

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF WISCONSIN

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WISCONSIN ALUMNI RESEARCH  
FOUNDATION,

Plaintiff,

v.

APPLE, INC.,

Defendant.

OPINION AND ORDER

14-cv-062-wmc

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After reserving in part on plaintiff WARF's motion *in limine* to exclude evidence and argument regarding Apple's '647 patent application and issuance on the claim of infringement by the equivalence, the court directed Apple to file two additional proffers as to (1) the evidence that it would offer during the liability phase of trial and (2) the argument it would make on this issue at the close of the liability phase. Having reviewed Apple's proffers, WARF's responses, and Apple's reply, the court concludes that Apple has advanced enough evidence with regard to the '647 patent application, prosecution and issuance to make it relevant to the jury's consideration of WARF's infringement by the equivalence claim. At the same time, WARF has established that Apple's development of this patent's relevance was haphazard and incomplete, making its introduction problematic at best and prejudicial at worst.

Given that the state of the record is due to the compression of expert discovery and the fact that the '647 patent only recently issued, as well as the fact that exclusion of the '647 patent will likely mean that this trial will give the parties no closure as to its relevance, at least on a going forward basis, the court chooses to err on the side of its admission. Happily, the parties have themselves suggested an equitable compromise as a

result of this admittedly unsatisfying ruling. Specifically, WARF has agreed to “drop doctrine of equivalence and make no doctrine of equivalents arguments whatsoever at trial” if the ’647 application is allowed into evidence. (Pl.’s Resp. (dkt. #512-1) 1.) In kind, Apple has agreed it will not offer the “’647 application or the issued ’725 patent” for any reason during the liability phase of trial “if the doctrine of equivalents is not in issue.” (Def.’s Reply (dkt. #513-1) 2.) For reasons discussed below, a balance of all considerations raised by WARF’s motion *in limine* suggests that this is probably the most appropriate solution in any event.

## OPINION

### I. Relevance

There is no dispute that the separate patentability of an accused product is relevant in determining infringement by equivalence. *See Nat’l Presto Indus., Inc. v. West Bend Co.*, 76 F.3d 1185, 1192 (Fed. Cir. 1996) (“The fact of separate patentability is relevant, and is entitled to due weight.”). However, evidence of separate patentability is not conclusive of noninfringement. *See Fiskars, Inc. v. Hunt Mfg. Co.*, 221 F.3d 1318, 1324 (Fed. Cir. 2000) (“[I]t is well established that separate patentability does not avoid equivalency as a matter of law.”). Separate patentability does not even constitute a *prima facie* determination of nonequivalence. *See Atlas Powder Co. v. E.I. du Pont De Nemours & Co.*, 750 F.2d 1569, 1580 (Fed. Cir. 1984) (rejecting defendant’s argument that “so long as direct infringement is lacking, the grant of a patent to an accused infringer constitutes a *prima facie* determination of non-equivalence and, accordingly, of non-infringement”);

*see also Siemens Med. Solutions USA, Inc. v. Saint-Gobain Ceramics & Plastics, Inc.*, 637 F.3d 1269, 1283 (Fed. Cir. 2011) (holding that evidence of separate patentability does not even heighten plaintiff's burden of proof of infringement by equivalence claim to that of clear-and-convincing evidence).

Limiting the probative value of this evidence can be justified for a variety of reasons. For example, there may be uncertainty as to the validity of the separate patent, in particular whether it is novel in light of the patent in suit. As WARF points out, the separate patent may also have been allowed for reasons unrelated to the patent-in-suit (and, thus, unrelated to the doctrine of equivalence claim). (Pl.'s Resp. (dkt. #484) 5 (discussing *Roton Barrier, Inc. v. Stanley Works*, 79 F.3d 1112, 1128 (Fed. Cir. 1996)).) Finally, there may be uncertainty as to whether the alleged infringer is practicing the separate patent.

Perhaps most troubling for the purposes of this court's consideration of the admissibility of the '647 application and resulting '725 patent, it remains unclear how much weight the jury *is* to place on the fact of issuance, or even how a jury should be instructed as to the weight it should put on the fact of separate patentability even *after* full exploration of all of the relevant factors (*e.g.*, was the patent in suit considered by the PTO before issuance of the separate patent; has the separate patent been subject to validity challenges; what does the prosecution history say as to why it was issued; and does the accused infringer practicing the patent). Here, the parties both argue that many of the relevant factors cut in their favor, when the reality is that most factors have not been fully explored, much less litigated, with the separate patent having just issued. Yet

even if all factors were presumed to fall in WARF's favor on a complete record, the case law would suggest that it remains in this court's discretion to allow Apple to at least introduce the issuance of the '647 application into evidence.

