

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. SACV 11-01056-JVS(ANx) Date May 9, 2012

Title Universal Electronics Inc. v. Logitech, Inc., et al.

Present: The Honorable James V. Selna

Karla J. Tunis

Not Present

Deputy Clerk

Court Reporter

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

Not Present

Not Present

Proceedings: (IN CHAMBERS)

Order Granting Plaintiff’s Motion for Summary Judgment of Non-Infringement of U.S. Patent No. 6,504,580 (Fld 3-16-12) and Denying Plaintiff’s Motion for Summary Judgment of Non-Infringement of U.S. Patent Nos. 5,410,326 and 6,130,726 Based on Equitable Estoppel, Impien Waiver and Laches (Fld 3-17-12)

Plaintiff and counter-defendant Universal Electronics, Inc. (“UEI”) moves the Court pursuant to Federal Rule of Civil Procedure 56 for summary judgment of non-infringement on three patents asserted by defendants and counter-claimants Logitech, Inc.; Logitech International S.A.; and Logitech Europe S.A. (“Logitech”). Logitech opposes. For the following reasons the motion on the ’580 Patent is GRANTED and the motion on the ’326 and ’726 Patents is DENIED.

I. PROCEDURAL BACKGROUND

UEI commenced this action on July 15, 2011. (Compl., Docket No.1.) It alleges seventeen counts of direct, induced, and contributory infringement of seventeen of its patents relating to remote control technology.¹ (Compl. ¶¶ 16-96.) Furthermore, UEI

¹UEI’s patents in suit include: U.S. Patent No. 5,552,917; U.S. Patent No. RE 39,059; U.S. Patent No. 7,218,243; U.S. Patent No. 7,093,003; U.S. Patent No. 7,831,930; U.S. Patent No. 7,782,309; U.S. Patent No. 7,821,504; U.S. Patent No. 7,821,505; U.S. Patent No. 7,106,209; U.S. Patent No. 7,259,696; U.S. Patent No. 5,255,313; U.S. Patent No. 5,228,077; U.S. Patent No. 5,414,761; U.S. Patent No. 7,589,642; U.S. Patent No. 7,126,468; U.S. Patent No. 6,097,309; and U.S. Patent No. 6,522,262.

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alleges that the infringement of thirteen of the seventeen patents in suit is “willful and deliberate.” (Compl. ¶¶ 20, 25, 30, 35, 56, 61, 66, 71, 76, 81, 86, 91, 96.) On November 3, 2011, Logitech answered and counterclaimed against UEI. (Logitech Ans., Docket No. 31.) Logitech’s counterclaims included claims for declaratory judgment of non-infringement, declaratory judgment of invalidity, infringement of five patents,² abuse of process,³ and unfair competition in violation of Cal. Bus. & Pro. Code § 17200. (*Id.* at ¶¶ 124-96.)

On November 24, 2011, UEI filed an answer and counterclaim. (UEI Ans., Docket No. 37.) UEI asserted counterclaims for declaratory judgment of non-infringement and affirmative defenses including laches, prosecution disclaimer, implied waiver, and estoppel. (*Id.* at ¶¶ 6-56; Aff. Def. 8, 10, 12.) On December 16, 2011, UEI filed an amended answer and counterclaim maintaining the counterclaims and defenses discussed. (UEI FAA, Docket No. 49.)

UEI has moved for summary judgment of non-infringement as to the ’580 Patent because it believes the asserted claims, properly construed, are indisputably not infringed by the accused products. (’580 Mot. Br. 1, Docket No. 80.) Specifically, the patent and claims must be construed to exclude remote controls from the claim scope and UEI’s accused products all admittedly function as remote controls. (*Id.*) Logitech has opposed, arguing the claims should not be construed in this manner. (’580 Opp. Br. 1, Docket No. 96.) It argues all prosecution history regarding the invention not being a remote control has no effect on what additional functions, features, or elements an infringing device may have. (*Id.*)

UEI also moves for summary judgment of non-infringement as to the ’326 and ’726 Patents based on its defenses of equitable estoppel, and implied waiver. (’326 & ’726 Mot. Br. 1, Docket No. 90.) Alternatively, it seeks to limit Logitech’s damages to only post-filing damages due to laches. (*Id.*) It contends that the previous patent holder,

²Logitech’s asserted patents include: U.S. Patent No. 5,410,326; U.S. Patent No. 6,130,726; U.S. Patent No. 6,504,580; U.S. Patent No. 6,784,805; and U.S. Patent No. 7,889,095. All Patents are referred to as “the ’XXX Patent” where XXX is the last three digits of the U.S. Patent Number.

