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I P NEWS**By Jeffrey Ginsberg and
Matthew Weiss****FEDERAL CIRCUIT:
THE DOCTRINE OF
EQUIVALENTS
IS NOT A BINARY CHOICE**

On March 9, 2021, a Federal Circuit panel of Judges Newman, Moore, and Hughes issued a unanimous opinion, authored by Judge Moore, in *Edgewell Personal Care Brands, LLC v. Munchkin, Inc.*, Case No. 2020-1203. The panel vacated the Central District of California's grant of summary judgment of noninfringement on one patent, reversed the judgment of noninfringement of a second patent, and remanded for further proceedings. Slip Op. at 13.

Edgewell Personal Care Brands, LLC and International Refills Company, Ltd. (Edgewell) sued Munchkin, Inc. (Munchkin) for

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infringement of U.S. Patent Nos. 8,899,420 (the '420 Patent) and 6,974,029 (the '029 Patent). Both the '420 and '029 patents are directed to improved cassette designs for Edgewell's Diaper Genie product, "which is a diaper pail system that has ... (i) a pail for collection of soiled diapers; and (ii) a replaceable cassette that is placed inside the pail and forms a wrapper around the soiled diapers." *Id.* at 2. The accused products, "Munchkin's Second and Third Generation refill cassettes" were "marketed as being compatible with Edgewell's Diaper Genie" products. *Id.*

The '420 Patent claims a cassette with a "clearance" that "prevents users from installing [it] upside down." *Id.* at 3. At summary judgment, the parties' "dispute focused on whether the claims required a clearance space ... when the cassette was installed." *Id.* at 4. The district court concluded that clearance "required space after cassette installation" and "[b]ased on that construction ... granted Munchkin summary judgment of noninfringement." *Id.*

On appeal, Munchkin first argued that the Federal Circuit "cannot review the court's summary

judgment claim construction because it [was] the same as the district court's original construction of 'clearance,' which Edgewell d[id] not dispute on appeal." *Id.* at 5 The Federal Circuit rejected Munchkin's argument, explaining that the district court's "summary judgment order resolved a further claim construction dispute between the parties." *Id.* The district court's "clarification ... constitute[d] a separate claim construction subject" to review. *Id.* The Federal Circuit then concluded "that the district court erred by adding this limitation into its construction." *Id.* at 7. As a result, the court vacated the grant of summary judgment and remanded. *Id.* at 5.

The '029 Patent claims a cassette with a cover that includes a "tear-off" section. *Id.* at 7. The district court construed the terms "annular cover" and "tear-off outwardly projecting section" as requiring a single-part cover, but Munchkin's accused products "each include a two-part cover." *Id.* at 8-9. Following construction, "Edgewell limited its infringement allegation ... to the doctrine of equivalents." *Id.* at 9. The district court, however, granted summary judgment of noninfringement, determining "that

no reasonable jury could find [the accused products] satisfy the '029 patent's annular cover and tear-off section limitations under the doctrine of equivalents because that would effectively vitiate the tear-off section limitation." *Id.* at 9.

On appeal, Edgewell argued that the district court erred in its constructions and "in holding that the doctrine of equivalents would vitiate the claim elements." *Id.* The Federal Circuit found that the district court correctly construed the terms-at-issue but determined that it "erred in granting summary judgment of noninfringement" based on vitiating. *Id.* at 10. As the court explained, the "vitiating doctrine ensures the application of the doctrine of equivalents does not effectively eliminate" a claim element. "Vitiating is not an exception or threshold determination that forecloses resort to the doctrine of equivalents ... [it] is instead a legal conclusion of a lack of equivalence based on the evidence presented and the theory of equivalence asserted." *Id.* at 10-11 (internal citations omitted). It is error to "shortcut this inquiry by identifying a binary choice in which an element is either present or not present." *Id.* at 11 (internal citations omitted).

Ultimately, the Federal Circuit concluded that "the district court erred in evaluating this element as a binary choice between a single-component structure and a multi-component structure, rather than evaluating the evidence to determine whether a reasonable juror could find that the accused products perform substantially the

same function, in substantially the same way, achieving substantially the same result as the claims." *Id.* at 11. Edgewell's expert's "detailed application of the function-way-result test, supported by deposition testimony from Munchkin employees, [wa]s sufficient to create a genuine issue of material fact for the jury to resolve and, therefore, is sufficient to preclude summary judgment of noninfringement under the doctrine of equivalents." *Id.* at 13. The Federal Circuit reversed the judgment of noninfringement and remanded for further proceedings. *Id.*

**FEDERAL CIRCUIT:
NO ESTOPPEL FOR PARTY
THAT JOINED IPR**

On March 9, 2021, a Federal Circuit panel of Judges Lourie, Wallach, and Chen issued a unanimous opinion, authored by Judge Chen, in *Uniloc 2017 LLC v. Facebook Inc.*, Case Nos. 2019-1688, 2019-1689. The Federal Circuit considered Uniloc 2017 LLC's (Uniloc) appeal from two consolidated *inter partes* review (IPR) decisions of the Patent Trial and Appeal Board (Board) finding 18 claims unpatentable as obvious. Slip Op. at 2. It also considered "whether 35 U.S.C. §314(d)'s 'No Appeal' provision bars [the Federal Circuit's] review of the Board's conclusion that under §315(e)(1) a petitioner is not estopped from maintaining the IPR proceedings before it." *Id.* The panel concluded that it could review the decision, the Board did not err in finding no estoppel, and cancellation of the challenged claims was appropriate. *Id.*

