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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

NEIL MINTZ, *et al.*,
Plaintiffs,
v.
DIETZ & WATSON, INC., *et al.*,
Defendants.

AND RELATED COUNTERCLAIMS.

Civil No. 05cv1470 L(CAB)
and related Civil No. 05cv2200 L(CAB)

**ORDER GRANTING
DEFENDANT’S MOTION FOR
SUMMARY JUDGMENT ON
INVALIDITY [doc. #182] DENYING
PLAINTIFFS’ MOTION FOR
SUMMARY JUDGMENT ON
VALIDITY [doc. #178]; GRANTING
DEFENDANT’S MOTION RE:
NONINFRINGEMENT AND
DENYING PLAINTIFFS’ MOTION
RE: INFRINGEMENT [doc. #180];
and DIRECTING ENTRY OF
JUDGMENT**

Currently pending are the parties’ cross motions for summary judgment seeking to find the patent-at-issue valid or invalid on the ground of obviousness; and to find whether defendant infringed or did not infringe the patent. The motions were fully briefed and oral argument held on the issue of the validity of the patent.

A. SUMMARY JUDGMENT STANDARD

Summary adjudication is appropriate when “the pleadings, depositions, answers to interrogatories, and admissions on file, together with affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.” FED. R. CIV. P. 56(c). When “the moving party for summary judgment meets its

1 initial burden of identifying for the court those portions of the materials on file that it believes
2 demonstrate the absence of any genuine issues of material fact, the burden of production then
3 shifts so that the non-moving party must set forth, by affidavit or as otherwise provided in Rule
4 56, specific facts showing that there is a genuine issue for trial.” *See T.W. Elec. Service, Inc., v.*
5 *Pac. Elec. Contractors Ass'n*, 809 F.2d 626, 630 (9th Cir.1987) (citing *Celotex Corp. v. Catrett*,
6 477 U.S. 317 (1986)). In considering evidence at the summary judgment stage, the Court does
7 not make credibility determinations or weigh conflicting evidence, and draws all inferences in
8 the light most favorable to the non-moving party. *See id.* at 630-31 (citing *Matsushita Elec.*
9 *Indus. Co., Ltd. v. Zenith Radio Corp.*, 475 U.S. 574, 106 S.Ct. 1348, 89 L.Ed.2d 538 (1986)).

10 **B. MOTIONS CONCERNING VALIDITY/INVALIDITY**

11 The parties dispute whether the ‘148 patent is valid. An issued patent is entitled to the
12 presumption of validity and therefore, invalidity must be established by clear and convincing
13 evidence. *See Takeda Chem. Indus., Ltd. v. Alphapharm Pty., Ltd.*, 492 F.3d 1350, 1355 (Fed.
14 Cir. 2007); *Oakley, Inc. v. Sunglass Hut Int’l*, 316 F.3d 1331, 1339 (Fed. Cir. 2003). Contrary to
15 plaintiffs’ assertion, invalidity does not require a higher level of proof; however, a challenger's
16 burden to show invalidity is more difficult to satisfy when prior art references have been
17 presented to the PTO. *Bausch & Lomb, Inc. v. Barnes-Hind/Hydrocurve, Inc.*, 796 F.2d 443,
18 447 (Fed. Cir. 1986).

19 **1. Background**

20 In seeking to invalidate the ‘148 patent, defendant argues that the patent is obvious.¹ A
21 patent is considered obvious if the differences between it and the prior art are such that the
22 subject matter as a whole would have been obvious at the time the invention was made to a
23 person having ordinary skill in the art. 35 U.S.C. § 103(a).

24 “Obviousness is a question of law based on underlying findings of fact.” *In re Kubin*, 561
25 F.3d 1351, 1355 (Fed. Cir. 2009). Even though there are factual issues underlying the ultimate
26

27 ¹ In their motion for summary judgment, plaintiffs address invalidity not only from
28 an obviousness standpoint but also under anticipation and indefiniteness. Defendant does not
argue invalidity on any basis other than obviousness.

