

No. 21-438

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

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OLAF SÖÖT DESIGN, LLC,

*Petitioner,*

*v.*

DAKTRONICS, INC., *et al.*,

*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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**BRIEF IN OPPOSITION**

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## QUESTION PRESENTED

Throughout this patent infringement case the parties battled over the meaning of several terms including element (h)—the element at issue here. In its *Markman* opinion, the district court denied Petitioner OSD’s proposed construction of element (h) in favor of plain and ordinary meaning as proposed by Daktronics. But at trial, OSD continued to advance that rejected construction under the guise of plain meaning, leaving the jury to resolve the meaning of element (h). The issue was resolved post trial when the district court denied Daktronics’ renewed Rule 50 (b) motion for judgment as a matter of law, construed the claim in the manner proposed by OSD, and found the jury had “ample evidence” to find that same construction. The Federal Circuit, in a unanimous *non-precedential* decision, reversed the district court’s claim construction and the jury’s finding that Daktronics’ winch met element (h) under the doctrine of equivalents as that finding rendered element (h), as properly construed, meaningless.

In *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996), this Court held that “the construction of a patent, including terms of art within its claim, is exclusively within the province of the court.” *Markman*, 517 U.S. at 370. The question presented is: Did the Federal Circuit violate OSD’s Seventh Amendment rights by overturning the jury verdict of infringement where the jury was left to construe element (h) in contravention of this Court’s *Markman* decision?

**CORPORATE DISCLOSURE STATEMENT**

Pursuant to Supreme Court Rule 29.6, Respondent Daktronics, Inc. (“Daktronics”) hereby states that it has no parent corporations and BlackRock, Inc. is the only publicly traded company that owns 10% or more of Daktronics stock.

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## INTRODUCTION

OSD advances no reason that would justify this Court’s review of the Federal Circuit’s decision reversing the trial court’s claim construction ruling and finding of non-infringement as a matter of law. The only remarkable aspect of this case is that the jury found that Daktronics’ winch met four separate elements of OSD’s patent under the doctrine of equivalents (“DOE”).<sup>1</sup> As Judge Lourie noted in his concurring opinion below, “the Supreme Court has cautioned that the application of [the doctrine of equivalents] test requires ‘a special vigilance against allowing the concept of equivalence to eliminate completely any such elements that are not literally met.’” Pet. App. 14a.

In addressing the unique—and troubling—aspect of this case, Judge Lourie continued,

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

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1. To prove infringement of a claim, the patent owner must show that each element of the claim is literally present in the accused device or is present under the doctrine of equivalents. The patent owner can show a claim element is present under the doctrine of equivalents by showing there are no substantial differences between the accused device and the claim element. *See* AIPLA’s Model Patent Jury Instructions, 2019 Ed., § 2.

socially desirable for the promotion of competition and the benefit of consumers. [citations omitted]. 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.

Pet. App. 15a.

Aside from the jury's improbable finding that there were four equivalents, this is a run of the mill patent infringement dispute where OSD—the plaintiff below—sought a particular construction of element (h), which construction originally was denied by the district court in favor of plain and ordinary meaning. Nevertheless, OSD then advanced that same construction at trial through the guise of plain and ordinary meaning while Daktronics argued a different plain and ordinary meaning. That left the jury to construe the claim element. The jury found that Daktronics' winch did not literally meet element (h), but met it under the DOE.

OSD's argument that the parties agreed that element (h) has a plain and ordinary meaning and that Daktronics did not contest the element's construction is simply wrong and proven wrong by OSD's own words. As OSD wrote in opposing Daktronics' renewed JMOL,

The jury was correct in rejecting Daktronics' view of the hub/drum arrangement in view of the clear intrinsic record that mandated the meaning of limitation (h) offered by OSD. In particular, *construing the hub as separate from*

*the drum would render several claim terms unintelligible.*

1:15-cv-05024-RWS Doc. 336 at 16 (S.D.N.Y. January 29, 2019) (emphasis added).

