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UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK

CHIKEZIE OTTAH, Plaintiff, -v.- VERIFONE
SYSTEM INC., Defendant.

21 Civ. 9645 (AT) (GWG)

June 21, 2022, Filed

June 21, 2022, Decided

Chikezie Ottah, Plaintiff, Pro se, Elmont, NY.

GABRIEL W. GORENSTEIN, United States
Magistrate Judge.

GABRIEL W. GORENSTEIN

**REPORT &
RECOMMENDATION**

**GABRIEL W. GORENSTEIN, United States
Magistrate Judge**

Plaintiff Chikezie Ottah filed this action alleging

that defendant Verifone System Inc. ("Verifone")¹ infringed his rights in **United States Patent No. 7,152,840** ("the '840 Patent"). See Complaint, filed Nov. 22, 2021 (Docket # 1) ("Comp."). Before the Court is Verifone's motion to dismiss.² For the following reasons, Verifone's motion should be granted.

Background

On December 26, 2006, the '840 Patent was issued to Ottah and two other inventors. See '840 Patent, annexed as Ex. 1 to Chang Decl., at 1. The '840 Patent consists of a single claim, which is as follows:

1. A book holder for removable attachment, the book holder comprising: a book support platform, the book support platform comprising a front surface, a rear surface and a plurality of clamps, the front surface adapted for supporting a book, the plurality of clamps disposed on the front surface to engage and retain the book to the book support platform, the rear surface separated from the front surface;

a clasp comprising a clip head, a clip body and a pair of resilient clip arms, the clip arms adjustably mounted on the clip head, the clip head attached to the clip body; and

an arm comprising a first end and a second end and a telescoping arrangement, the clasp on the first end, the second end pivotally

attached to the book support platform, the telescoping arrangement interconnecting the first end to the second end, the clasp spaced from the book support platform wherein the book holder is removably attached and adjusted to a reading position by the telescoping arrangement axially adjusting the spaced relation between the book support platform and the clasp and the pivotal connection on the book support platform pivotally adjusting the front surface with respect to the arm.

See *id.* at 8. The specification of the '840 Patent states that "[t]he prior art does not accommodate easy and quick attaching the book support onto a structure for mobile use," and emphasizes that the '840 Patent addresses the "need for an improved Book Holder that is quickly and easily clipped to a mobile vehicle such as a wheelchair or stroller for holding the book in a reading position." *Id.* at 6.

Since the '840 Patent was issued, Ottah has filed several patent infringement actions in this district, each of which alleged an infringement of the '840 Patent, and each of which resulted in a finding of non-infringement. See *Ottah v. Verizon Servs. Corp.*, [2020 BL 265869], 2020 WL 4016739, at *1 (S.D.N.Y. July 16, 2020), appeal dismissed, [2020 BL 522360], 2020 WL 8615623 (Fed. Cir. Nov. 30, 2020); *Ottah v. Nat'l Grid*, [2020 BL 157822], 2020 WL 2543105, at *1 (S.D.N.Y. Apr. 27, 2020), adopted, [2020 BL 186471], 2020 WL 2539075 (S.D.N.Y. May 19, 2020); *Ottah v. BMW*, 230 F. Supp. 3d 192, 194 (S.D.N.Y. 2017), *aff'd*, 884 F.3d 1135 (Fed. Cir. 2018); *Ottah v. First Mobile Techs.*, [2012 BL

447462], 2012 WL 527200, at *1 (S.D.N.Y. Feb. 17, 2012). In September 2011, Ottah filed one such action against Verifone. See *Ottah v. VeriFone Sys., Inc.*, 11 Civ. 6187 (filed Sept. 2, 2011).

That lawsuit was resolved [*2] in Verifone's favor when the court granted summary judgment for Verifone on Ottah's claim that "VeriFone's fixed mounts for electronic displays in New York City taxicabs infringe" the '840 Patent. *Ottah v. VeriFone Sys., Inc.*, [2012 BL 322896], 2012 WL 4841755, at *1 (S.D.N.Y. Oct. 10, 2012), *aff'd*, 524 F. App'x 627 (Fed. Cir. 2013). In its decision, the court first reviewed the '840 Patent, finding that the patent's "sole claim consists of commonly understood words, such as 'a book holder,' 'for removable attachment,' 'a clasp,' and 'an arm.'" *Id.* at *2. The Court then concluded that Verifone's mounts did "not contain (at least) several of the limitations in the '840 Patent claim, including '[a] book holder for removable attachment'; '[a] plurality of clamps disposed on the front surface to engage and retain the book'; [and] '[a] clasp spaced from the book support platform wherein the book holder is removably attached.'" *Id.* Instead, Verifone's mounts were "anything but removable," as they were "riveted in place to the taxi's partition or seat" to discourage tampering and stealing of electronic displays," and were not "easily and removably attached" as in the '840 Patent. *Id.* at *3. Accordingly, the court concluded that the Verifone mounts did not "literally infringe" the '840 Patent.³ *Id.*