1 obviousness decision, summary judgment is appropriate if “the content of the prior art, the scope
2 of the patent claim, and the level of ordinary skill in the art are not in material dispute, and the
3 obviousness of the claim is apparent in light of these factors.” *KSR Int'l Co. v. Teleflex Inc.*, 550
4 U.S. 398, 427 (2007) (citing *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966)). A factual
5 dispute as to any one of these elements will defeat a motion for summary judgment. *See Helifix*
6 *Ltd. v. Blok-Lok, Ltd.*, 208 F.3d 1339, 1346 (Fed. Cir. 2000).

7 The relevant question “is not whether the combination was obvious to the patentee but
8 whether the combination was obvious to a person with ordinary skill in the art.” *KSR*, 550 U.S.
9 at 420. The “combination of familiar elements according to known methods” is likely to be
10 obvious when it “does no more than yield predictable results.” *KSR*, 550 U.S. at 416. In
11 assessing obviousness, hindsight bias and ex post reasoning are to be avoided. *Id.* at 421, 127 S.
12 Ct. 1727; *see also Sanofi-Synthelabo v. Apotex, Inc.*, 550 F.3d 1075, 1088 (Fed. Cir. 2008).

13 To determine the issue of obviousness/non-obviousness, the court may “to look to
14 interrelated teachings of multiple patents; the effects of demands known to the design
15 community or present in the marketplace; and the background knowledge possessed by a person
16 having ordinary skill in the art,” in order to determine “whether there was an apparent reason to
17 combine the known elements in the fashion claimed by the patent at issue.” *KSR* at 418, 127 S.
18 Ct. 1727. But the court “need not seek out precise teachings directed to the specific subject
19 matter of the challenged claim, for a court can take account of the inferences and creative steps
20 that a person of ordinary skill in the art would employ.” *In re Translogic Tech., Inc.*, 504 F.3d
21 1249, 1262 (Fed. Cir. 2007) (quoting *KSR* at 418, 127 S. Ct. 1727)).

22 Further, “[c]ommon sense teaches . . . that familiar items may have obvious uses beyond
23 their primary purposes, and in many cases a person of ordinary skill will be able to fit the
24 teachings of multiple patents together like pieces of a puzzle.” *KRS* at 420-21, 127 S.Ct. 1727.
25 “[T]he common sense of those skilled in the art demonstrates why some combinations would
26 have been obvious where others would not.” *Leapfrog Enters., Inc. v. Fisher-Price, Inc.*, 485
27 F.3d 1157, 1161 (Fed. Cir. 2007).

28

1 **2. Discussion**

2 **a. Obviousness/Non-obviousness Test Restated**

3 To determine whether a patent is “obvious,” and thus invalid, the court must examine: (1)
4 the scope and the content of the prior art; (2) the level of ordinary skill in the art; (3) the
5 differences between the claimed invention and the prior art; and (4) the objective evidence of
6 nonobviousness. 35 U.S.C.A. § 103(a).

7 **b. Ordinary Skill in the Art**

8 As an initial matter, the level of ordinary skill in the art is not in dispute here. Defendant
9 defines a person of ordinary skill in the art relevant to the ‘148 Patent as someone who would
10 not need any “specific formal education beyond High School graduation requirements,” would
11 be “familiar with knitting and with the operation and capabilities of knitting machines,” and that
12 “familiarity could be obtained through training, work experience in the field of knitting and
13 through literature.” (Defendant’s Exh. D at D296.) Plaintiffs state that “[a] person of ordinary
14 skill in the relevant art has at least a high school education and at least one year of experience
15 working in the knitting industry.” (Plaintiffs’ Claim Construction Brief at 8, doc. no. 55.)

