a part.” *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 979 (Fed. Cir. 1995) (en banc), *aff’d*, 517 U.S. 370, 116 S.Ct. 1384, 134 L. Ed. 2d 577 (1996). The specification “is the single best guide to the meaning of a disputed term.” *Vitronics*, 90 F.3d at 1582.

Here, the specifications in Figures 1, 2, 7, and 8 all show that the base member is separate from the carriage and is connected to the carriage by slideable linear bearings. Both parties’ constructions will be adopted.

Third, the parties dispute whether the base member supports the drum. The claim states that the drum has “a longitudinal axis rotatably mounted on the base member.”

*Appendix C*

All of the drawings show that the drum is mounted on the base member. Plaintiff advances an interpretation of the term that finds that the base is “connected to the carriage to support and position the drum assembly.” Therefore, it appears that the parties agree that in some way since the drum is mounted to the base member and therefore that the base member supports the drum. However, Defendants’ construction adheres more closely to the only portion of the specification that discusses this issue in which the invention is summarized as saying that “the drum (and its support base).” (’485 Patent at 2:2.) Therefore, the base member supports the base.

The adopted construction is: “one or more components of the winch, including first and second end portions, which are connected to and separate from the carriage, supporting the drum.”

**Term 4: Hollow Drum**

The parties dispute the construction for Term 4, the hollow drum. Plaintiff’s proposed construction is “An elongated cylindrically shaped assembly with an internal cavity and an external surface to store one or more cables that can be unwound by rotational motion.” Defendants argue that no construction is necessary.

Claim construction “is not an obligatory exercise in redundancy.” *U.S. Surgical Corp. v. Ethicon, Inc.*, 103 F.3d 1554, 1568 (Fed. Cir. 1997). Instead, “[c]laim construction is a matter of resolution of disputed meanings and technical scope, to clarify and when necessary to

*Appendix C*

explain what the patentee covered by the claims, for use in the determination of infringement.” *Id.* Here, Plaintiff’s proposed construction is more difficult to understand than the term itself and will only confuse the jury. There is no need to add that the hollow drum is an “elongated cylindrical assembly with an internal cavity.” There is also no need to confuse the jury with the difference between the drum and the drum assembly, which are different terms with different meanings. It does not help to explain the language that is already in the term.

The adopted construction is: “hollow drum.”

**Term 5: An elongated hollow drum . . . rotatably mounted on the base member and a cable for simultaneously winding and unwinding the cable on or off the drum grooves when the drum is rotated**

The parties dispute the construction for Term 5, describing the hollow drum. Plaintiff’s proposed construction is “a hollow drum supported by the base member with a cable in which the cable winds and unwinds on or off of the drum grooves when the drum is rotated.” Defendants argue that no construction is necessary.

While these two constructions are similar, Plaintiff’s construction does not add any additional explanation to the claim term. It eliminates certain easily understood terms such as that the drum must be “elongated.”

The adopted construction is: “an elongated hollow drum . . . rotatably mounted on the base member and a

*Appendix C*

cable for simultaneously winding and unwinding the cable on or off the drum grooves when the drum is rotated.”

**Term 6: First means for slideably mounting the base member to the carriage**

The parties agree that this is a means-plus-function element. However, their constructions for the means-plus-function elements diverge on several key points. Plaintiff’s proposed construction is “a means clause: the supporting structure is a linear bearing and all equivalents thereof for the function of connecting the base member to the carriage and providing relative linear motion between the carriage and the base member/drum.” Defendants’ proposed construction is “a means-plus-function limitation pursuant to § 112, ¶ 6. Function: slidably mounting the base member to the carriage. Structure: two slides 45 that (i) are rigidly fastened to the frame of the carriage and (ii) engage linear bearings 35A that are mounted into the top portions of the base member’s first and second end portions.”

