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6                                   IN THE UNITED STATES DISTRICT COURT  
7                                   FOR THE DISTRICT OF ARIZONA

9 James Jeffrey Caron; Spellbinders Paper  
10 Arts Company, LLC,

11                                   Plaintiffs,

12 vs.

13 Lifestyle Crafts, LLC,

14                                   Defendant.

No. CV-12-00124-PHX-NVW

**ORDER**

15           On November 13, 2012, the Court entered judgment in *Caron, et al. v. QuicKutz*  
16 *Inc.*, No. CV09-2600-PHX-NVW (Doc. 211), adjudicating that U.S. Patent No.  
17 7,469,634 is unenforceable due to the inequitable conduct of Plaintiffs James Jeffrey  
18 Caron and Spellbinders Paper Arts Company, LLC. Plaintiffs were ordered to show  
19 cause why judgment should not be entered in favor of Defendant and against Plaintiffs in  
20 this action. In their response, Plaintiffs acknowledged that entering judgment of  
21 unenforceability in this action is appropriate under the doctrine of collateral estoppel.  
22 (Doc. 57.)

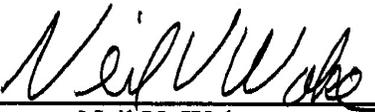
23           In patent actions, collateral estoppel bars a patentee from asserting patent claims  
24 against a defendant if those claims have been held invalid in a previous infringement  
25 action against a different defendant and the patentee had a fair opportunity to pursue its  
26 claim the first time. *Blonder-Tongue Labs., Inc. v. Univ. of Ill. Found.*, 402 U.S. 313,  
27 332-33 (1971). This rule applies to prior determinations of unenforceability as well.  
28 *General Electro Music Corp. v. Samick Music Corp.*, 19 F.3d 1405, 1413 (Fed. Cir.

1 1994). Therefore, this action will be dismissed because U.S. Patent No. 7,469,634 was  
2 previously determined to be unenforceable due to the inequitable conduct of Plaintiffs  
3 James Jeffrey Caron and Spellbinders Paper Arts Company, LLC, and Plaintiffs had fair  
4 opportunity to pursue its claim in *Caron, et al. v. QuicKutz Inc.*, No. CV09-2600-PHX-  
5 NVW.

6 In addition, Defendant urges the Court to dismiss this action as a sanction for  
7 discovery misconduct by Plaintiffs based on findings made in *Caron et al. v. QuicKutz*  
8 *Inc.*, No. CV09-2600-PHX-NVW (Doc. 210). The Court declines to do so.

9 IT IS THEREFORE ORDERED that judgment is entered in the form of the  
10 separate judgment filed herewith. The Clerk shall terminate this case.

11 Dated this 3rd day of December, 2012.

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15 Neil V. Wake  
16 United States District Judge  
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