16 In their Opening Claim Construction brief, plaintiffs state that “[t]here are two distinct yet
17 overlapping technical arts involved in the patent in suit: the ‘knitting’ arts and the ‘meat
18 encasements’ art.” (Plaintiffs’ Opening Claim Construction brief at 1, doc. no. 55.) Yet in their
19 motion for summary judgment re validity, plaintiffs appear to adopt defendant’s definition of the
20 person of ordinary skill. (Plaintiffs’ MP&As at 11.) They specifically do not advance their
21 suggestion that a person of ordinary skill in the relevant art is one who is both familiar with
22 knitting and knitting machines *and* who is familiar with the meat industry.²

23 ///

24 ///

25
26 ² In seeking to exclude the testimony of defendant’s expert, Trevor Little, plaintiffs
27 argued that Little’s opinion should be excluded because he is not an expert in meat encasement
28 and the pertinent art of this patent is knitted meat encasements. (Plaintiffs’ Motion to Exclude,
doc. #177.) The Court concluded that the pertinent art of the ‘148 Patent is knitting and a
person of ordinary skill in the art is a person who has a certain level of skill in the knitting arts.
(Order filed October 19, 2009, doc. #213.)

1 The Court issued its construction order with respect to the following claim terms:

Claim Term	Construction
integrally formed	formed as a unit
stockinette member	a closely knit tube
netting arrangement	longitudinal and lateral strands that intersect in locking engagement to form a grid-like pattern with less stretch capacity than the threads of the stockinette member
strand	a yarn or yarns used in forming the lateral and longitudinal structures of the netting arrangement
thread	a yarn or yarns used in forming the stockinette member
longitudinal strand	strand or strands which run in the lengthwise direction of the tubular casing
lateral strand	strand or strands which run perpendicularly to longitudinal strand(s) around the circumference of the tubular casing
locking engagement	fixed at each intersection
checkerboard pattern	parallel vertical and horizontal impressions approximately equidistant and crossing at right angles which result in a four-sided impression

16
17 (Order filed February 13, 2009, doc. no. 134.)

18 The Court notes that the Joint Claim Construction Statement originally presented 16
19 terms and phrases requiring construction: "for encasing meat products"; "stockinette member";
20 "tubular"; "closely knit"; "stretch capacity"; "knitted"; "netting arrangement"; "strand";
21 "longitudinal strands"; "lateral strands"; "intersecting"; "locking engagement"; "integrally
22 formed"; "whereby"; "checker-board pattern"; and "interlaced". The parties narrowed that list to
23 the above nine claim terms. At no time did either party request construction of the claim term
24 "structure."

25 **d. Scope and Content of Prior Art**

26 Plaintiffs point out that upon examination and amendments, PTO ultimately found the
27 '148 patent not obvious based on an examination of the prior art. Because all the prior art relied
28 upon by defendant was expressly considered by PTO, plaintiffs contend that the '148 Patent was

1 not obvious as a matter of law and therefore, the Patent is valid. (Ptf's Ps&As re Validity at 7.)

2 The prior art submitted to the PTO for consideration during the prosecution of the '148
3 Patent includes: Henricus (1990); Sartore (1924); Lombardi (1934); Hirner (1902); and Bradsaw
4 (1942). Only Sartore and Henricus specifically dealt with knitted encasements for meat; the
5 others concerned knitted items for products such as socks and hosiery.

6 Plaintiffs made two initial patent applications for a knitted meat casing – Application
7 Nos. 838,355 and 886,280. The PTO rejected plaintiffs' '280 Application.

8 Rather than amend their '280 application, plaintiffs filed a new Patent Application No.
9 177,800 (the "800 Application"). The PTO rejected plaintiffs' Claim 15 as being obvious and
10 therefore unpatentable over Henricus . . . in view of Lombardi." (Defendants' Exh. C, C-228.)

11 The PTO explained Henricus disclosed a tubular knit meat casing comprised of a
12 stockinette member that was comprised of a closely knit tubular member formed of closely knit
13 thread and an elastic knitted netting arrangement that was knit into the stockinette member but
14 did not disclose the knitted netting arrangement having a plurality of four-sided shapes.
15 (Defendants' Exh. C, C228-229.)

16 The PTO further found that the Lombardi patent disclosed a knitted fabric comprising:

17 a stockinette member comprised of closely knit threads and having a first stretch
18 capacity and a knitted netting arrangement . . . having a second stretch capacity,
19 comprising a first plurality of spaced stands, in the form of loops, extending in the
20 longitudinal direction and a second plurality of spaced strand extending in the
21 lateral direction, wherein the lateral and longitudinal strands make up a grid-like
22 pattern. . . .