The function in a means-plus-function element must be explicitly recited in the claim. *JVW Enterprises, Inc. v. Interact Accessories, Inc.*, 424 F.3d 1324, 1331 (Fed. Cir. 2005). The role of the Court is to “determine what structure, if any, disclosed in the specification corresponds to the claimed function” and the specifications “must clearly associate the structure with the performance of the function.” *Id.*

*Appendix C*

Defendants' proposed function restates the exact language of the claim. Plaintiff's proposed language only helps to further explain the claim function language. Therefore, the function will be "slideably mounting the base member to the carriage providing relative linear motion between the carriage and the base member."

The issue is how to define the structure. Plaintiff advances that there can only be one linear bearing, which has several embodiments and that is how the base member slides with respect to the carriage. However, this interpretation does not reflect the language in the specification and the drawings. The specification and drawings demonstrate that the two slides 45 and linear bearings 35A and 35B are necessary for sliding to function. There are multiple embodiments and not all require two 35As and 35Bs, however all embodiments include two slides 45 and more than one 35A and/or 35B.

The specifications and the drawings collectively define that the carriage is slideably connected to the base member "through slides 45, which are rigidly fashioned to the frame. The slides engage linear bearings 35A and 35B, mounted into the top portion of the base 30 vertical members 31 and 32." '485 Patent 5:47-51. Figure 3 of the specifications shows how linear bearings 35A and 35B could both be used to engage with the slide 45. Even if Figure 1 only has two 35As and Figure 2 has two 35Bs, there are two slides and at least two 35A/B linear bearings in all embodiments.

*Appendix C*

The adopted construction is: “the structure is two slides 45 that are mounted to the carriage and engage linear bearings, which can be a combination of 35A and 35B that are mounted to the top of the base member’s first and second end portions that function to slideably mount the base member to the carriage providing relative linear motion between the carriage and the base member.”

**Term 7: Hollow Hub**

The parties have similar constructions for this term, but dispute whether the hollow hub is a drum end cap or a portion of a drum end cap. Different areas of the specification refer to the hollow hub as either the “end cap 14 hub portion” or “the brake end cap 14.” (*Compare*, ’485 Patent 8:2-14 and 5:7-17.) The parties can each cite to these conflicting specifications.

The specification notes that the “brake end cap 14 elongated hub, which hub is hollow so that the screw 51 can pass, via the hollow hub, inside the drum 11, which is also hollow.” (’485 Patent 4:37-41.) This language demonstrates that the hub is a portion of the brake end cap and not the entire end cap.

The adopted construction is: “a portion of the drum end cap with an elongated opening to allow passage of the elongated screw.”



*Appendix C***Term 8: A hollow hub rotatably journaled at the first end portion of the base member**

Here the parties dispute whether this claim term requires construction. While the claim term is clear, Plaintiff's construction provides additional detail and clarity for the jury.

The adopted construction is: "a portion of the drum end cap with an elongated opening located at the first end portion of the base member to allow passage of the elongated screw."

**Term 9: Second means for rotating the drum relative to the base member such that the base member with its drum and the carriage can move with respect to each other**

The parties agree that this is a means-plus-function element. However, their constructions for the means-plus-function elements differ. Again, the parties agree on the function, "rotating the drum relative to the base member such that the base member with its drum and the carriage can move with respect to each other."

However, the parties dispute the structure necessary for this function. First, the parties dispute what type of screw is needed to rotate the drum. Both embodiments will be permitted, either a power or ACME screw. Next, the parties agree that a motor 37 is required. The base member is included in the claim, so it will also be included in the construction. The slides and linear bearings will not

*Appendix C*

be included in the construction for this term as they were included in Term 6 (the first means) and are not necessary for the function of the second means of rotation and lateral movement of the drum.

The adopted construction is: “the structure is a motor 37, power or ACME screw, drum, carriage and base member that function to rotate the drum relative to the base member such that the base member with its drum and the carriage can move with respect to each other.”