The fact is that the parties disputed the plain and ordinary meaning of element (h), each giving the court and the jury differing definitions. Pet. App. 7a-8a; Tr.<sup>2</sup> at 56:3-8, CA JA 09250-09251, 09584-09589. At the close of OSD's case, Daktronics moved for judgment as a matter of law pursuant to FRCP 50(a), arguing its winch cannot infringe OSD's patent because an infringement finding would render element (h)—properly construed—meaningless in violation of well-settled law regarding vitiation.<sup>3</sup> Pet. App. 34a, 27a; Pet. 17.

The district court did not resolve the meaning of element (h) even though it had previously rejected OSD's construction and denied Daktronics' motion without prejudice to renew after the close of the case. *See* Pet. App. 2a, 7a-8a. After the jury verdict, Daktronics renewed its motion for judgment as a matter of law, again arguing that its winch could not infringe element (h) as

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2. "Tr." refers to the trial transcript.

3. The doctrine of vitiation precludes an argument for infringement under a doctrine of equivalents theory where the application of the doctrine of equivalents would "effectively eliminate" a claim element in its entirety. *See Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 29 (1997). Partial or complete judgement is appropriate where a theory of equivalence would vitiate a particular claim element "as there would be no further material issue for the jury." *Id.* at 39, fn.8.

properly construed. *See generally* Pet. App. 26a-37a. In denying Daktronics’ motion, the district court<sup>4</sup> recognized the parties’ longstanding claim construction dispute over the scope of element (h), and adopted the construction of element (h) advanced by OSD, even though that construction was previously rejected during the claim construction stage. *Id.* Using its construction (ultimately and correctly reversed by the Federal Circuit), the district court found that the jury had “ample evidence” to find that same construction and find infringement under the doctrine of equivalents. Pet. App. 35a.

On appeal, the Federal Circuit found that the trial court should have construed element (h) before trial. Pet. App. 7a-8a. It then reviewed the issue de novo—as it is charged to do.<sup>5</sup> *See Teva Pharms. USA, Inc. v. Sandoz, Inc.*, 574 U.S. 318, 320 (2015). Applying a proper construction, the Federal Circuit reversed the jury’s finding that Daktronics’ winch met element (h) under the doctrine of equivalents. Pet. 7a-12a. The court then held that the jury’s infringement finding would render element (h) meaningless, which is the very argument Daktronics has been making since it filed its Rule 50(a) motion at trial. *See* Pet. App. 8a, 11a-12a.

OSD’s argument that the Federal Circuit deprived the jury of its fact-finding mission in violation of the Seventh

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4. The JMOL was decided by Judge Daniels instead of Judge Sweet, the judge that issued the claim construction order and presided over trial. Judge Sweet died before the JMOL after the jury verdict was decided.

5. “When the district court reviews only evidence intrinsic to the patent, the judge’s determination is solely a determination of law, and the court of appeals will review that construction de novo.” *Teva Pharms.*, 574 U.S. at 320.

Amendment is contrary to this Court's *Markman* decision, which has governed thousands of patent cases for the past 25 years, reserving claim construction for the court.<sup>6</sup> As OSD acknowledges in its brief, claim construction is for the court even where—as here—the parties dispute the plain and ordinary meaning. *See* Pet. 13.

OSD's argument that its failed infringement claim presents an opportunity for this Court to address the Federal Circuit's seminal opinion in *O2 Micro v. Beyond Innovation Technology Co., Ltd.*, 521 F.3d 1351 (Fed. Cir. 2008) is based on a series of faulty premises: among others, that the Federal Circuit deprived OSD of its Seventh Amendment rights, which of course did not happen because it was for the trial court to resolve the meaning of element (h), not the jury; and, that the Federal Circuit erred by displacing a properly resolved claim construction decision, which also did not happen as overruling the trial court's claim construction was a proper—and routine—exercise of the Federal Circuit's power to review claim construction de novo. *Teva Pharms.*, 574 U.S. at 320.

In short, the Federal Circuit did its job in reviewing the trial court's actions—and inaction—in relation to contested element (h). Armed with a proper construction, the Federal Circuit found that Daktronics' winch cannot infringe OSD's patent as a matter of law, a finding that OSD does not claim is faulty.

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6. As of November 9, 2021, over 7,000 cases are noted in Westlaw's database as citing *Markman*.