23 The netting arrangement is disclosed as being knit into the threads of
24 the stockinette member, whereby the netting arrangement and the stockinette
25 member are integrally formed. . . .

26 [T]he knitted fabric . . . is a soft, elastic knitted material and the knitted netting
27 material is disclosed as being made of a heavier yarn, thus making the first stretch
28 capacity greater than the second stretch capacity.

29 Based on this analysis, the PTO rejected the '800 Application concluding that:

30 It would have been obvious to one having ordinary skill in the art at the time the
31 invention was made to modify the stitching of the casing of Henricus to include a
32 netting arrangement having lateral and longitudinal strands having a different
33 stretch capacity than the stockinette material as suggested by Lombardi in order to
34 produce a meat casing of a knitted fabric that can form a checker-board pattern on
35 the surface of the meat.

1 (*Id.* at C-229-230 (emphasis added)).

2 In seeking reconsideration of the Examiner’s rejection of its ‘800 Application, plaintiffs
3 argued:

4 The patent to Lombardi, on the other hand, discloses a knitted fabric in which
5 varied pattern designs can be produced by one or more series of drop stitches
6 which are prevented by a special yarn from forming runs. In other words, in
7 Lombardi, each loop of special yarn extending in the longitudinal direction does
8 not intersect in locking engagement with each special yarn extending in the lateral
9 direction to form a grid-like pattern. This is also apparent from Fig. 6 of
10 Lombardi, where the aligned long loops of special yarn are each separated from
11 one another by a row of regular loops. Accordingly, there is no teaching or
12 suggestion whatsoever in Lombardi in respect of providing a knitted netting
13 arrangement comprising a first plurality of spaced strands extending in the
14 longitudinal direction and a second plurality of spaced strands extending in the
15 lateral direction, wherein the longitudinal and lateral strands each intersect in
16 locking engagement with one another to form a grid-like pattern, as in Applicant’s
17 claimed invention.

18 (Plaintiffs’ MSJ, Exh. B, Amendment and Request for Reconsideration under 37 C.F.R. 1.111, at
19 39, 41.) Plaintiffs argued to the PTO that Lombardi disclosed the making of patterns in the
20 knitted fabric by the use of “drop stitches” rather than forming a grid-like pattern based on
21 lateral and longitudinal strands each intersecting in locking engagement. Plaintiffs specifically
22 distinguished Figure 6 of Lombardi by noting the aligned long loops of special yarn were each
23 separated from one another by a row of regular loops. In other words, plaintiffs asserted to the
24 PTO that Lombardi teaches a knitted fabric where each loop of special yarn extending in the
25 longitudinal direction does not intersect in locking engagement with each special yarn extending
26 in the lateral direction forming a grid-like pattern.

27 Thus, in order to distinguish claim 15 of the ‘800 patent application from the prior art of
28 Henricus and Lombardi, plaintiffs amended claim 15:

to specify that the longitudinal and lateral strands of the netting arrangement each
intersect in locking engagement with another to form a grid-like pattern
comprising a plurality of four-sided shapes. Each loop 9 or the lateral strands 7 is
interlaced with an adjacent preceding loop and an adjacent following loop to
thereby provide a locking engagement between the longitudinal and lateral strands
at their point of intersection, the longitudinal strands 5 being formed by the
interlaced aligned loops 9.

Id. at C245-46 (emphasis in original).

