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VALMONT INDUSTRIES, INC. v. REINKE MANUFACTURING CO.¹ THE SECTION 112(6) COROLLARY TO
MALTA: TIGHTENED EQUIVALENTS

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I. Introduction

Last April, I wrote a note for publication in the Texas Bar IP Section Newsletter in which I predicted that the trend toward high equivalency proof requirements imposed by the panel in *Malta v. Schulmerich Carillons, Inc.*¹ would be sustained by future panels of the Court of Appeals for the Federal Circuit (hereinafter “CAFC”).² The *Malta* panel required that there be specific evidence, separately brought to the attention of the jury, expressly addressing the “way” element of the three part doctrine of equivalency test.³ The *Malta* panel enforced this requirement by sustaining a judgement *non obstante veredicto* overruling a jury finding of infringement.⁴

I argued that *Malta*, in a sense, completed a trilogy with *Lear Seigler, Inc. v. Sealy Mattress Co.*⁵ and *Nestier Corp. v. Menasha Corp.-Lewissystems Div.*⁶, indicating that the Federal Circuit is determined to hold to a course of higher proof requirements for infringement.⁷ The theme could be summarized as the doctrine of equivalents will no longer be a “result oriented catch-all”.

It appears that the recent CAFC decision in *Valmont Industries, Inc. v. Reinke Manufacturing Co.*⁸ has indeed confirmed my belief. *Valmont* continues the marked trend toward an increased burden of proof for infringement. This balances the earlier trend towards imposing on the defense bar an increased burden of proof for invalidity and inequitable conduct. It is even possible that the balance is shifting back towards the view that patents are to be treated as only narrow exceptions to the competitive enterprise system.

II. Summary of the Decision

***82** The claims-in-suit in *Valmont* related to a self-propelled irrigation apparatus for watering non-circular areas. A particular problem to be solved was the need to get water to the corners of a field missed by the center pivot irrigator. To solve this problem, the patent claimed an irrigating apparatus with an extension arm assembly. This extension arm, which connected to the free end of the main assembly, could swing out to irrigate portions of the field outside the main arm’s circular coverage. The extension arm had a self propelled tower, similar to the centrally pivoted arm.

Under the patent claims, digital signals from angle encoders were used to control the movement of the self propelled tower associated with the extension arm. The objective was to get the extension arm to follow a precise path dictated by angular relationships in order to minimize crop damage caused by the tower wheels.

One month prior to the filing of the patent-in-suit, the same assignee filed a patent application for an extension arm controlled by following a buried electrical conductor, rather than signals generated by angle comparators. Valmont filed reissue applications for both patents. The patent based on the buried cable embodiment was refused reissue.

During reissue proceedings, Valmont contended that the buried cable steering system was “completely different” from the angle comparator steering system claimed in the patent-in-suit.⁹ After reissue, Valmont sued Reinke for selling a corner irrigation system wherein the extension arm followed a buried cable. The trial court determined that Reinke infringed.¹⁰ Reinke appealed and a panel composed of Michel, Friedman, and Rader reversed, with Rader writing the opinion.¹¹

The Court was obviously very impressed by the history of the reissue applications. Under the circumstances, it is hard to see how an equivalency argument could have been sustained against a buried cable infringer, no matter what equivalency test was employed. Yet the plaintiff patent holder somehow managed to pull off a victory in the trial court anyway. As in *Malta*, the appeals court has again intervened on behalf of a hapless defendant.

In spite of the interesting prosecution history, this was not dealt with as a file wrapper estoppel case. This decision breaks some new ground. For example, the statement regarding 35 U.S.C. § 112(6): “Indeed the section [112(6)] operates more like the reverse doctrine of equivalents than the doctrine of equivalents because it restricts the coverage of literal claim language.”¹²

It is established that it is very important to distinguish between ordinary doctrine of equivalents and section 112(6) equivalence. This case should provide good charge language for future jury instructions. It will now be possible to credibly argue these points directly from the charge during closing argument.