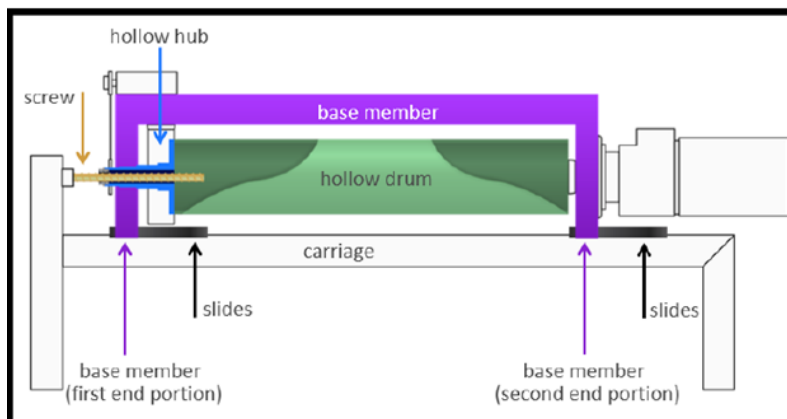
**STATEMENT OF THE CASE**

This case concerns OSD's allegation that Daktronics' winch infringes U.S. Patent No. 6,520,485 ("the '485 Patent"), which claims a winch used in theatres to raise and lower scenery. Pet. App. 2a. Four of claim 27's eight elements were tried to a jury. *Id.* The jury found that Daktronics' winch did not literally meet any of those elements but met all four under the DOE. *Id.* One of those elements—element (h)—is at issue here. *Id.* It recites:

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.

Pet. App. 5a.

The movement of the screw, which allows the drum to slide while winding and unwinding the cables that raise and lower the scenery, can be seen in the following Figure 7 of the '485 Patent (rotated and labels eliminated, with coloration and identifying tags supplied) shown to the jury:



Pet. App. 3a, CA JA<sup>7</sup> 10933.

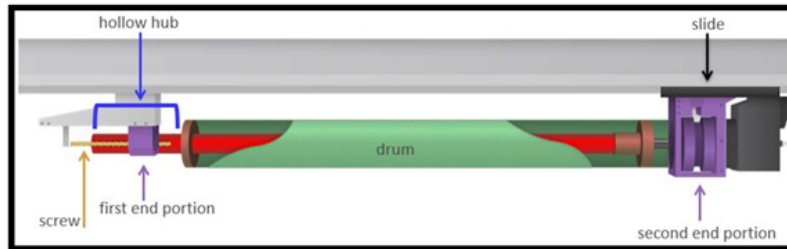
According to the patent and as shown above, a hollow drum (**green**) is attached to a base (**purple**) that slides across a carriage (**grey**) as the hollow drum and hollow hub (**blue**) rotate over the fixed screw (**yellow**) allowing the cables to wind and unwind on the hollow drum. *See* Pet. App. 2a-5a. Element (h) requires that the screw be able to go through the hollow hub and into the hollow drum in order to allow the winch to be more compact and protect the screw. Pet. App. 3a-4a, 9a-10a, 19a.

Daktronics' winch has a solid shaft running through it and thus a drum that cannot receive the screw as required by element (h). This can be seen in the following diagram that was also shown to the jury:

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7. "CA JA" refers to the joint appendix filed on appeal to the Federal Circuit.

The Vortek



Pet. App. 6a, CA JA 10961. As shown above, the solid shaft (red) blocks the screw (yellow) from entering the drum (green). Pet. App. 6a, 11a-12a.

Recognizing that Daktronics' drum cannot receive the screw, OSD had to seek a construction that would allow it to snare Daktronics' winch in its patent. So during claim construction, OSD sought a construction of element (h) that converted "the screw can move into the hollow hub to allow the hollow drum to receive the screw" to "the screw can move into the drum end cap to allow it to receive the screw." Pet. App. 80a; CA JA 00415. The hollow hub is the part of the drum end cap that receives the screw. Pet. App. 3a-5a, 9a-11a; CA JA 10933. In other words, under OSD's proposal, a winch would literally meet element (h) if the screw merely entered the hub of the winch even if it could not enter the drum.<sup>8</sup> Daktronics argued in