Because the PTO determined Lombardi did not disclose a netting arrangement where the
longitudinal and lateral strands *each intersect in locking engagement*, plaintiffs’ amended ‘800

1 Application, with Claim 15 becoming Claim 1, was issued as the '148 Patent.

2 **e. Differences Between Claimed Invention and Prior Art**

3 Plaintiffs contend that none of the prior art disclosed a meat casing with two distinct
4 stretch capacities that provided a grid-like impression on the meat that resulted in the increased
5 peel ability and cost benefits found in the '148 Patent. According to plaintiffs, all of the prior art
6 contain only fabric with a uniform stretch capacity. (Plaintiffs' MSJ, MP&A at 5.) The '148
7 Patent claims require that the stretch capacity of the stockinette member be greater than that of
8 the netting arrangement which are incorporated into a single meat encasement. (*Id.* at 9.)
9 Plaintiffs' assertion that two different stretch capacities was not found in the prior art is clearly at
10 odds with the findings of the PTO as set forth above. Although plaintiffs raised the argument of
11 differing stretch capacities in requesting reconsideration for the '800 Application rejection, they
12 also distinguished the prior art before the PTO by pointing out that "the longitudinal and lateral
13 strands of the netting arrangement each intersect in locking engagement with another." The
14 PTO allowed the '148 Patent to issue on the basis of each longitudinal and lateral strand
15 intersecting in locking engagement rather than because of two distinct stretch capacities.
16 Therefore, stretch capacity is not a difference between the claimed invention and prior art.

17 The question then is whether each longitudinal and lateral strand of the netting
18 arrangement intersect in locking engagement with one another was disclosed in the prior art
19 making the invention obvious. As a the *KRS* Court noted, whether the combination of familiar
20 elements yielded predictable results that were obvious to a person skilled in the relevant art. *See*
21 *KRS*, 550 U.S. at 416.

22 Defendant argues that all the elements in Claim 1 of the '148 Patent were disclosed in the
23 prior art. PCM first points out that the Hirner Patent shows how to knit a grid pattern into a
24 tubular structure, *i.e.*, a sock. The Hirner Patent disclosed how to use long loops and lateral
25 strands to create a grid pattern.

26 The Henricus patent discloses every element of Claim 1 of the '148 patent except
27 longitudinal strands and the resulting four-sided shapes.

28 And as indicated by the PTO, the Lombardi patent discloses a netting arrangement having

1 lateral and longitudinal strands having a different stretch capacity that create a grid pattern.

2 As discussed above, in order to distinguish their invention in the face of the PTO's
3 rejection of their '800 Application as obvious because of Lombardi, plaintiffs added the
4 limitation that each longitudinal and lateral strand intersect in locking engagement. Defendant
5 contends that because Henricus, Hinter and Lombardi provide all the elements of Claim 1, it
6 would have been obvious to a person skilled in the art to combine these teachings to include the
7 limitation of each longitudinal and lateral strand intersecting in locking engagement. According
8 to defendant, the "innovation" plaintiffs patented was a combination of known elements in prior
9 knitted art that also required the intersection in locking engagement of each longitudinal and
10 lateral strand was obvious to try.

11 A patent may be invalid if the claimed invention would have been "obvious to try." "If a
12 person of ordinary skill can implement a predictable variation, § 103 likely bars its
13 patentability." *KSR*, 550 U.S. at 417.

14 When there is a design need or market pressure to solve a problem and there are a
15 finite number of identified, predictable solutions, a person of ordinary skill has
16 good reason to pursue the known options within his or her technical grasp. If this
17 leads to anticipated success, it is likely the product not of innovation but of
ordinary skill and common sense. In that instance the fact that a combination was
obvious to try might show that it was obvious under § 103.

18 *Id.* at 421.

19 In order to determine whether there was an apparent reason to combine the known
20 elements in the manner claimed by the patent, the Court can look to interrelated teachings of
21 multiple patents, the effects of demands known to the design community or present in the
22 marketplace, and the background knowledge possessed by a person having ordinary skill in the
23 art. And the Federal Circuit recently discussed in some detail that "[c]ommon sense has long
24 been recognized to inform the analysis of obviousness if explained with sufficient reasoning."
25 *Perfect Web Technologies, Inc. v. InfoUSA, Inc.*, 587 F.3d 1324, 1328 (Fed. Cir. 2009).