**Term 10: Elongated screw**

The parties dispute whether construction is needed for this term. Plaintiff’s proposed construction to explain that this is a power screw with “a length that permits the drum to wind (and store) and unwind the cable or cables synchronized with lateral movement. However, this construction only adds confusion to a simple term. An elongated screw is a long screw and the parties can explain its function to the jury without the need for additional construction of this term.

The adopted construction is: “elongated screw.”

**Term 11: An elongated screw having a first end non-rotatably mounted to the carriage**

The parties also dispute whether construction is needed for this term. Plaintiff’s proposed construction adds language about the drum winding and unwinding the cables. This language is not needed to adequately

*Appendix C*

understand the claim language and will only confuse the jury with further technical terms that are not required by the claim or clearly are in the specifications.

The adopted construction is: “an elongated screw having a first end non-rotatably mounted to the carriage.”

**Term 12: Said hollow hub and hollow drum being sized such that the screw can move into the hollow hub to allow the hollow drum to receive the screw as the cables unwind from or wind up on the drum**

The parties dispute whether construction is needed for this term. Plaintiff’s proposed construction removes references to the hollow hub and adds information about the drum end cap that is not in the claim. This language will only confuse the jury. No construction of this term is necessary.

The adopted construction is: “said hollow hub and hollow drum being sized such that the screw can move into the hollow hub to allow the hollow drum to receive the screw as the cables unwind from or wind up on the drum.”

**Defendants’ Summary Judgment Motion for Non-Infringement Is Denied**

For literal infringement, Plaintiff bears the burden of proving that “each limitation of the claim must be present in the accused device.” *Telemac Cellular Corp. v. Topp Telecom, Inc.*, 247 F.3d 1316, 1330 (Fed. Cir. 2001).

*Appendix C*

In addition to literal infringement, an accused device can infringe under the doctrine of equivalents. This doctrine states that “a product or process that does not literally infringe upon the express terms of a patent claim may nonetheless be found to infringe if there is ‘equivalence’ between the elements of the accused product or process and the claimed elements of the patented invention.” *Depuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 469 F.3d 1005, 1016 (Fed. Cir. 2006) (citing *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 21, 117 S. Ct. 1040, 137 L. Ed. 2d 146 (1997)). The Supreme Court has noted that without the doctrine of equivalents, “Unimportant and insubstantial substitutes for certain elements could defeat the patent, and its value to inventors could be destroyed by simple acts of copying.” *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 731, 122 S.Ct. 1831, 152 L.Ed.2d 944 (2002).

The test for the doctrine of equivalents, known as the function-way-result test, asks “whether the accused device performs substantially the same function in substantially the same way to obtain substantially the same result as the claim limitation.” *VirnetX, Inc. v. Cisco Systems, Inc.*, 767 F.3d 1308, 1322 (Fed. Cir. 2014). If that is the case, then “they are the same, even though they differ in name, form, or shape.” *Warner-Jenkinson Co.*, 520 U.S. at 35 (quoting *Union Paper-Bag Machine Co. v. Murphy*, 97 U.S. 120, 125, 24 L. Ed. 935, 1878 Dec. Comm’r Pat. 199 (1878)).

*Appendix C***Summary Judgment is Denied as to whether the Accused Vortek Product Contains an Infringing Base Member**

The parties dispute whether the accused Vortek winch has an infringing base member. The claim defines the term as “a base member having first and second end portions.” This term was constructed as: “One or more components of the winch, including first and second end portions, which are connected to and separate from the carriage, supporting the drum.”

Under literal infringement, “each limitation in the asserted claim [must be] found present in the accused device or process.” *Baxter Healthcare Corp. v. Spectramed, Inc.*, 49 F.3d 1575, 1583 (Fed. Cir. 1995). Here, to find literal infringement the Vortek winch must have all of the elements of the claim construction for the base member, which is not the case here because the Vortek lacks a horizontal member.

