IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

BALL METAL BEVERAGE CONTAINER CORP.,	:	
Plaintiff,	:	
v.		
CROWN PACKAGING TECHNOLOGY, INC.	:	Case No. 3:12-cv-33
and		JUDGE WALTER H. RICE
CROWN CORK & SEAL USA, INC.,	:	
Defendants.	:	

ORDER TO THE PARTIES TO FILE, ON JANUARY 13, 2014, SIMULTANEOUS MEMORANDA TO ADDRESS WHETHER ISSUE PRECLUSION APPLIES TO THE CURRENTLY DISPUTED CLAIM TERMS THAT THE COURT ALREADY CONSTRUED IN ITS PREVIOUS MARKMAN RULING; SIMULTANEOUS RESPONSIVE MEMORANDA DUE TEN (10) DAYS THEREAFTER; NO REPLY MEMORANDA SHALL BE FILED.

Plaintiff Ball Metal Beverage Container Corp. ("Ball") filed this declaratory judgment action under 28 U.S.C. §§ 2201 and 2202 against Defendants Crown Packaging Technology, Inc., and Crown Cork & Seal, USA, Inc. (collectively, "Crown"), seeking a declaration of Ball's non-infringement of two patents held by Crown, as well as their invalidity under 35 U.S.C. §§ 102, 103 and 112. Crown has asserted counterclaims, alleging that Ball's products infringe its two patents.

The Court has original jurisdiction over patent disputes pursuant to 28 U.S.C. §1338(a), and federal question jurisdiction pursuant to 28 U.S.C. 1331.

The Supreme Court's decision in *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 372 (1996), established that "the construction of a patent, including terms of art within its claims, is exclusively within the province of the court." Here, the parties dispute the meaning of certain terms used in the claims of Crown's patents, U.S. Patent No. 6,848,875 (the "'875 Patent") and U.S. Patent No. 6,935,826 (the "'826 Patent"), requiring, under *Markman*, a ruling by the Court on the construction of the disputed terms. Thus, in accordance with S. D. Ohio Pat. R. 105.2(d), the parties filed a Joint Claim Construction and Prehearing Statement on February 8, 2013. Doc. #18. Therein, the parties listed the undisputed claim terms and phrases, the disputed claim terms and phrases, and the claim terms and phrases believed to be most significant to the resolution of the case. Doc. #18. The parties also provided an appendix containing their proposed constructions of the disputed terms. Doc. #18-1. On March 15, 2013, Claim Construction Briefs were simultaneously filed, in which the parties set forth their respective arguments on the construction of the disputed claim terms and phrases. Doc. #22 (Crown's Claim Construction Brief) & Doc. #23 (Ball's Claim Construction Brief). Memoranda in Response were filed on April 19, 2013. Doc. #28 (Crown's Response) & Doc. #23 (Ball's Response). On October 22, 2013, the Court held a *Markman* hearing, during which counsel presented their claim construction arguments.

As the parties are well aware, both the '875 Patent and the '826 Patent were the subject of a previous patent infringement suit brought by Crown against Ball in this Court, filed on August 18, 2005. *See Crown Packaging Technology, Inc. and Crown Cork & Seal USA, Inc. v. Ball Metal Beverage Container Corporation* (hereinafter, "*Crown v. Ball*"), Case #3:05-cv-281. In *Crown v. Ball*, the Court held a *Markman* hearing and, thereafter, set forth its construction of the disputed claim terms of the '875 Patent and the '826 Patent. Doc. #53, Case #3:05-cv-281. Neither party challenged the Court's construction of those terms when appealing its summary judgment decisions to the Federal Circuit. *See Crown Packaging Tech., Inc. v. Ball Metal Beverage Container Corp.*, 635 F.3d 1373 (Fed Cir. 2011) (reversing summary judgment the Court granted to Ball on grounds of patent invalidity) *and Crown Packaging Tech., Inc. v. Ball Metal Beverage Container Corp.*, 492 Fed.Appx. 115 (affirming summary judgment the Court granted to Ball on grounds of non-infringement).