³The Court has dismissed this claim. (See Docket No.72.)

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Evolve Products Inc. (“Evolve”), made offers to license the ’326 and ’726 Patents in 2003 but no enforcement was attempted until the current counterclaims. (*Id.* at 3.) Logitech opposes on several grounds. (’326 & ’726 Opp. Br. 1, Docket No. 102.) It argues that the licensing offers do not trigger the doctrines at issue here and, even if they did, UEI has not sufficiently shown prejudice or reliance. (*Id.*)

II. LEGAL STANDARD

Summary judgment is appropriate only where the record, read in the light most favorable to the nonmoving party, indicates that “there is no genuine issue as to any material fact and . . . the moving party is entitled to a judgment as a matter of law.” Fed. R. Civ. P. 56(c); *see also Celotex Corp. v. Catrett*, 477 U.S. 317, 323-24 (1986).

In the context of patent infringement, summary judgment is appropriate where “upon construction of the claims and with all reasonable factual inferences drawn in favor of the non-movant, it is apparent that only one conclusion as to infringement could be reached by a reasonable jury.” *ATD Corp. v. Lydall, Inc.*, 159 F.3d 534, 540 (Fed. Cir. 1998). While “[a] district court should approach a motion for summary judgment on the fact issue of infringement with great care,” *Cole v. Kimberly-Clark Corp.*, 102 F.3d 524, 528 (Fed. Cir. 1996), this does not foreclose summary judgment and the alleged infringer must come forward with specific facts to show there is a genuine issue for trial. *Chemical Engineering Corp. v. Essef Industries, Inc.*, 795 F.2d 1565, 1571 (Fed. Cir. 1986).

The burden initially is on the moving party to demonstrate an absence of a genuine issue of material fact. *MEMC Elec. Materials, Inc. v. Mitsubishi Materials Silicon Corp.*, 420 F.3d 1369, 1373 (Fed. Cir. 2005). If, and only if, the moving party meets its burden, then the non-moving party must produce enough evidence to rebut the moving party’s claim and create a genuine issue of material fact. *Id.* If the non-moving party meets this burden, then the motion will be denied. *Bose Corp. v. JBL, Inc.*, 274 F.3d 1354, 1360 (Fed. Cir. 2001). The Court will view the evidence in the light most favorable to the non-moving party. *MEMC Elec. Materials, Inc.*, 420 F.3d at 1373.

III. FACTUAL BACKGROUND

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The parties have presented evidence, purportedly uncontroverted facts supported by that evidence, and alleged factual disputes presented by the evidence. To the extent any disputed facts or evidence are material to the Court's decision, the disputes are resolved as stated herein. Disputes over evidence the Court does not rely on are immaterial, and the Court does not rule on them. The facts discussed herein are uncontroverted, except as may be noted below.

A. The '580 Patent

The '580 Patent was issued to Evolve on January 7, 2003. ('580 Statement of Uncontroverted Facts ("SUF") ¶ 1, Docket No. 96-1.)⁴ Evolve applied under parent application U.S. Patent Application No. 08/0829,928 (the "'580 Patent Application"). (*Id.* at ¶ 9.) The application was originally titled "Wireless Annunciator with Advertising Displays," and the patent issued under the title "Non-Telephonic, Non-Remote Controller, Wireless Information Presentation Device With Advertising Display." (*Id.* at ¶¶ 1, 9.)

Logitech has asserted the '580 Patent against UEI, specifically claims 1, 5, and 7. Claims 5 and 7 are dependent on claim 1. Claim 1 claims:

An information presentation device for visually presenting information including a liquid crystal, bi-stable, visual display requiring no refresh-buffer and requiring no power to maintain an image on said display, wireless means for receiving, from a host device, data including selected information to be displayed, a realtime dock, a buffer memory, said selected information including advertising and television program guide information and said date being stored in said buffer memory for being displayed under command of said realtime clock, maintaining means for maintaining said selected information displayed on said visual display of said information presentation device and means including liquid crystal

⁴Logitech expressly acknowledges many facts proffered by UEI are uncontroverted. As to these facts, the Court cites to UEI's SUF by paragraph number. More detailed citations to the record are found therein.