The court warned against confusing the doctrine equivalents with the theory behind the interpretation of 112(6).¹³ While the doctrine of equivalents was not intended to cover more than an insubstantial change in the accused device, the court maintained that the same intent does not apply to 112(6) analysis. In fact, said the court, 112(6) must be interpreted even more narrowly than the doctrine of equivalents, so far as the definition of “equivalent” is concerned.¹⁴

It is very significant that the panel felt that the three part test (function-way-result) does not apply to 112(6) analysis. The focus is entirely on “structure, material, or acts disclosed in the patent specification”, as stated in the opinion:

In applying the ***“means plus function”***paragraph of section 112, however, the sole question is whether the single means in the accused device which performs the function stated in the claim is the same as or an equivalent of the corresponding structure described in the patentee’s specification as performing that function.

*83 *D.M.I., Inc. v. Deere & Co.*, 755 F.2d 1570, 1575, 225 USPQ 236, 239 (Fed. Cir. 1985). In sum, for a means-plus-function limitation to read on an accused device, the accused device must employ means identical to or the equivalent of the structures, material, or acts described in the patent specification. The accused device must also perform the identical function as specified in the claims.¹⁵

III. Analysis of the Decision

This case can be contrasted with the *Perkin-Elmer Corp. v. Westinghouse Electric Corp.*¹⁶ decision. In *Perkin-Elmer*, the claim was for an “electrical connecting means for connecting to the coil”¹⁷ The *Perkin-Elmer* patent owner conceded that the disclosed auto-transformer-type tap-coupling arrangement was different from the accused transformer-type loop-coupling arrangement. The trial judge found no infringement. The Federal Circuit took great pains to justify affirming the lower court. In contrast, the *Valmont* panel, far from experiencing the *Perkins-Elmer* embarrassment at the affirmance of a trial court finding of non-equivalence, seems very comfortable reversing a lower court finding of section 112(6) equivalence.

Of course, the *Perkin-Elmer* panel did not have the benefit of the *Pennwalt Corp. v. Durand-Wayland, Inc.*¹⁸ decision. No doubt it would have been easier for the *Perkin-Elmer* panel if *Pennwalt* had been available then. In *Pennwalt*, the patent owner complained that the district court erred in interpreting the claims by going beyond the means-plus-function language of a claim limitation and comparing the structure in the accused devices with the structure disclosed in the specification.¹⁹ The

appellant alleged that such a comparison resulted in the court's reading nonexistent structural limitations into the claims.²⁰ In response the *Pennwalt* panel asserted:

Where the issue is raised, it is part of the ultimate burden of proof of the patent owner to establish, with respect to a claim limitation in means-plus-functionform, that the structure in the accused device which performs that function is the same as or an equivalent of the structure disclosed in the specification.²¹

However, some practitioners were unimpressed. *Pennwalt* warned that “[i]f the required function is not performed *exactly* in the accused device, it must be borne in mind that section 112, paragraph 6, equivalency is not involved.”²² After making the comment about the burden of proof in a section 112(6) circumstance, the *Pennwalt* panel noted that the district court in the case before it had found that the accused devices did not perform the same functions as those specified in the claim. Therefore, *Pennwalt*'s section 112(6) theory was dismissed as dicta.²³

It may have been dicta in *Pennwalt*, but it is not dicta in *Valmont*. *Valmont* does indeed continue a strong trend toward tougher standards in the proof of infringement. While the evidence of this trend mostly comes from doctrine of equivalents cases, the trend is unmistakable.

Judge Michel was on both the *Valmont* and *Malta* panels. In *Malta, London v. Carson Pirie Scott & Co.*²⁴ is specifically recommended as a reference for law in the area of equivalents.²⁵ Judge Rader, *84 who wrote the *Valmont* opinion, was on the *London* panel. This is some evidence of broad agreement on the need for higher infringement proof standards, whether under section 112(6) or the Doctrine of Equivalents.