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8. OSD's proposed construction of "hollow hub" was "drum end cap provided with an elongated opening that allows passage of the elongated screw." CA JA 00410. OSD argued that the hollow hub was part of the drum and sought to have element (h) construed as follows: "Drum end cap and hollow drum sized such that the screw can move into the drum end cap to allow it to receive the screw as the cables unwind from or wind up on the drum." CA JA 00415.



its claim construction briefing that OSD's construction was improper, as it "drops the requirement that the drum receives the screw," and it is undisputed that the screw in Daktronics' Vortek cannot move into the drum as element (h) requires. Pet. App. 7a. The district court judge, Judge Robert Sweet, rejected OSD's proposed construction, finding that it was improper because it eliminated requirements like the hollow hub, and assigned plain and ordinary meaning to the term. Pet. App. 80a.

At trial, the parties did not agree on element (h)'s plain and ordinary meaning, with OSD advancing the same theory it did during claim construction in order to prove infringement—that the hollow hub was part of the hollow drum and that element (h) is met if the screw goes in the hollow hub—and Daktronics arguing, as it did during claim construction, that the hollow hub and hollow drum are separate components and that the screw must be able to go into both components to meet the claim. Pet. App. 29a-35a; Tr. at 56:3-8, CA JA 09250-09251, 09584-09589. At the close of OSD's case in chief, Daktronics moved for judgment as a matter of law pursuant to Rule 50(a), arguing that its winch cannot meet element (h). Pet. App. 2a, 26a n.2. The parties each presented the court their interpretation of the element's meaning discussed above. In oral argument, OSD asserted that its position was one of claim construction. Tr. at 549:1-3. Daktronics maintained its position that the correct meaning of element (h) was what it had always argued—that the plain and ordinary meaning of the term was that the hollow hub and drum were separate and that the screw had to be able to go into the hollow drum, not just the hollow hub. Tr. at 546:5-548:22. Daktronics' motion was denied without prejudice to renew and the case went to the jury. Pet. App. 2a.

The jury found that Daktronics' winch did not literally infringe OSD's patent because the four contested elements, including element (h), were not literally met, but that the four contested elements were met under the doctrine of equivalents. Pet. App. 2a. After trial, Daktronics renewed its motion for judgement as a matter of law, and each side once again presented their interpretations of the plain meaning of element (h). *See generally* Pet. App. 17a-66a. While the motion was pending, Judge Sweet died and the case was assigned to Judge George B. Daniels. In denying Daktronics' motion, Judge Daniels recognized that there was a claim construction dispute between the parties as to element (h). *See generally* Pet. App. 26a-37a. Contradicting Judge Sweet's *Markman* ruling, Judge Daniels agreed with OSD's view of element (h), finding that the hollow hub is part of the hollow drum and that the screw need only be able to pass into the hollow hub to meet element (h). *Id.* The district court found the jury had ample evidence to find the hollow hub and hollow drum are not separate components. Pet. App. 35a. In other words, Judge Daniels found the jury resolved the claim construction dispute in OSD's favor.

But this observation by the court is contradicted by the jury's findings. In oral argument for its own JMOL, OSD told the district court that under its proffered construction, element (h) would literally be met because if the screw was placed in the hollow hub, it would necessarily mean that the screw was in the hollow drum as well (under OSD's construction, the hub is part of the drum). CA JA 10029-10030. The jury, however, found element (h) was not literally met, but only present under the doctrine of equivalents. Pet. App. 2a. Thus, based on OSD's own position, there is every reason to believe

that the jury rejected OSD's proffered construction, and instead adopted Daktronics' construction. If the jury had decided the issue in OSD's favor, it follows that it would have found element (h) literally met.

Daktronics appealed to the Federal Circuit, once again arguing that the plain meaning of element (h) is that the hollow hub and hollow drum are separate components and that the screw must be able to pass into both components. Pet. App. 2a, 7a; 20-1009 Doc. 21, 28-34 (Fed. Cir. December 3, 2019). As before, Daktronics argued that an infringement finding would vitiate element (h)'s requirement that each of the hollow hub and hollow drum must be able to receive the screw. Pet. App. 2a, 7a, 11a-12a; 20-1009 Doc. 21, 28-41 (Fed. Cir. December 3, 2019). As before, OSD argued that under element (h) the two components were one and the same and that if the screw went into the hollow hub it went into the drum.<sup>9</sup> Pet. App. 10a-11a; 20-1009 Doc. 25, 36-45 (Fed. Cir. January 27, 2020).