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materials for maintaining said selected information on said display even when said information presentation device is in a quiescent state or turned off.

'580 Patent 8:41-56.⁵ Claim 1 of the issued patent originated from the patent application claim 2. ('580 Lukas Decl. Ex. 4, Docket No. 82-4.) Claims 5 and 7 correspond to application claims 39 and 57. (Id.)

1. Prosecution History

The U.S. Patent and Trademark Office ("PTO") rejected the '580 Patent Application claims five times. (SUF ¶¶ 10, 14, 17, 20, 26.) The first rejection on May 5, 1999 rejected several claims as being anticipated by "Goldstein," the '326 Patent, or obvious in light of Goldstein and other references.

In response to several of these rejections, the patentee made amendments and arguments regarding the invention not being a remote control. ('580 Lukas Decl. Exs. 7, 9, 11, 13.) The first relevant amendment and response was filed January 31, 2000 in response to the PTO's August 31, 1999 office action. ('580 SUF ¶ 15.) The office action rejected application claims 2, 8, 4, 17, 33, 39, and 41 as obvious in light of Goldstein. ('580 Lukas Decl. Ex. 6.) In its response, the patent applicant amended the title of the patent from "Wireless Annunciator with Advertising Display" to "Wireless Information Presentation Device with Advertising Display." (Id. at Ex. 7 p. 81.) The applicant also replaced "annunciator" with "information presentation device" throughout the active claims and remarked such a change was to reflect the visual presentation of information where annunciator implied audio presentation. (Id. at p. 82-83.) The applicant also argued that to the extent the Goldstein obviousness rejections could be applied to the amended claims, it was traversed. (Id. at 83.) In support of the traverse the applicant made several points. (Id.) First and relevantly,

Goldstein is directed to a remote control. Please note that applicants' device is not a remote control. Rather, it is an information presentation

⁵See '580 Lukas Decl. Ex. 1, Docket No. 82-1.

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device that can have mounting means such as Velcro™ or a magnet for mounting it on a refrigerator door or can simply be a generally rectangular shaped device which is placed on a coffee table and presents information.

(Id. at 84.)

On June 22, 2000, the PTO issued an office action rejecting all pending claims as obvious in light of several portable telephone prior art references. ('580 SUF ¶ 17; '580 Lukas Decl. Ex. 8 p. 90.) In response, the applicant amended the patent title to "A Non-Telephonic, Wireless Information Presentation Device with Advertising Display," and also amended the specification and claims to add "Non-telephonic" to several instances of "information presentation device." ('580 Lukas Decl. Ex. 9 p. 98-100.) In the remarks, applicant argued its device was a "non-telephonic information presentation device" and thus traversed rejections based on telephone related prior art. (Id. at 101.)

On December 19, 2000, the PTO issued an office action rejecting all pending claims as obvious in light of Goldstein and other prior art references. (Id. at Ex. 10, p. 105-10.) In response, on February 21, 2001, the applicant amended the patent title to "A Non-Telephonic, Non-Remote Controller, Wireless Information Presentation Device with Advertising Display. (Id. at Ex. 11, p. 114.) It further sought to amend the specification to add "non-remote controller" to modify an instance of "information presentation device." (Id.) It also amended the claims to add "non-remote controller" prior to the initial instance of "information presentation device" in each claim. (Id. at 115.) The applicant also added several new claims, including claim 57, that also referred to the patented invention as a "non-telephonic, non-remote controller, information presentation device." (Id. at 116-17.) In the remarks, the applicant argued that the obviousness rejections based on Goldstein in light of other prior art were traversed for several reasons. (Id. at 117.) Amongst those reasons, was again that "the Goldstein patent is directed to a remote control" while

applicants' device is not a remote control and this is now distinctly brought out in the amended claims. Rather, applicant's device is an

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information presentation device that can have mounting means such as Velcro™ or a magnet for mounting it on a refrigerator door or simply can be a generally rectangular or a circular shaped device which is placed on a coffee table and presents information such as news, weather, sports and advertising to people who look at it.