The accused Vortek winch does not have one contiguous base member, but instead has first and second end portions that Plaintiff claims comprise the base member. The key dispute is whether the components of the base member must be connected to one another or can be separately connected to the carriage. Either the first and second vertical end portions must be connected by a horizontal member or the horizontal member is only one embodiment and is not dispositive. For literal infringement, there must be a horizontal member.

*Appendix C*

Plaintiff argues that a horizontal member cannot be a requirement for the '485 Patent when it was not included in the claim. “[I]t is important to keep in mind that the purposes of the specification are to teach and enable those of skill in the art to make and use the invention,” not to define the limits of a claim term. *Phillips*, 415 F.3d at 1323. Olaf Sööt argues that here, to mandate that an infringing device have a horizontal member based on the specifications would be defining the limits of the claim term instead of merely serving as a dictionary for how to interpret the claim.

However, the patent specification is “always highly relevant to the claim construction analysis” has been described as “a dictionary when it expressly defines terms used in the claims” and “the single best guide to the meaning of a disputed term.” *Vitronics Corp. v. Conception, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996). Here the parties hotly dispute what it means to have a base member with first and second end portions, which is not clear on its face.

All of the drawings displaying preferred embodiments of the winch in the specifications (Figures 1, 2, 7, and 8) show a version of the winch with a horizontal member. While the horizontal member is not included in the actual claim, it is included in the specifications. For example, one specification describes the base (number 30 in the drawings) as “the vertical members 31 and 32 incorporate the geometry for all weld preparations necessary for welding them to the horizontal member 33.” ('485 Patent at 5:32-34.) The specification notes, “[O]ther means for

*Appendix C*

constructing the base 30, or connecting its components to each other, can be used.” (’485 Patent at 5:39-40.) The specification clearly envisioned connecting the components of the base member together and not having them be separate.

There is no literal infringement in this case because evaluating the claim language with the help of the specifications, the ’485 Patent described a base member with a horizontal member. The Vortek winch does not have a base member and therefore it is not literally infringing.

However, the Vortek winch’s base member is infringing under the doctrine of equivalents. Finding that there is no infringement for having a base member that supports the drum, but lacks a horizontal member would allow, “Unimportant and insubstantial substitutes for certain elements could defeat the patent.” *Festo Corp.*, 535 U.S. at 731. The test for the doctrine of equivalents asks “whether the accused device performs substantially the same function in substantially the same way to obtain substantially the same result as the claim limitation.” *VirnetX, Inc. v. Cisco Systems, Inc.*, 767 F.3d 1308, 1322 (Fed. Cir. 2014).

Here, the Vortek contains all of the required elements of a base member. The constructions requires: (1) one or more components, including first and second end portions; (2) which are connected to and separate from the carriage; and (3) which support the drum. The Vortek product satisfies all three prongs under the doctrine of equivalents. First, the Vortek has both an end portion

*Appendix C*

base member and a front portion base member. Second, both end portions are connected to the carriage (and are separate from the carriage). Third, these components both support the drum in the same way that the specifications in the '485 Patent support the drum. Under the doctrine of equivalents, these two designs “are the same, even though they differ in name, form, or shape.” *Warner-Jenkinson Co.*, 520 U.S. at 35 (quoting *Union Paper-Bag Machine Co. v. Murphy*, 97 U.S. 120, 125, 24 L. Ed. 935, 1878 Dec. Comm’r Pat. 199 (1878)).

**The Accused Vortek Product Has an Equivalent  
“First Means for Slideably Mounting the Base  
Member to the Carriage”**

The parties dispute whether the Vortek has the means-plus-function clause “first means for slideably mounting the base member to the carriage.” The function of this term was constructed as “slideably mounting the base member to the carriage providing relative linear motion between the carriage and the base member.” The structure was constructed as “two slides 45 that are mounted to the carriage and engage linear bearings, which can be a combination of 35A and 35B that are mounted to the top of the base member’s first and second end portions.”