Like Judge Daniels, the Federal Circuit recognized the parties had been fighting over the meaning of element (h) and found that due to the disagreement over the plain meaning of element (h), the district court should have construed that element prior to trial. Pet. App. 7a-8a. As the district court ultimately construed the element after the jury verdict, the Federal Circuit, applying *Markman*, considered the construction and found, as a matter of law, that the district court misconstrued the element. Pet. App. 8a-11a. Properly construed, the Federal Circuit found that the claim required that the hollow hub and hollow drum be

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9. OSD did not appeal the jury's finding that element (h) was not literally met.

separate components and that Daktronics' winch cannot, as a matter of law, infringe under the doctrine of equivalents as such a finding would render element (h) meaningless. Pet. App. 11a-12a. The Federal Circuit decision was unanimous, with Judge Lourie rendering a concurring opinion with additional comments questioning the availability of the doctrine of equivalents for four elements and noting that finding infringement where there are four equivalents is like "holding that the accused product infringes when it does not infringe." Pet. App. 14a-15a.

OSD filed a motion for reconsideration and motion for rehearing en banc, arguing, as it does here, that the panel rendered a sua sponte claim construction to overturn a lawful jury verdict. *See* 20-1009 Doc. 62, 1-39 (Fed. Cir. February 22, 2021). The Federal Circuit denied OSD's motions without dissent. Pet. App. 93a-94a.

## REASONS TO DENY CERTIORARI

### **I. This dispute is a routine claim construction issue not worthy of Supreme Court review.**

OSD does not dispute that the parties disagreed over the plain meaning of element (h). Nor does OSD claim that the Federal Circuit erred in its construction of element (h), or in its finding that Daktronics' winch does not, as a matter of law, infringe under the doctrine of equivalents. OSD's concessions show there is nothing special about this case. This was a run of the mill claim construction dispute that was resolved by the Federal Circuit as a matter of law under *Markman*.

This Court held in its *Markman* opinion that "the construction of a patent, including terms of art within

its claim, is exclusively within the province of the court.” *Markman*, 517 U.S. at 372. In 2008, the Federal Circuit issued its *O2 Micro* decision. In applying *Markman*, it held that if there is a dispute about the scope of a term it must be resolved by the court before trial. *See O2 Micro*, 521 F.3d at 1360-61 (Fed. Cir. 2008). The Federal Circuit properly applied *Markman* and *O2 Micro* in this case.

From the first time the district court considered claim construction through appeal, Daktronics and OSD consistently fought over the proper meaning of element (h). As explained above, differing views of the meaning of element (h) were raised at the claim construction stage, during trial, in the JMOL motions (both during trial and thereafter) and on appeal. *Supra.* at 8-12. Indeed, after trial, the district court expressly recognized the parties were fighting over the construction of element (h), construed the claim and found the jury had “ample evidence” to construe the claim as OSD proposed and find infringement. *See generally* Pet. App. 26a-37a.

On appeal, the Federal Circuit reviewed the claim construction issued by the district court. Pet. App. 8a-11a. It correctly did so because the jury cannot resolve a claim construction dispute under *Markman* and *O2 Micro*. As it is authorized to do under *Markman*, the Federal Circuit construed element (h) de novo in Daktronics’ favor, and then found that under that correct construction, there was no infringement under the doctrine of equivalents as a matter of law. Pet. App. 7a-12a.

In this case, the Federal Circuit simply did what this Court instructed it to do in *Markman*—resolve a claim construction dispute raised by the parties.