26 Here, under a common sense view, providing a fixed point, *i.e.*, a locking engagement, for
27 the intersection of each lateral and longitudinal strand locking engagement would have been
28 obvious to try when a checkerboard pattern on a meat product is desired or required. The

1 whereby clause in Claim 1 provides a basis to find that plaintiffs sought to have a checkerboard
2 impression on the meat. Plaintiffs' added the requirement that each lateral and longitudinal
3 strand intersect in locking engagement which would flow from securing the structure of the
4 strands in a checkerboard pattern in an obvious manner.

5 But in their motion for summary judgment, plaintiffs assert:

6 the innovation of the '148 patent is the integral combination of the netting
7 structure with a stockinette. The combination of these known elements, with the
8 added limitation that the stretch capacity of the netting arrangement is less than the
9 stockinette member, is the innovation not previously practiced. (Citations omitted)

9 (Plaintiffs' MSJ MP&As at 4.)

10 This assertion is not supported by the prosecution history. The PTO rejected the '800
11 Application as obvious because the prior art would lead to plaintiffs' product:

12 It would have been obvious to one having ordinary skill in the art at the time the
13 invention was made to modify the stitching of the casing of Henricus to include a
14 netting arrangement having lateral and longitudinal strands having a different
15 stretch capacity than the stockinette material as suggested by Lombardi in order to
16 produce a meat casing of a knitted fabric that can form a checker-board pattern on
17 the surface of the meat.

16 (Defendants' Exh. C. at C-229-230 (emphasis added).)

17 The '148 Patent was issued because of the limitation of the lateral and longitudinal
18 strands each intersecting in locking engagement and not because the '148 Patent provided for
19 different stretch capacities in the strands.

20 At oral argument, however, plaintiffs argued that the innovation or distinguishing
21 difference between the claimed invention and prior art is the creation of a structure for meat
22 encasements that is functional rather than decorative. Plaintiffs note that the prior arts' dropping
23 of stitches and the interlacing loops were intended solely to create a pattern in knitted fabric and
24 the pattern was not intended to function in any other way. (Transcript of oral argument, October
25 30, 2009, at 52-53.)

26 All three of the fabric references – Hirner, Bradshaw, and Lombardi – all three of
27 them were there explicitly only to create a pleasing effect or a pleasing pattern on
28 the sock or whatever fabric it was that was being created. They did that by means
of various stitch patterns, but they weren't there to create any kind of functional
structure in the fabric itself. And that is the difference between Lombardi and us.
And that is the difference between Hirner and us. And frankly, that is the

1 difference between Lombardi and PCM's is that Lombardi was a fabric for
2 creating decorations. PCM products are meat encasements. Those patterns that
3 are knit into the meat encasement are there to create a structure and that structure
4 has a purpose.

5 And that's the difference between each one of these and our patent itself
6 because we are using those loops to do something different than Lombardi was
7 doing. . . .

8 *Id.*

9 By making this distinction between a functional structure and decorative pattern,
10 plaintiffs appear to focus on the invention as a whole for which patentability is claimed rather
11 than pointing to the prior art that discloses or suggests limitations.

12 In *Medtronic Vascular Inc. v. Advanced Cardiovascular Systems, Inc.*, 2009 WL 302296,
13 *16 (N.D. Cal. 2009), the court noted that:

14 plaintiffs are correct that as a general matter of law, the obviousness inquiry must
15 focus on the invention as a whole, not specific limitations. *See Hartness Intern.*
16 *Inc. v. Simplimatic Engineering Co.*, 819 F.2d 1100, 1108 (Fed. Cir. 1987) (the
17 inquiry is not whether each element existed in the prior art, but whether the prior
18 art made obvious the invention as a whole for which patentability is claimed).
19 Notwithstanding the correctness of this observation, however, it is still a proper
20 exercise to examine the prior art in question with respect to the individual elements
21 and limitations purportedly disclosed therein, in order to assess whether the
22 ultimate claimed invention as a whole is a predictable variation of the various
23 elements known to one of skill in the art at the time of the invention.