The parties agree that the claim function should be interpreted as “providing relative linear motion between the carriage and the base member.” (See Plaintiff’s Proposed Construction, Term 6, Dkt. No. 63, Ex. 2.) The Defendants argue that the accused Vortek winch does



*Appendix C*

not violate this function because one of the Vortek's base member end portions is bolted in place and does not allow for any relative motion between the carriage and the base member.

In order to make a finding of literal infringement for a means-plus-function clause, the accused device must "perform a function identical to that identified in the means clause." *Ishida Co. v. Taylor*, 221 F.3d 1310, 1316-17 (Fed. Cir. 2000). Here, the accused Vortek winch does not perform an identical function to the means clause. Unlike all of the specifications and drawings, which show relative linear motion between the carriage and the base member through two slides 45 and linear bearings 35A and 35B (See Figures 1, 2, 3, 4, 5, 7, 8), the Vortek winch does not have linear motion between the carriage and base member because the front end vertical member is fixed and bolted to the carriage. The rear end vertical member in the Vortek winch is connected to the carriage by a slide and linear bearings that allow the rear vertical member to move relative to the carriage just as in the drawings and specifications, such as Figure 3. There is no literal infringement because the front end portion of the base member cannot move relative to the carriage since the front end vertical member of the base member and the carriage are bolted together.

However, the parties dispute whether there is infringement under the doctrine of equivalents. "Noninfringement under the doctrine of equivalents, although a factual issue, may be determined as a matter of law when no reasonable fact-finder could determine other

*Appendix C*

than that the substitute element plays a role substantially different from the claim limitation.” *Unique Coupons, Inc. v. Northfield Corp.*, 12 Fed. Appx. 928, 936 (Fed. Cir. 2001). Here, the Defendants have not met that burden and the fact-finder must determine whether having one end portion of the base member bolted in place and the other slideably mounted to the carriage is “substantially different.”

“The proper test” to determine whether the doctrine of equivalents applies to a means-plus-function clause is “whether the differences between the structure in the accused device and any disclosed in the specification are insubstantial.” *Chiuminatta Concrete Concepts, Inc. v. Cardinal Industries, Inc.*, 145 F.3d 1303, 1309 (Fed. Cir. 1998). Another way to state the test for a means-plus-function term is, “The doctrine of equivalents covers accused structures that perform substantially the same function in substantially the same way with substantially the same results. The doctrine of equivalents thus covers structures with equivalent, but not identical, functions.” *Ring & Pinion Service Inc. v. ARB Corp. Ltd.*, 743 F.3d 831, 835 (Fed. Cir. 2014).

Here, there is no slide 45 or linear bearing 35A or 35B on the front end base member of the Vortek winch, which is a difference in structure. Further, the front end vertical member is bolted to the carriage. This difference in structure prevents the Vortek winch from having an identical function of the front end base member slideably moving relative to the carriage. However, the back end vertical member does have a slide 45 and linear

*Appendix C*

bearings 35A and/or B. The back end member does slide relative to the carriage in exactly the way that the patent specifications dictate in Figures 1, 2, 3, 4, 5, 7, and 8.

The issue for this claim term is whether having part of the base member slide relative to the carriage and the other part remain bolted in place is a “substantial” difference. *Chiuminatta*, 145 F.3d at 1309. In *Chiuminatta* the difference between using a skid plate and wheels was substantial under the doctrine of equivalents. *Id.* Here, the difference is less substantial than in *Chiuminatta* because the back end member of the Vortek winch slides using exactly the same linear bearing technology described and depicted in the specifications instead of an entirely different technology like wheels or skid plates in *Chiuminatta*.