## II. Prejudice

It is in this uncertain legal context, that the court must weigh WARF's claim of prejudice. Some courts have dealt with the limited value of this evidence and the risk of prejudice to the plaintiff by giving the jury a strong curative instruction. *See, e.g., Emblaze Ltd. v. Apple Inc.*, No. 5-11-cv-01079-PSG, 2015 WL 396010, at \*8 (N.D. Cal. Jan. 29, 2015) (denying plaintiff's Rule 59 motion for a new trial based, in part, on the fact that the court offered an instruction to ameliorate any prejudice to plaintiff in defendant Apple's introduction of its separate patents).

In fairness, this case presents additional concerns of prejudice given the timing of the allowance of the separate patent. Not only did Apple's separate patent issue several years after the start of the alleged infringement in this case, it issued on the eve of trial. The only case in which this court previously considered separate patentability in the context of a claim of infringement by equivalence -- a case on which Apple relies in crafting a proposed instruction -- is distinguishable from the facts here. In *Havco Wood Prods., LLC v. Indus. Hardwood Prods., Inc.*, 2012 WL 5199185 (W.D. Wis. Oct. 22, 2012), the separate patent was issued both before the alleged infringement and the filing of the patent lawsuit. Moreover, the defendant's opposition to the doctrine of equivalence claim based on its separate patent was well-developed. *See id.* at \*7

(discussing separate patent in summary judgment decision); slip op. at 5 (W.D. Wis. July 5, 2012) (dkt. #198) (denying motion *in limine* to exclude separate patent).

While the record here demonstrates that Apple timely disclosed the fact of its application, Apple did not expressly advise that a non-infringement argument would be forthcoming should the '647 application be approved. In response, Apple relies on the fact that the patent was just recently issued, and therefore there was no basis for disclosing a non-infringement theory based on a separate *patent*. While the court credits this response to a certain extent, patent cases regularly involve experts opining on alternative theories (*e.g.*, if the court adopts defendant's claim construction, there is no infringement; if the court adopts plaintiff's claim construction, there is still no infringement, etc.). Certainly, Apple could have -- and arguably should have -- developed its theory of non-infringement based on the possibility that ultimately approved claims of the '647 application might be relevant to WARF's equivalency claim.

On the other hand, having used the fact of the pending '647 application against Apple in a number of ways, WARF can hardly claim surprise when the fact of the patent's issuance now cuts against it. Moreover, as demonstrated by WARF's responses to Apple's proffers, WARF arguably benefits from Apple having to argue the patent's significance to the doctrine of equivalence claim on a partially developed record.<sup>1</sup>

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<sup>1</sup> Indeed, while crediting WARF's claims of prejudice in part, its best argument in response to the introduction of the '647 application and issuance on liability may be that Apple is asking the jury to do too much work to tie its argument together, since Apple lacks a proponent expert to explain to the jury (1) what the claims of the allowed patent mean; (2) that Apple practices the allowed claims (rather than those claims that are part of the 2013 application for which Apple could rely on WARF's expert Conte's testimony); and (3) how the allowed claims circumscribe the scope of the equivalence of

IT IS ORDERED that:

- 1) Plaintiff WARF's motion for leave to file opposition to Apple's proffer (dkt. #512) and defendant Apple's motion for leave to file reply (dkt. #513) are both GRANTED;
- 2) Plaintiff WARF's motion *in limine* 2 to exclude evidence and argument regarding Apple's '647 application with respect to the doctrine of equivalence claim (dkt. #290) is DENIED; and
- 3) By agreement of the parties, neither side may introduce evidence or argument regarding the '647 application, prosecution or issuance during the liability phase of trial.

Entered this 4th day of October, 2015.

BY THE COURT:

/s/

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WILLIAM M. CONLEY  
District Judge

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the '752 patent. Although WARF claims this might result in jury confusion, it is at least as likely that it might result in an adverse decision against Apple.