Although the Court previously construed a number of the terms in the '875 and '826 Patents in *Crown v. Ball*, the parties now argue that many of those terms are "disputed" in the present action. However, neither party's brief addresses or explains why issue preclusion (collateral estoppel) does not apply to the claim terms that the parties now present to the Court, when the same terms were previously construed by the Court in its *Crown v. Ball Markman* ruling. In *Markman*, the Supreme Court stated that "the importance of uniformity in the treatment of a given patent [is] an independent reason to allocate all issues of

construction to the court." 517 U.S. at 390. It is difficult to see how such uniformity would be served by reinterpreting the meaning of patent terms that parties have already had a full and fair opportunity to litigate. For example, in *TM Patents, L.P. v. International Business Machines Corp.*, 72 F. Supp. 2d 370 (S.D.N.Y. 1999), a *Markman* ruling, the plaintiff was precluded from relitigating the meaning of the defendant's patent terms that were the subject of a previous *Markman* ruling by another court. The district court held that the plaintiff was collaterally estopped from having another court construe the terms, stating that it seemed "self-evident" that issue preclusion applied. *Id.* at 376-80. The court specifically cited Markman's emphasis on uniformity, stating that "[a]fter *Markman* . . . it is inconceivable that a fully-litigated determination after a first *Markman* hearing would not be preclusive in subsequent actions involving the same disputed claims under the same patent. The nature of the *Markman* proceeding is such that finality is its aim." *Id.* at 377. Other courts have made similar conclusions. *See also Roche Palo Alto LLC v. Apotex, Inc.*, 526 F. Supp. 2d 985 (N.D. Cal. 2007) (observing that "issue preclusion would prevent Defendant from relitigating these claim construction issues" in subsequent litigation involving "same parties, and the same patent, as a previous matter litigated to judgment"); *Amgen, Inc. v. F. Hoffman-La Roche Ltd.*, 494 F. Supp. 2d 54 (D. Mass. 2007) (holding that collateral estoppel prevented plaintiff from relitigating the meaning of patent claims when plaintiff had been a party to previous case in which the court construed the same claims).

The parties' briefs have not addressed the issue of whether they are collaterally estopped from arguing for the claim constructions they have proposed. Instead, they apparently presume that the Court's previous constructions of Crown's patents are simply open to review. Ball states that its "approach is to preserve the Court's prior construction either by proposing the Court's prior construction verbatim or by offering short clarifications in instances where newly asserted claims warrant such clarification." Doc. #23 at 18. However, the legal justification for revision, or "clarification," is never provided. Crown even argues that the Court should abandon the construction it set forth in its previous *Markman* ruling, and adopt Crown's *original* interpretations of the claim terms: "Crown continues to assert that its original constructions are correct. But to the extent the Court adheres to its prior constructions, it should do so without Ball's further modifications and embellishments."[1] Doc. #22 at 18. However, neither party has explained to the Court why its original construction of the claim terms should be revisited at all. Such revision requires the assertion of a convincing argument against issue preclusion.

Thus, the Court believes that the parties should have the opportunity to brief this issue before it issues its *Markman* ruling. Accordingly, the parties are ORDERED to file, on January 13, 2014, simultaneous memoranda setting forth their positions on the issue of whether issue preclusion applies to the construction

[1] Crown apparently proposed to Ball that they "accept the Court's prior constructions" in an effort to "minimize another lengthy *Markman* process," but states that Ball was not in agreement. Doc. #22 at 18-19.

of the claim terms at issue in the present dispute, based on the Court's previous construction of same in the *Markman* ruling in *Crown v. Ball*. Simultaneous responsive memoranda are due ten (10) days thereafter, with no reply memoranda to be filed.

Date: December 20, 2013

WALTER H. RICE
UNITED STATES DISTRICT JUDGE