Next, the court concluded that Ottah was estopped from arguing that Verifone's mounts infringed the '840 Patent under the doctrine of equivalents. See *id.* The court explained that, in prosecuting the '840 Patent, Ottah had argued

that "quick removal and attachment without tools" is what rendered his invention nonobvious in light of the prior art. *Id.* Under the doctrine of prosecution history estoppel, "because Ottah previously argued that the defining characteristic of his book holder is its 'quick removal and attachment without tools,'" he could not "now claim that the permanent rivet attachments of the VeriFone mounts are 'equivalent' to the limitations described in the '840 Patent." *Id.* Accordingly, the court granted summary judgment for Verifone. *Id.* at *4.

Ottah appealed the trial court's decision to the Federal Circuit, which affirmed. *Ottah v. VeriFone Sys., Inc.*, [524 F. App'x 627](#) (Fed. Cir. 2013). The Federal Circuit reasoned that the '840 Patent was clear in describing a "removable mounting," whereas "the accused Verifone mounts are riveted in place and cannot be removed without tools," which "foreclose[d] a finding of literal infringement." *Id.* at 629. The Federal Circuit also affirmed the trial court's determination that Ottah could not rely on the doctrine of equivalents because "[d]uring prosecution, in response to a prior art rejection, Ottah emphasized that the patentability of the '840 patent's claim was based on the removable nature of the mount." *Id.* at 629-30. In 2015, Ottah filed a motion to re-open the case, reiterating his claims that the '840 Patent was violated. See Motion to Re-Open, dated Feb. 18, 2015, annexed as Ex. 15 to Chang Decl. Ottah's motion was denied because he failed to articulate any new facts or arguments that would justify reopening the case. See Order, dated April 1, 2015, annexed as Ex. 16 to Chang Decl.

Several years later, on November 22, 2021, Ottah filed the instant action. [*3] See Comp. Ottah's complaint is difficult to comprehend and

does not identify the allegedly infringing product with a high degree of specificity. He describes the defendant's device as "a book/technology holder." *Id.* at *38. He alleges that he "observed the use" of this product "in a New York Taxi 2017." *Id.* at *5. Pictures included with Ottah's filings reflect that the allegedly infringing device is a mounted computer screen installed into the back of an automobile seat. See *id.* at *29; Pl. Mem. at 12-16.

Governing Law

"To survive a motion to dismiss, a complaint must contain sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face.'" *Ashcroft v. Iqbal*, [556 U.S. 662](#), [678](#) (2009) (quoting *Bell Atl. Corp. v. Twombly*, [550 U.S. 544](#), [570](#) (2007)). A claim is plausible if the well-pleaded factual allegations of the complaint, presumed true, permit the court to "draw the reasonable inference that the defendant is liable for the misconduct alleged." *Id.* (citing *Twombly*, [550 U.S. at 556](#)). "A court may consider a [claim preclusion] defense on a [Rule 12\(b\)\(6\)](#) motion to dismiss when the court's inquiry is limited to the plaintiff's complaint, documents attached or incorporated therein, and materials appropriate for judicial notice." *TechnoMarine SA v. Giftports, Inc.*, [758 F.3d 493](#), [498](#) (2d Cir. 2014). "The burden is on the party seeking to invoke [claim preclusion] to prove that the doctrine bars the second action." *Brown Media Corp. v. K&L Gates, LLP*, [854 F.3d 150](#), [157](#) (2d Cir. 2017) (quoting *Comput. Assocs. Int'l v. Altai, Inc.*, [126 F.3d 365](#), [369](#) (2d Cir. 1997)).

Under the doctrine of claim preclusion, "a judgment on the merits in a prior suit bars a second suit involving the same parties or their privies based on the same cause of action."

Parklane Hosiery Co. v. Shore, [439 U.S. 322](#) , [326 n.5](#) (1979). Invoking the doctrine requires a party to show that "(1) the previous action involved an adjudication on the merits; (2) the previous action involved the plaintiffs or those in privity with them; (3) the claims asserted in the subsequent action were, or could have been, raised in the prior action." *Monahan v. New York City Dep't of Corr.*, [214 F.3d 275](#) , [285](#) (2d Cir. 2000); accord *Brodsky v. N.Y.C. Campaign Fin. Bd.* by Weisman, [796 F. App'x 1](#) , [3](#) (2d Cir. 2019) (summary order).