24 Plaintiffs argue that “[d]efendants impermissibly have used the claimed invention as a
25 template to select particular elements from prior art references to reach the conclusion that the
26 invention would have been obvious to one of ordinary skill in the art, while ignoring the absence
27 of a suggestion to combine the elements and the common-sense reality check provided by
28 objective considerations such as commercial success and copying.” (Pltfs’ opp. to dft’s MSJ.)
Additionally, plaintiffs contend that defendant has done nothing more than view the prior art in
hindsight – an improper consideration.

A patent claim composed of several elements is not proved obvious merely by
demonstrating that each of its elements was independently known in the prior art. Here, the PTO
determined that the innovation that supported the issuance of the patent was that each lateral and
longitudinal strand intersected in locking engagement. Because the Court construed the term
“strand” as “a yarn or yarns used in forming the lateral and longitudinal structures of the netting

1 arrangement,” plaintiffs contend that the innovation, when viewed as a whole, was the use of
2 intersecting longitudinal and lateral strands as a structural element of the netting arrangement.
3 While acknowledging that some of the prior art used strands and loops to create grid patterns on
4 knitted fabric, plaintiffs contend none of the prior art used strands to create a functional
5 structure.

6 In the proceedings before the PTO, plaintiffs did not address whether the strands of the
7 netting arrangement created a functional structure. Instead, plaintiffs added an element to
8 distinguish their meat encasement from the prior art – each lateral and longitudinal strand
9 intersect in locking engagement. It was only because of that distinction that the PTO
10 determined that the prior art rendered plaintiffs’ product as obvious to a person of ordinary skill
11 in the art.

12 As defendant notes, in examining a patent for obviousness, you look at the prior art and
13 take a common sense approach to determine whether it would have been obvious to a person of
14 skill in the art to combine the references to come up with the invention. Here, it would have
15 been obvious and predictable to a person of ordinary skill in the knitting arts to fix each point of
16 intersection of the lateral and longitudinal strands to create a structure that would provide a grid
17 impression on a meat product.

18 **f. Evidence of Obviousness/Nonobviousness**

19 Plaintiffs do not appear to offer any objective evidence of nonobviousness. They do
20 object, however, to defendant’s use of the deposition testimony of Hendrik Kartner³ – the
21 Netherland’s inventor of a meat encasement that was so similar to plaintiffs’ ‘148 Patent that
22 plaintiffs sued Kartner’s company, Anka, for infringement based on its meat encasement
23 product, the Anka KR net.⁴

24 Kartner testified that Anka created its KR net before the alleged date that plaintiff claimed
25

26 ³ Kartner is the son of Henricus Kartner of the Henricus patent application that
27 serves as prior art.

28 ⁴ Interestingly, defendant does not refer to Kartner’s testimony in its motion for
summary judgment on the issue of obviousness. Plaintiffs raise the issue of Kartner’s testimony
in their moving papers.

1 in the '148 patent but the KR netting did not serve as prior art before the PTO. Defendantt
2 contends Kartner's testimony is admissible to show the ordinary level of skill in art and to show
3 possible contemporaneous invention by others as a secondary consideration of obviousness.
4 *Medtronic*, 2009 WL 302296, *18-*19 (secret work done by prior inventors could be used as
5 evidence showing the state of the art or contemporaneous invention for purposes of assessing the
6 obviousness of the claimed invention even though it could not be used as § 102/103 prior art).

7 Therefore, Kartner's testimony is nonetheless admissible for purposes of demonstrating
8 the ordinary skill in the art with respect to obviousness, and as evidence going to secondary
9 considerations of obviousness. In this respect, defendant has provided additional evidence to
10 demonstrate obviousness. Nevertheless, the Court has not made use of Kartner's testimony in
11 reaching its decision that defendant has provided clear and convincing evidence sufficient to
12 overcome the presumption of validity based on obviousness.