**II. Having no real answer to the fundamental fact that the Federal Circuit reviewed a claim construction issued by the district court, OSD instead raises a series of arguments, none of which are correct or need resolution by this Court.**

**a. OSD is wrong that *Markman* is limited to the construction of “terms of art.”**

OSD is asking this Court to rewrite its *Markman* decision. Its claim that *Markman* is limited to construing only “terms of art,” i.e. words that have specialized meaning in the field of the invention, is simply wrong. Pet. 7-8, 13. In *Markman*, this Court held that “the construction of a patent, *including* terms of art within its claim, is exclusively within the province of the Court.” *Markman*, 517 U.S. at 372 (emphasis added). This holding is not limited to terms of art, it includes terms of art. In *Markman* itself this Court held that it was proper for the district court to construe the common term “inventory,” because the parties disputed its meaning. *Markman*, 517 U.S. at 376. This Court went on to hold that claim construction by the court was not a violation of the jury’s role in determining infringement under the Seventh Amendment because relevant common-law practice at the time of the Seventh Amendment’s ratification did not support extending its jury guarantee to patent claim construction, even as to terms of art, and neither did existing precedent.<sup>10</sup> *Markman*, 517 U.S. at 384. In so

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10. “In order to ascertain the scope and meaning of the Seventh Amendment, resort must be had to the appropriate rules of the common law established at the time of the adoption of that constitutional provision in 1791” *Dimick v. Schiedt*, 293 U.S. 474, 476 (1935).

holding, this Court noted that judges, due to their training and discipline, are more likely than jurors to properly determine construction of written instruments in general, and patent claims in particular. *Id.* at 388–89.

The facts of *Markman* parallel this case. The district court and then the Federal Circuit resolved a dispute over the meaning of a claim term. There simply is no requirement that the dispute be limited to only certain types of claim terms.

**b. O2 Micro does not upend *Markman*.**

OSD claims the Federal Circuit’s *O2 Micro* decision has upended *Markman* because the Federal Circuit can now strip the jury of its Seventh Amendment fact finding role in deciding infringement. Pet. 3, 8-16. That is not what happened here. First, the Federal Circuit reviewed the district court’s claim construction and reversed it as it commonly does. Pet. App. 6a-11a. It then found as a matter of law that when applying that claim construction, Daktronics’ winch cannot infringe OSD’s patent because an infringement finding would render element (h) meaningless in contravention of settled law. Pet. App. 11a-13a. None of these actions implicate any *O2 Micro* concerns, particularly because OSD itself told the district court that its view of the meaning of element (h) involved a claim construction issue.<sup>11</sup> Tr. at 549:1-3.

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11. OSD’s reference to counsel for Daktronics’ statement at oral argument in front of the Federal Circuit that this is not a claim construction issue misses the point. All of the briefing, as well as the trial transcript, shows that a proper construction of element (h), whether couched as claim construction or defining the plain meaning, was front and center. Throughout the case the

OSD claims that district courts struggle with applying *O2 Micro*, but fails to offer meaningful case support for this assertion. Pet. 8-9. Beyond this dispute between OSD and Daktronics, OSD does not offer any other cases that show the Federal Circuit is abusing *O2 Micro* by usurping the jury's fact-finding role.

OSD cites dicta from one Eastern District of Texas case lamenting on the difficulties delineating between claim construction arguments and noninfringement arguments. Pet. 9. That dicta does not remotely qualify as evidence of a widespread problem in the ability of district courts to resolve claim construction disputes under *Markman* and *O2 Micro*.

OSD then cites the dissent in *NobelBiz, Inc. v. Glob. Connect, L.L.C.*, 876 F.3d 1326 (Fed. Cir. 2017), which argues that the Federal Circuit has not provided district courts with enough guidance on distinguishing between actual claim construction disputes, and infringement disputes masquerading as claim construction disputes. Pet. 9-10. But even if there were some validity to that concern (and there is frightfully little to support that concern, as shown below), there can be no dispute that this case simply does not raise any such concerns. As shown above, it is abundantly clear that the parties here were contesting the meaning of element (h) throughout the proceedings below. *Supra.* at 8-12. This case is simply not one where there was lack of guidance.

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parties argued over the meaning of element (h) and Daktronics' appeal was based on its argument that a finding of infringement under the DOE was inappropriate as it would vitiate that element.