Likewise, in *Interactive Pictures Corp. v. Infinite Pictures, Inc.*, the Federal Circuit evaluated whether an image viewing system that is a digitized image collected from a fisheye lens camera was equivalent to the accused product. *Interactive Pictures Corp. v. Infinite Pictures, Inc.*, 274 F.3d 1371, 1382 (Fed Cir. 2001). The parties disputed whether there was infringement under the doctrine of equivalents because the accused product also produced a circular view of an image, but with no fisheye distortion by using an equirectangular panorama file instead of the fisheye lens camera. *Id.* Those two products have a substantially greater variance in structure because they use entirely different technologies to achieve a similar result as compared to the '485 Patent and the Vortek, which is at least half the identical structure

*Appendix C*

in the base member. There is no dispute that the '485 Patent and the Vortek winches achieve exactly the same result of lifting and lowering scenery for theatres using a motorized winch. While the accused product used an entirely different technology achieving a slightly different end result in *Interactive Pictures*, the Court refused to overturn a jury's determination that "the difference was insubstantial." *Id.* If a jury could find those differences insubstantial, the factfinder in this case should be permitted to make the same determination under the function-way-result test.

Defendants have not shown that "no reasonable factfinder could determine other than that the substitute element plays a role substantially different from the claim limitation." *Unique Coupons, Inc.*, 12 Fed. Appx. at 936. While there are clear differences in the sliding nature of the front end vertical base member, the differences are not substantial enough to preclude a factfinder determining that there was infringement. *Ring & Pinion*, 743 F.3d at 835. For these reasons, this means-plus-function clause creates a disputed issue of fact for the factfinder to determine.

**The Accused Vortek Product Includes an "Elongated Screw Having a First End Non-Rotatably Mounted to the Carriage"**

The parties dispute whether the accused Vortek winch has an infringing "elongated screw having a first end non-rotatably mounted to the carriage." There was no construction necessary for this term.

*Appendix C*

For this term, the dispute is whether the elongated screw is actually mounted to the carriage. The Vortek winch has an elongated screw that is non-rotatably mounted to what the parties describe as a “tail-end bracket.” This bracket is attached to the carriage and is bolted to the front vertical member. The dispute is whether the tail-end bracket is part of the carriage or the base member. If it is a part of the base member, the Vortek is not infringing on the ’485 patent. If it is part of the carriage, then the Vortek is infringing.

The claim language does not provide any detail about the difference between the carriage and the base member’s first and second end portions. In the absence of explanation from the claim, “the court looks to those sources available to the public that show what a person of skill in the art would have understood disputed claim language to mean,” which includes evaluating a claim term “not only in the context of the particular claim in which the disputed term appears, but in the context of the entire patent, including the specification.” *Phillips v. AWH Corp.*, 415 F.3d at 1313-14 (internal citations omitted).

Under literal infringement, the Vortek does not literally infringe because each of the drawings that depict the carriage and base member do not have them attached to one another as one tail-end bracket like in the Vortek winch. However, the accused Vortek construction is infringing under the doctrine of equivalents. This is because the variances for the elongated screw are “[u]nimportant and insubstantial substitutes” in comparison to the patent specifications. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. at 731.

*Appendix C*

The carriage can include the tail-end bracket under the doctrine of equivalents because the carriage is more than one piece in each of the embodiments in the specifications. The pieces of the carriage are connected together just as the tail-end bracket is attached to the carriage in the Vortek winch in Figures 1, 2, 7 and 8. Figure 1 is described in the specifications as having a “carriage 40 frame 41 [that] is L-shaped comprising a horizontal member 41A and a vertical member 41B.” (’485 Patent at 5:40-42.) This demonstrates that the ’485 Patent covers embodiments of the winch that have several different shapes and sizes of carriage frames.