Claim preclusion may be applied in disputes over patent infringement and invalidity. *Rates Technology Inc. v. Speakeasy, Inc.*, [685 F.3d 163](#) , [169](#) (2d Cir. 2012). Because a determination of "[w]hether two claims of infringement constitute the same claim or cause of action is an issue particular to patent law," Federal Circuit law applies. See *Brain Life, LLC*, [746 F.3d at 1052](#) . To determine whether the same cause of action is present for purposes of claim preclusion in the patent infringement context, the Federal Circuit considers two factors: (1) "whether the same patents are involved in both suits" and (2) whether the accused "products or processes" in the suits are "essentially the same." In *re PersonalWeb Techs. LLC*, [961 F.3d 1365](#) , [1375](#) (Fed. Cir. 2020).

As the Federal Circuit held in *In re PersonalWeb Techs.*,

under well-settled principles of claim preclusion, different arguments or assertions in support of liability do not all constitute separate claims. See [*Foster v. Hallco Mfg. Co., Inc.*, [947 F.2d 469](#) , [478](#) (Fed. Cir. 1991)].

Regardless of the number of substantive theories available to a party [*4] and regardless of the differences in the evidence needed to support each of those theories, a party may not split a single claim into separate grounds of recovery and raise those separate grounds in successive lawsuits. See *Mars Inc. v. Nippon Conlux Kabushiki-Kaisha*, [58 F.3d 616](#) , [619](#) (Fed. Cir. 1995); Restatement § 24 cmt. a. Rather, the party must raise in a single lawsuit all the grounds of recovery arising from a particular transaction that it wishes to pursue. *Mars*, [58 F.3d at 619](#) .

Id. ⁴

Discussion

Claim preclusion applies here because Ottah advances the same infringement claim that this Court previously adjudicated in *VeriFone Sys.* , which found no infringement of the '840 Patent and granted summary judgment to Verifone. First, that decision was an adjudication on the merits as "courts have recognized that a grant of summary judgment, even if not completely disposing of the action and resulting in a final judgment, has a sufficient degree of finality so as to constitute an 'adjudication on the merits.'" *Humbles v. Reuters Am., Inc.*, [[2006 BL 93785](#)], 2006 WL 2547069 , at *8 (E.D.N.Y. Aug. 31, 2006) (citing *Lummus Co. v. Commonwealth Oil Ref. Co.*, [297 F.2d 80](#) , [89](#) (2d Cir. 1961)). Second, this matter has the same plaintiff, as well as the same defendant, as in *VeriFone Sys.* : Ottah and Verifone, respectively. Finally, the complaint gives every indication that the devices

are the same for purposes of Verifone's invocation of claim preclusion. "Accused devices are essentially the same where the differences between them are . . . unrelated to the limitations in the claim of the patent." *Acumed LLC v. Stryker Corp.*, [525 F.3d 1319](#) , [1324](#) (Fed. Cir. 2008) (punctuation omitted). In both the prior suit and the instant suit, the Verifone products at issue consist of fixed mounts installed in taxicabs, and the record does not indicate any features distinguishing them from one another. Also, Ottah's opposition argues only that the original suit was incorrectly decided, not that there is any difference in the products. See Pl. Mem. at 1 ("the verifone court, claim construction 524[F. App'x at] 629-630 was wrong"); *id.* at 12 (noting an "erro[r] in the claim construction by the district court" and that "[t]he court prior ruling on removal without tool will stand"). Thus, there is no apparent dispute that the Verifone products that are the subject of the current suit are "essentially the same" as the products in the original suit on the key issue of removability. In *re PersonalWeb Techs.*, [961 F.3d at 1375](#) . Accordingly, each element of claim preclusion is established.

Ottah's opposition brief does nothing to address the application of the doctrine of claim preclusion, even though it was raised as the first point in Verifone's brief, see Def. Mem. at 8-10. Instead, Ottah's brief reiterates his belief as to the merits of his patent infringement claim. The same is true of Ottah's complaint, which appears to acknowledge prior unfavorable adjudications of his claims of patent infringement. See Comp. at *9. Ottah states that he "learned and respectfully state that the ruling from the lower courts like case number 1.15 cv.02465 LTS, and 11-cv. 06187 [referring to the original suit] contradict US 840 in technology and tools also

citing or relying [***5**] on US patent 4/201,013 was wrongful." *5* *Id.* Ottah argues that "the ruling of the lower courts on standard review or De novo standard relying on incomplete claim construction is unfair and unjust," and argues that "where justice is concern the court have overruled its prior decisions." *Id.* at *16; see also Pl. Mem. at 12 ("The court prior ruling on removal without tool will stand"). Thus, Ottah's apparent defense here is that the Court's prior ruling was wrong and he has brought this lawsuit to have it overturned.