It should be remembered that *Malta* sustained a j.n.o.v. rejecting a jury verdict of infringement.²⁶ The *Malta* case was not remanded for trial but rendered.²⁷ The *Malta* majority chose to characterize its holding as one merely giving due deference to the decision of a trial judge, not as one reversing a jury fact finding.²⁸ *Malta* seemed to be the third leg of a stool formed by *Lear Siegler* and *Nestier*.

In *Lear Siegler*, Judge Michel, writing for the court, had reversed a trial judge's rejection of a motion for directed verdict made by the defendant on the grounds that the plaintiff “did not delineate the elements of infringement under the doctrine of equivalents sufficiently for the issue to reach the jury.”²⁹ In *Nestier* (tote box technology), the five judge panel rejected an appeal from a jury finding of no infringement, where the plaintiff complained of the trial court's refusal to submit an instruction on the doctrine of equivalents.³⁰ The trilogy seemed internally consistent. Now we have the same trend applied to the interpretation of 35 USC § 112(6).

The subject matter in *Lear Siegler* was mattress springs. The plaintiff had contended that one could modify the accused springs to make them more like those described in the patent, “if you eliminate one of the torsion bars, . . . just-snip, snip--. . .”³¹

Warning that the doctrine of equivalents “does not prevent the manufacture, use, or sale by others of every device generally similar to the patented invention”, the *Lear Siegler* opinion requires that substantial identity be proven with regard to all three elements of the doctrine of equivalents.³² “[A] jury must be separately directed to the proof of each *Graver Tank* element.”³³ “The evidence and argument on the doctrine of equivalents cannot be merely subsumed in plaintiff's case of literal infringement.”³⁴

Lear Siegler very clearly required that there be (1) particularized testimony and linking argument, (2) testimony that reasonably served to articulate the comparison between claim limitations and accused device elements with respect to each prong of the test, or (3) testimony broken down into the three *Graver Tank* elements.³⁵ The court signaled what it would do in a case like *Malta* by saying that without evidence explicitly setting forth equivalence of result, function and means, “the trial court should not have instructed the jury on the doctrine.”³⁶ A trial court that heeded this instruction was promised affirmance.³⁷ True to its word, the panel affirmed the trial judge in *Malta*.

As an additional bit of guidance, the *Malta* majority advised in dicta “this court's most recent views on application of the doctrine of equivalence” are contained in *London*.³⁸ In *London*, Judges Lourie, Skelton, and Rader affirmed a grant of summary judgment against the applicability of the doctrine of equivalents. The case was about clamps used in garment bags. The trial judge had rejected the argument that clamping a vertical wire shank on a clothes hanger was equivalent to clamping to the horizontal hook portion. The structure of the clamps differed in that the claimed clamp had a pivoting lower jaw, while *85 the accused clamp had a pivoting upper jaw.³⁹

Important to the decision in *London*, was the following:

Notice permits other parties to avoid actions which infringe the patent and to design around the patent. . . . Application of the doctrine of equivalents is the exception, however, not the rule, for if the public comes to believe (or fear) that the language of patent claims can never be relied on, and that the doctrine of equivalents is simply the second prong of every infringement charge, regularly available to extend protection beyond the scope of the claims, then claims will cease to serve their intended purpose.⁴⁰

This concern seems to be the common thread in all of these recent doctrine of equivalents cases. Perhaps it is a form of balance. The Federal Circuit was set up because too many patents were being found invalid. Now that invalidity is no longer much of a risk in patent litigation, the court seems to see infringement getting out of hand. So, the court is slowly tightening up on infringement.