13 **g. Conclusion**

14 The Court concludes that the '148 Patent is invalid as obvious. All the elements of Claim
15 1 are found in prior art with the exception of the limitation that each longitudinal and lateral
16 strand intersect in locking engagement. However, this limitation is simply "ordinary innovation"
17 because to a person of ordinary skill in the knitting arts it would be obvious to try in seeking to
18 create a grid pattern on a meat product. Even if as plaintiffs argue, the innovation of the '148
19 Patent is the creation of a structure based on the intersection of the lateral and longitudinal
20 strands for the purpose of creating the grid impression, the fixing of the intersection of the
21 strands would do "no more than yield predictable results." *KRS*, 550 U.S. at 416.

22 Because the Court finds the '148 Patent invalid, the cross motions for infringement and
23 noninfringement may be denied as moot.

24 **D. MOTIONS CONCERNING INFRINGEMENT/NONINFRINGEMENT**

25 The Court has concluded that the '148 Patent is invalid based on obviousness. If,
26 however, the patent is valid as nonobvious, defendant has not infringed the patent.

27 The parties have noted that the issues of validity and infringement go "hand in glove."

28 Plaintiffs contend that even though PCM products do not appear to include longitudinal

1 and lateral strands that meet the “each intersecting in locking engagement” requirement of Claim
2 1, PCM is using strands as components rather than structures as required under the Court’s
3 Claim Construction Order.

4 In their reply memorandum on infringement, plaintiffs state:

5 The flaw in Defendants’ analysis, and the only real dispute before this Court, is
6 their dogged determination to analyze the accused products, not from the
7 perspective of someone of ordinary skill in the knit meat casing art, but rather from
8 a purely fabric and stitch pattern perspective.

8 (Plaintiffs’ Reply MP&A at 1.)

9 As discussed above, plaintiffs have not made any formal request to alter the definition
10 that a person of ordinary skill in the art is one associated with the knitting arts. Plaintiffs could
11 have argued that a person of ordinary skill in the relevant art required at least a high school
12 education, at least one year of experience working in the knitting industry plus some experience
13 working in the meat encasement industry but they did not. They did not assert this additional
14 factor in their Claim Construction brief or in arguing their motion for summary judgment on
15 validity. Further, the Court previously found that the a person of ordinary skill in the relevant art
16 is a person who has a certain level of skill in the knitting arts. (Order filed October 19, 2009,
17 doc. #213.) As a result, defendant’s analysis that the accused products are to be considered
18 based on the knitting arts is appropriate.

19 Plaintiffs contend that defendant’s argument that the strands of PCM’s netting
20 arrangement do not intersect in locking engagement is flawed because:

21 [w]hether achieved by a single heavy yarn or by several or dozens of smaller
22 yarns, the fact that the stitch patterns used in the accused products achieve netting
23 arrangement satisfies the strand and locking engagement elements of the patent
24 and renders the accused products infringing as a matter of law.

24 (Plaintiffs’ Reply MP&S at 2.)

25 Here, plaintiffs disregard the very specific limitation they added to the ‘148 Patent to
26 work around the Lombardi patent – that *each* longitudinal and lateral strand intersect in locking
27 engagement. Jof-Pak expressly disclaimed the specific knit structures used by PCM in the
28 accused nets during prosecution of the ‘148 Patent. Defendant’s products have a netting

1 arrangement based on longitudinal and lateral strands but none of its products have longitudinal
2 and lateral strands each intersecting in locking engagement. Because none of defendant's
3 accused products satisfy all the limitations of Claim 1, there is no infringement as a matter of
4 law.

5 Based on the foregoing, **IT IS ORDERED:**

6 1. Defendant's motion for summary judgment re: invalidity based on obviousness is
7 **GRANTED** and re: noninfringement is **GRANTED**;

8 2. Plaintiffs' motion for summary judgment re: invalidity based on obviousness is
9 **DENIED**;

10 3. Plaintiffs' motion for summary judgment re: infringement is **DENIED**;

11 4. The Clerk of the Court is directed to enter judgment in accordance with this Order.

12 **IT IS SO ORDERED.**

13 DATED: March 30, 2010

14 
15 M. James Lorenz
United States District Court Judge

16 COPY TO:

17 HON. CATHY ANN BENCIVENGO
18 UNITED STATES MAGISTRATE JUDGE

19 ALL PARTIES/COUNSEL
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