The test for the doctrine of equivalents, known as the function-way-result test, asks “whether the accused device performs substantially the same function in substantially the same way to obtain substantially the same result as the claim limitation.” *VirnetX, Inc. v. Cisco Systems, Inc.*, 767 F.3d 1308, 1322 (Fed. Cir. 2014). If that is the case, then “they are the same, even though they differ in name, form, or shape.” *Warner-Jenkinson Co.*, 520 U.S. at 35 (quoting *Union Paper-Bag Machine Co. v. Murphy*, 97 U.S. 120, 125, 24 L. Ed. 935, 1878 Dec. Comm’r Pat. 199 (1878)). Here while the carriage does differ in form or shape from the exact configuration in the drawings and specifications, the way in which the elongated screw is non-rotatably mounted to the carriage is essentially the same and is infringing under the doctrine of equivalents.

*Appendix C***Summary Judgment is Denied Because a Reasonable Factfinder Could Find Infringement for Each Term**

Summary judgment on the issue of non-infringement is proper when “no reasonable jury could find that every limitation recited in a properly construed claim either is or is not found in the accused device either literally or under the doctrine of equivalents.” *Spiel Associates v. Gateway Bookbinding Sys.*, No. 03-CV-4696, 2010 U.S. Dist. LEXIS 13167, 2010 WL 546746, at \*6 (E.D.N.Y. Feb. 16, 2010) (citing *PC Connector Solutions LLC v. SmartDisk Corp.*, 406 F.3d 1359, 1364 (Fed.Cir.2005)); see also, *Mich & Mich. TGR, Inc. v. Brazabra, Corp.*, 128 F.Supp.3d 621, 631 (E.D.N.Y. 2015). In this case, a reasonable jury could find that the base member, first means for slideably mounting the base member to the carriage, and elongated screw having a first end non-rotatably mounted to the carriage are infringing. Plaintiff urges the Court to *sua sponte* find infringement, but Plaintiff has not met the high burden to show that Defendants made a “woefully inadequate showing.” *Gertrude Newmark Rothschild v. Cree, Inc.*, 711 F.Supp.2d 173, 195 (D. Mass. 2010).

**Conclusion**

Based on the conclusions set forth above and the claim constructions determined by the Court, the motion for summary judgment on non-infringement is denied.

It is so ordered.

New York, NY  
October 26, 2016

/s/ Robert W. Sweet  
**ROBERT W. SWEET**  
**U.S.D.J.**

**APPENDIX D — DENIAL OF REHEARING OF  
THE UNITED STATES COURT OF APPEALS FOR  
THE FEDERAL CIRCUIT, DATED APRIL 19, 2021**

**UNITED STATES COURT OF APPEALS  
FOR THE FEDERAL CIRCUIT**

2020-1009, 2020-1034

OLAF SOOT DESIGN, LLC,

*Plaintiff-Cross-Appellant,*

v.

DAKTRONICS, INC.,

*Defendant-Appellant.*

Appeals from the United States District Court for  
the Southern District of New York in No. 1:15-cv-05024-  
GBD-OTW, Judge George B. Daniels.

**ON PETITION FOR PANEL REHEARING  
AND REHEARING EN BANC**

Before PROST, *Chief Judge*, NEWMAN, LOURIE, DYK,  
MOORE, O'MALLEY, REYNA, WALLACH, TARANTO, CHEN,  
HUGHES, and STOLL, *Circuit Judges*.

PER CURIAM.



94a

*Appendix D*

**ORDER**

Olaf Sööt Design, LLC filed a combined petition for panel rehearing and rehearing en banc. A response to the petition was invited by the court and filed by Daktronics, Inc. The petition was referred to the panel that heard the appeal, and thereafter the petition for rehearing en banc was referred to the circuit judges who are in regular active service.

Upon consideration thereof,

IT IS ORDERED THAT:

The petition for panel rehearing is denied.

The petition for rehearing en banc is denied.

The mandate of the court will issue on April 26, 2021.

April 19, 2021  
Date

FOR THE COURT

/s/ Peter R. Marksteiner  
Peter R. Marksteiner  
Clerk of Court