IV. Conclusion

Many in the patent bar are upset about this decision. We should remember, however, that the Court of Appeals for the Federal Circuit has already set incredibly high barriers for defendants to leap in pursuit of proof of invalidity and inequitable conduct. We all know that the standards erected in these two areas are unreasonably high, considering frequency with which the best prior art is not examined during the patent application process, which is attributable, in part, to the inadequate time allowed the examiner for searching prior art under the incentive system currently in use in the Patent and Trademark Office. If the patent bar must now accept a balancing infringement-side burden of proof enhancement with respect to section 112(6) equivalence and doctrine of equivalents, then surely we can admit, however ruefully, that “what goes around comes around”. Those of us who consider themselves sportsmanlike will welcome the opportunity to engage in an equal contest before the jury, without retaining the unfair advantage that, some would say, has heretofore been given to the patent owner.

Footnotes

⁴¹ 983 F.2d 1039 (Fed. Cir. 1993).

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¹ 952 F.2d 1320 (Fed. Cir. 1991), *rehearing denied*, 959 F.2d 923 (Fed. Cir. 1992) (sitting on the panel were: Rich, Markey, Friedman, Davis, and Baldwin, JJ.).

² *Malta, A Further Tightening in the Doctrine of Equivalents*, STATE BAR OF TEXAS INTELLECTUAL PROPERTY LAW SECTION NEWSLETTER, Spring 1992 (Vol. 2, No. 3), at 13.

³ *Malta*, 952 F.2d at 1327.

⁴ *Id.*

⁵ 873 F.2d 1422 (Fed. Cir. 1989).

⁶ 739 F.2d 1576 (Fed. Cir. 1984), cert. denied, 470 U.S. 1053 (1985).

⁷ Martin, *supra* note 2, at 15.

⁸ 983 F.2d 1039 (Fed. Cir. 1993).

⁹ *Id.* at 1041.

¹⁰ *Id.*

¹¹ *Id.* at 1040.

¹² *Id.*, at 1042 (citing *Johnston v. IVAC Corp.*, 885 F.2d 1574, 1580 (Fed. Cir. 1989)).

¹³ *Id.* at 1043-44.

¹⁴ *Id.*

¹⁵ *Id.* at 1042.

¹⁶ 822 F.2d 1528 (Fed. Cir. 1987).

¹⁷ *Id.* at 1530.

¹⁸ 833 F.2d 931 (Fed. Cir. 1987).

¹⁹ *Id.* at 933.

²⁰ *Id.*

²¹ *Id.* at 934.

²² *Id.*

²³ *Id.*

²⁴ 946 F.2d 1534 (Fed. Cir. 1991).

²⁵ See *London v. Carson Pirie Scott & Co.*, 946 F.2d 1534 (Fed. Cir. 1991).

²⁶ *Malta v. Schulmerich Carillons, Inc.*, 959 F.2d 923, 923 (Fed. Cir. 1992).

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Lear Sigler, Inc. v. Sealy Mattress*, 873 F.2d 1422, 1424 (Fed. Cir. 1989).

³⁰ Nestier Corp. v. Menasha Corp.-Lewissystems Div., 739 F.2d 1576 (Fed. Cir. 1984).

³¹ *Lear Siegler*, 873 F.2d at 1424.

³² *Id.* at 1425.

³³ *Id.*, (referring to *Graver Tank & Mfg. v. Linde Air Products*, 339 U.S. 605 (1950), in which it was required for doctrine of equivalents purposes that each element be infringed separate. 339 U.S. 605, 608 (1950)).

³⁴ *Id.*

³⁵ *Id.* at 1426.

³⁶ *Id.*

³⁷ *Id.* at 1426-27.

³⁸ *Malta v. Schulmerich Carillons, Inc.*, 959 F.2d 923, 923 (Fed. Cir. 1992), (referring to *London v. Carson Pirie Scott & Co.*, 946 F.2d 1534 (Fed. Cir. 1991)).

³⁹ *London v. Carson Pirie Scott & Co.*, 946 F.2d 1534, 1540 (Fed. Cir. 1991).

⁴⁰ *Id.* at 1538.