OSD next states the Federal Circuit has displaced “numerous infringement decisions” under *O2 Micro* based on a dispute over the plain and ordinary meaning of a term. Pet. 10-11. But that is exactly the Federal Circuit’s job—to review claim construction as a matter of law when there is a dispute. As the Federal Circuit has consistently stated, a dispute over the plain and ordinary meaning of a term is a claim construction question that is within the province of the court to decide under *Markman*.<sup>12</sup> When such a dispute arises, it is the obligation of the court to decide it. OSD does not say why this practice is a problem. If the parties dispute the scope of a term, as it did here with respect to element (h), under *Markman*, the court must resolve that issue.

Finally, OSD states that under the auspices of *O2 Micro*, the Federal Circuit struggles to define the line between legitimate claim construction issues for the court to decide, and infringement fact issues properly for the jury to resolve. Pet. 11. OSD string cites several cases and their findings but fails to show that these cases demonstrate any such struggle. One of the cases, *Union Carbide Chems. & Plastics Tech. Corp. v. Shell Oil Co.*, 425 F.3d 1366 (Fed. Cir. 2005), even precedes *O2 Micro*.

If anything, OSD’s cases show the opposite; that the courts can very readily determine if a legal claim construction issue for court resolution is raised, or if a

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12. “. . . a district court’s duty at the claim construction stage is, simply, the one that we described in *O2 Micro* and many times before: to resolve a dispute about claim scope that has been raised by the parties.” *Eon Corp. IP Holdings v. Silver Spring Networks*, 815 F.3d 1314, 1319 (Fed. Cir. 2016) (citations omitted).

legitimate fact issue is raised.<sup>13</sup> The fact that sometimes the court identifies a claim construction issue that needs resolution, and sometimes rules that it is just a fact issue for the jury, shows that courts are quite able to make this distinction. Courts are very capable of deciding where to draw that line, and there is no need for this Court to intervene.

**c. O2 Micro does not strip the jury of its Seventh Amendment role to determine infringement.**

OSD’s argument that *O2 Micro* has expanded *Markman* to terms that have plain and ordinary meaning is wrong. Pet. 13. As noted above, in *Markman* this Court considered the court’s obligation to construe a term—

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13. See *NobelBiz, Inc. v. Glob. Connect, L.L.C.*, 876 F.3d 1326 (Fed. Cir. 2017) (reversing verdict where the district court gave disputed claim terms plain and ordinary meaning, and holding that the district court, and not the jury, was responsible for considering experts’ arguments for purposes of claim construction ); *GPNE Corp. v. Apple Inc.*, 830 F.3d 1365, 1371–73 (Fed. Cir. 2016) (finding the district court did not err in construing the term “pager” because the scope of that term was already defined in the court’s construction of the term “node”); *Summit 6, LLC v. Samsung Elecs. Co.*, 802 F.3d 1283 (Fed. Cir. 2015) (finding no error where the district court determined in claim construction that defendant’s proposed narrowing construction was unsupported, and the plain meaning of the term was clear); *ActiveVideo Networks, Inc. v. Verizon Commc’ns, Inc.*, 694 F.3d 1312 (Fed. Cir. 2012) (finding no error where district court resolved the parties’ claim construction dispute in *Markman* by rejecting defendant’s attempt to read unsupported limitations into a term and giving the term plain meaning); *Union Carbide Chems. & Plastics Tech. Corp. v. Shell Oil Co.*, 425 F.3d 1366 (Fed. Cir. 2005) (finding no claim construction dispute in a case predating *O2 Micro*).

inventory—which is a commonly understood term, and held that it is a court’s role, not the jury’s, to construe claim terms where differing constructions are advanced. *Supra.* at 12.

OSD’s attempt to prove its Seventh Amendment argument with a hypothetical fails to support its argument. OSD proposes the term “circular opening,” and states this is a term a jury can easily apply without a definition. Pet. 14. OSD says that if a product’s opening slightly deviates from being “circular,” it is the jury’s role to determine whether it still infringes. *Id.* On the other hand, OSD states that if the patent gives that term a special definition, then the Court should instruct the jury on that definition. *Id.* But that is not the issue presented here. The issue here is that claim construction is required because there was a dispute. Using OSD’s hypothetical, if a party argued the term “circular opening” excludes an oval opening, and the other party argued the term could include both a circular and oval opening, the court, not the jury, would have to resolve that dispute. That is what happened with respect to element (h).