Uniloc owns U.S. Patent No. 8,995,433 (the '433 Patent), which is directed to "a system and method for enabling local and global instant [VoIP] messaging over an IP network." *Id.* at 3. On May 11, 2017, Facebook filed two IPR petitions challenging claims of the '433 Patent. *Id.* at 4. The first petition challenged claims 1-8, and the second petition challenged certain other claims. *Id.* at 4-5. Apple Inc. (Apple) had previously filed a petition challenging the '433 Patent. *Id.* at 5. On June 16, 2017, Facebook filed a third petition — substantively identical to Apple's IPR petition — challenging claims 1-6 and 8 (but not claim 7) and moved to join the Apple IPR. *Id.* On Sept. 11, 2017, LG Electronics Inc. (LG) filed its own IPR petitions — substantively identical to Facebook's first two petitions — and moved to join each of Facebook's petitions. *Id.* The Board instituted Facebook's first and second petitions and granted Facebook's motion to join the Apple IPR. *Id.* at 5-6.

The Board anticipated "the possibility of a statutory estoppel issue arising under 35 U.S.C. §315(e)(1)" and ordered the parties to "'brief the applicability ... of 35 U.S.C. §315(e)(1)' against Facebook, in light of the anticipated ... final written decision for the Apple IPR, to which Facebook was a joined party." *Id.* at 6. Facebook "argued that it should not be estopped from challenging the patentability of any claim upon the issuance of a final written decision in the Apple IPR, but even if the Board found it estopped, [it] should at least continue as a

petitioner [] against claim 7, which was never challenged in the Apple IPR.” *Id.* It further argued that, if LG was joined to the IPR, the IPR should proceed whether or not Facebook was estopped because “LG was not a party in the Apple IPR.” *Id.* Uniloc disagreed arguing that Facebook and LG should be estopped as to all claims challenged in the first Facebook IPR. *Id.* The Board granted LG’s motion to join Facebook’s petitions. Subsequently, the Board issued a final written decision in the Apple IPR upholding the patentability of all challenged claims. *Id.* at 7. It then dismissed Facebook from its first IPR for claims 1-6 and 8 — but not 7 — finding it estopped because it was a party to the Apple IPR, which addressed those claims, and resulted in a final written decision. The Board further concluded that the “dismissal of Facebook ... does not limit LG’s participation in any way” and allowed LG “to assume the role of challenger as to all claims.” *Id.* In a subsequent final written decision, the Board cancelled the challenged claims. Uniloc sought rehearing, and upon denial, appealed. *Id.* at 7-8.

On appeal, Uniloc argued that “(1) the Board erred in finding that LG [wa]s not estopped from challenging claims 1-8 in view of its purported relationship with Facebook as a[] [real party-in-interest (“RPI”)] or privy; (2) the Board erred in finding that Facebook is not estopped from challenging claim 7,” and (3) the Board erred in its unpatentability determinations. *Id.* at 9. The Federal Circuit rejected Uniloc’s arguments.

First, Uniloc argued “that because Facebook [wa]s estopped by the Apple IPR final written decision from maintaining a challenge to those claims in [the subsequent] proceeding ... LG, as an alleged ‘real party in interest or privy of the petitioner’ likewise is estopped from maintaining th[e] same challenge per §315(e)(1).” *Id.* at 10. As a preliminary matter, the court considered “whether 35 U.S.C. §314(d) statutorily precludes judicial review” of the Board’s estoppel decision. *Id.* The Federal Circuit found it had authority to review, explaining that while the Patent Office’s institution determination is “final and nonappealable,” Supreme Court and Federal Circuit precedent support review here, where the question of estoppel arose after institution. *Id.* at 10-11, 14.

The Federal Circuit then rejected Uniloc’s argument that LG was a privy or RPI of Facebook. Uniloc argued that “LG is an RPI or privy of Facebook because it ‘agreed to be bound by the determination of issues in the ... proceeding below ... and exerted control over substantive filings and oral argument.” *Id.* at 16. But the court found that “just because LG expressed an interest in challenging the ’433 patent’s patentability, through its filing of its own IPR petition and joinder motion, does not by itself make LG an RPI to Facebook’s IPR.” *Id.* There was no evidence of LG or Facebook exercising control over the other party. *Id.* Further, “nothing in the record suggest[ed] that Facebook recruited LG to join as a party to the Facebook IPR.” *Id.* Because the Federal Circuit saw “no evidence ...

that LG [wa]s acting ‘as a proxy .. to relitigate the same issues” and had no “preexisting, established relationship’ that indicates coordination,” it rejected Uniloc’s argument that Facebook and LG were RPIs or privies. *Id.* at 16-17. The “mere fact that the Board procedurally required LG and Facebook to consolidate their arguments and evidence in combined filings in this proceeding does not, without more, make them privies of each other such that one petitioner automatically loses its rights to assert its challenge once the other petitioner loses its rights through estoppel.” *Id.* at 18.

The Federal Circuit also rejected Uniloc’s argument that Facebook should have been estopped from challenging claim 7 in its first IPR. It explained that “[s]ection 315 explicitly limits the estoppel to the claims previously challenged.” *Id.* at 20. “[T]hat claim 7 was not at issue in the Apple IPR [wa]s enough to conclude that Facebook may challenge it here.” *Id.* After rejecting Uniloc’s remaining arguments, the court affirmed the Board’s findings of unpatentability. *Id.* at 20-25.