(Id.) The applicant went on to further argue against obviousness rejections, stating that its device “is not a remote control or remote controller” and discussed certain other distinguishing novel features as in “addition to not being a remote controller.” (Id. at 118.)

On May 7, 2001, the PTO issued a final office action rejecting all pending claims under 35 U.S.C. § 112. (Id. at Ex. 12, p. 123.) It stated that the claims “contain[ed] subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.” (Id.) The office action went on to explain that the claimed negative language of “non-telephonic, non-remote controller” was not described in the specification when the application was filed, thus creating new subject matter. (Id.) It also rejected the claims for being indefinite and obvious in light of certain non-telephonic and non-remote controller prior art. (Id. at 124-25.)

In response to this action, the applicant again amended the claims, this time removing the “non-telephonic, non-remote controller” language from them and adding certain other unrelated language. (Id. at Ex. 13, p. 131-32.) In the remarks, the applicant argued that it had traversed the § 112 rejections by removing the negative language and rewriting some claims to make them more definite. (Id. at 133.) The applicant also addressed the other rejections but not in any way relevant to the “non-remote control” language. (Id. at 134-39.)

The PTO sent a notice of allowance on August 2, 2002. (Id. at Ex. 14, p. 140.) It allowed all the claims as amended without the “non-remote controller” modifier.

2. Accused Products

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Logitech has asserted the '580 patent against the UEI products NevoS70, and Crestron TPMC-4XG. (SUF ¶ 33.) In Logitech's infringement contentions related to other asserted patents, it describes both the NevoS70 and the Crestron TPMC-4XG as remote controls in several instances. (*Id.* at ¶ 34.) The product manuals and information sheets cited by Logitech refer to them as remote controls. (*Id.* at ¶ 35.)

B. The '326 and '726 Patents

The '326 Patent issued on April 25, 1995 and the '726 Patent issued on May 15, 1998. Evolve had rights to these patents at least in 2003. ('326 & '726 SUF ¶ 18.) Logitech is the current owner of the '326 and '726 Patents. (*Id.* at ¶¶ 8, 9.) Logitech alleges that several of UEI's products infringe the '326 Patent and that the NevoS70 infringes the '726 Patent. (*Id.* at ¶¶ 10, 11.) Specifically, Logitech alleges that UEI's Nevo S70, Nevo Q50, NevoC2, NevoC3, Acoustic Research ARR06G, Acoustic Research ARR12G, Acoustic Research ARR15G, and Acoustic Research ARR18G devices and all remote controls that have JP1 and/or JP1.x interface infringe the '326 Patent. (*Id.* at ¶ 10.)

1. UEI and Evolve

In 2002, UEI began to develop its Nevo remote line including the NevoGuide application for use in Nevo PDA remote controls. (*Id.* at ¶ 13.)⁶ On January 28, 2003, UEI and Evolve representatives met to negotiate UEI's use of Evolve's television program guide data in UEI's NevoGuide application. (*Id.* at ¶15.)⁷ At that meeting, Evolve "casually informed" UEI that it owned IP which it

⁶Logitech disputes this fact because it is based on evidence it argues is inadmissible. ('326 & '726 Statement of Genuine Disputes ("SGD") ¶13, Docket No. 103.) The fact is based on the declaration of Patrick Hayes and Logitech argues he has not demonstrated his personal knowledge of the matter being testified to in violation of Federal Rule of Evidence 602. ('326 & '726 Evid. Objs. 1, Docket No. 104.) The Court resolves the objections associated with Hayes declaration in Section III. B. 3., *infra*.