Further, OSD manufactures an argument by arguing that when a court defines a commonly understood term by what it excludes, it risks an invasion of the jury’s role in determining infringement. Pet. 15. OSD states the Federal Circuit defined “hollow drum” by what it excluded—its end cap and hub. *Id.* But the Federal Circuit never defined “hollow drum.” The Federal Circuit construed the meaning of element (h), which recites a “hollow hub and hollow drum sized. . .” OSD’s argument about “exclusion” is completely manufactured because it did not happen.

There is another reason that this is not an appropriate case to consider Seventh Amendment issues. OSD asserts, without any record support, that the jury made a factual finding that its view of the meaning of element (h) was correct and that the Federal Circuit improperly invaded that allegedly factual finding. Pet. 15-16. A review of the record, however, does not support OSD's assertion, but instead contradicts it. As explained above, OSD told the district court that under its proffered meaning of the claim, element (h) would literally be met. CA JA 10029-10030. OSD explained that under its construction, the hub was part of the drum. *Id.* Since the screw undisputedly was in the hub, it necessarily was also literally located in the drum as well. Pet. App. 31a-34a. But the jury did not find that element (h) was literally met. Pet. App. 2a. Quite the opposite—it found no literal infringement. *Id.* Based on OSD's own assertion, the only logical explanation for the jury's finding element (h) was not literally met is that the jury rejected OSD's view of the meaning of the claim term. As a result, this case does not involve a refutation of a jury finding and no Seventh Amendment issue can possibly be implicated by this case.

**d. There was no *sua sponte* claim construction issue.**

Finally, OSD argues the panel's application of *O2 Micro* elevated a plain meaning construction into a *per se* appealable issue as neither party challenged on appeal the district court's constructions given to the jury. Pet. 17. OSD is wrong. The district court issued its claim construction of element (h) and as it routinely does, the Federal Circuit reviewed that construction. Moreover, both parties argued their respective positions

on the proper meaning of this element to support their infringement and non-infringement positions. Pet. App. 10a-11a; 20-1009 Doc. 21, 28-34 (Fed. Cir. December 3, 2019); 20-1009 Doc. 25, 36-45 (Fed. Cir. January 27, 2020). The proper interpretation of element (h) was squarely before the Federal Circuit, and the Federal Circuit resolved it. Nothing about what the Federal Circuit did was *sua sponte*.

### **III. This case is not the proper vehicle to address *O2 Micro*.**

Even if, in theory, OSD raised an issue worthy of consideration for this Court, this case does not raise that issue and is not the proper vehicle to decide it. In this case, the parties presented different constructions of element (h) throughout the case, including different positions of the plain and ordinary meaning of element (h) at trial. *Supra.* at 8-12. After the jury verdict, the district court recognized that a claim construction issue was presented, and the court resolved it by adopting OSD's proffered construction and concluding the jury had "ample evidence" to make that same finding. *See generally* Pet. App. 26a-37a. On appeal, the Federal Circuit reviewed that claim construction dispute *de novo* and resolved it. Pet. 7a-13a. That was standard procedure and thus, this is not the type of case to explore limitations on *Markman*, whether guidance on the meaning of *O2 Micro* is needed or whether Seventh Amendment concerns should be considered.

There is a second reason that this case is not a proper vehicle. The only unusual aspect of this case is that infringement was found based on a jury finding

of equivalents on *four separate* elements of claim 27. As Judge Lourie explained in his concurring opinion, any conclusion of infringement based on four findings of equivalents would be “unprecedented” and “make a mockery of claims.” Pet. App. 15a.

### CONCLUSION

This case presents a basic claim construction dispute. OSD attempted to give a tortured meaning to a clear element in the hope of ensnaring Daktronics’ winch and obtain an infringement finding. While the jury and district court did not see through OSD’s shenanigans, the Federal Circuit did. As Judge Lourie wrote in addressing OSD’s request that the Federal Circuit reverse the district court and find Daktronics a willful infringer, “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.” Pet. App. 16a. Asking this Court to reverse the Federal Circuit’s application of established law may be enough to win that award.

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