We thus conclude that the doctrine of claim preclusion applies.

Conclusion

For the foregoing reasons, Verifone's motion to dismiss the complaint (Docket # 26) should be granted.

PROCEDURE AND RECOMMENDATION FOR FILING OBJECTIONS TO THIS REPORT

Pursuant to [28 U.S.C. § 636\(b\)\(1\)](#) and [Rule 72\(b\) of the Federal Rules of Civil Procedure](#) , the parties have fourteen (14) days (including weekends and holidays) from service of this Report and Recommendation to file any objections. See also [Fed. R. Civ. P. 6\(a\)](#) , [\(b\)](#) , [\(d\)](#) . A party may respond to any objections within 14 days after being served. Any objections and responses shall be filed with the Clerk of the Court. Any request for an extension of time to file objections or responses must be directed to Judge Torres. If a party fails to file timely objections, that party will not be permitted to raise any objections to this Report and

Recommendation on appeal. See *Thomas v. Arn*, **474 U.S. 140** (1985); *Wagner & Wagner, LLP v. Atkinson, Haskins, Nellis, Brittingham, Gladd & Carwile, P.C.*, **596 F.3d 84**, **92** (2d Cir. 2010).

Dated: June 21, 2022

New York, New York

/s/ Gabriel W. Gorenstein

GABRIEL W. GORENSTEIN

United States Magistrate Judge

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The parties' filings use both "Verifone" and "VeriFone" to refer to the defendant. We refer to defendant as "Verifone" except when quoting a source that does otherwise.

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See Motion to Dismiss, filed Mar. 14, 2022 (Docket # 26); Declaration of Carolyn C. Chang in Support of Motion to Dismiss, filed Mar. 14, 2022 (Docket # 27) ("Chang Decl."); Memorandum of Law in Support of Motion to Dismiss, filed Mar. 14, 2022 (Docket # 28) ("Def. Mem."); Plaintiff's Reply to Defendant's Motion to Dismiss, filed Mar. 25, 2022 (Docket # 31) ("Pl. Mem."); Reply Memorandum in Support of Motion to Dismiss, filed Apr. 8, 2022 (Docket # 33).

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The fact that the allegedly infringing product is not readily removable has been the basis for each of the unfavorable adjudications of Ottah's patent infringement claims. See *National Grid*, [2020 BL 157822], 2020 WL 2543105, at *11-13 (reviewing Ottah's litigation history and the repeated rejection of his claims based on removability); *BMW*, **230 F. Supp. 3d at 196-98**; *First Mobile*, [2012 BL 447462], 2012 WL 527200, at *5-7.

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There is a separate doctrine, named after the Supreme Court's decision in *Kessler v. Eldred*, **206 U.S. 285** (1907), that allows a "non-infringer to avoid repeated harassment for continuing its business as usual post-final judgment in a patent action where circumstances justify that result." In *re PersonalWeb Techs.*, **961 F.3d at 1376**. The *Kessler* doctrine "extends to protect any products as to which the manufacturer established a right not to be sued for infringement." *Id.* at 1379; accord *SpeedTrack, Inc. v. Off. Depot, Inc.*, **791 F.3d 1317**, **1323** (Fed. Cir. 2015) ("a party who obtains a final adjudication in its favor obtains 'the right to have that which it lawfully produces freely bought and sold without restraint or interference'" (quoting *Rubber Tire Wheel Co. v. Goodyear Tire & Rubber Co.*, **232 U.S. 413**, **418** (1914))); *Brain Life*, **746 F.3d at 1056** (the *Kessler* doctrine permits an adjudicated non-infringer "to continue the same activity in which it engaged prior to the infringement allegations once it has defeated those contentions in the first

suit." (punctuation omitted)). We do not find it necessary to apply the Kessler doctrine to this suit given that it is barred by claim preclusion for the reasons stated below.

The case number 11-cv-6187 corresponds to Ottah's previous unsuccessful action against Verifone, on which Verifone's argument for claim preclusion relies.

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General Information

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| Case Name | Ottah v. Verifone Sys. Inc. |
| Court | U.S. District Court for the Southern District of New York |
| Date Filed | Tue Jun 21 00:00:00 EDT 2022 |
| Judge(s) | Gabriel W. Gorenstein |
| Parties | CHIKEZIE OTTAH, Plaintiff, -v.- VERIFONE SYSTEM INC., Defendant. |
| Topic(s) | Patent Law |