⁷Logitech states it does not dispute that the source relied on states this language but disputes whether the language supports the inference on summary judgment that UEI seeks. ('326 & '726 SGD ¶

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would license as part of its proposal to provide the guide data to UEI. (Hayes Decl. Ex. 1, p. 2, Docket No. 93.) On February 4, 2003, Ricki Darbee (“Darbee”) of Evolve transmitted a letter to Ramzi Ammari (“Ammari”), Senior Director of Business Development for UEI. (’326 & ’726 SUF ¶ 17.) The letter details the proposal for guide data and also states that “Evolve has an extensive portfolio of patents directed to remote controls and, in particular, hand held remote controls that include guide functions.” It then lists several patents granted to Evolve, including the ’326 and ’726 patents with their titles. The letter goes on to say that

Evolve has not and does not accuse UEI of infringing any patents or trademarks in which Evolve has rights; the foregoing does not infer that Evolve has concluded that UEI does not infringe any patent or trademark in which Evolve has, but merely states that Evolve takes no position as to any possible infringement by UEI, at this juncture and in this time.

Evolve prefers to establish a mutually beneficial working relationship with UEI and is open to discussing licensing opportunities. Evolve would like to reach an agreement in principle with UEI before proceeding with the specifics of the above business proposal.

(Id at ¶¶ 18, 19.)

In response, UEI attempted to negotiate the fees for the guide data and did not mention “IP.” (Hayes Decl. Ex. 3 p. 6.) However, in her response to the negotiations, Darbee stated that “[t]he IP issue will need to be addressed regardless of your data supplier. Please advise your thoughts.” (Id.; ’326 & ’726 SUF ¶ 22.)

On March 5, 2003, Mr. James Hill (“Hill”), President and Chief Operating Officer of Evolve, transmitted a second letter to Ammari of UEI regarding Evolve’s “extensive portfolio of patents directed to remote controls and, in

15.) Logitech does not articulate what inference it is referring to and provides no contradictory evidence or evidentiary objection to the underlying document. (Id.) The Court therefore finds the language and the fact the meeting took place to be uncontroverted.

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particular, hand held remote controls that include guide functions.” (’326 & ’726 SUF ¶ 23.) The letter then listed several patent numbers and their titles including the ’326 and ’726 Patents. (Hayes Decl. Ex. 4, p. 9.) The letter included the same language quoted above from the February 4, 2003 proposal. (*Id.*) Additionally, the letter contained a paragraph above two signature blocks stating:

At this time, [Evolve] and [UEI] have not addressed nor reached any agreement on certain Evolve intellectual property issues in connection with the technology incorporated in the Evolve GuideRemote and the GuideRemote Data Listing agreement. Accordingly, the parties have agreed to reserve these matters and defer discussion, substantive review and final resolution of these intellectual property issues until a future date.

(’326 & ’726 SUF at ¶ 24.) The signature blocks were not signed by either UEI or Evolve. (*Id.*) On the same day, a data listing agreement was provided to UEI by Evolve. (*Id.* at ¶ 27.) This agreement did not mention the ’326 and ’726 Patents or licensing them; it referred only to the proposed terms upon which Evolve would provide program guide data to UEI for its NevoGuide remote control application. (*Id.* at ¶¶ 28, 29.) Neither communication mentions JP1 or JP1.x interfaces. (Hayes Decl. Exs. 2, 4.)

On April 3, 2003, Ammari emailed Hill and stated that “we have concluded that we cannot pursue your proposed cost sharing program for guide data.” (’326 & ’726 SUF at ¶ 30.) He goes on to say that “[w]ith regard to your proposal on intellectual property, at this time, we are not in a position to commit to any licensing agreements or declarations.” (*Id.* at ¶ 31.) Logitech, nor Evolve contacted UEI regarding the ’326 and ’726 patents subsequently until the present counterclaim.⁸

⁸Logitech objects to UEI’s evidence supporting this fact. (’326 & ’726 SGD ¶¶ 32, 33.) It argues that the declarant stating these facts, Hayes, has not established his personal knowledge of the matter testified. (’326 & ’726 Evid. Objs. 3, 5, 8.) The Court resolves the objections associated with Hayes declaration in Section III. B. 3. *infra*.

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3. UEI's Subsequent Development

UEI submits uncontroverted facts to support its subsequent development of products and other prejudice theories based entirely on the declaration of one of its current employees, Patrick Hayes. (See '326 & '726 SUF ¶¶ 32-38.) Logitech has articulated several objections to this declaration. ('326 & '726 Evid. Objs., Docket No. 104.) The primary objection, reiterated specifically for each statement, is that Hayes either does not have or has not established he has personal knowledge of the statements made. (*Id.* at 1-11.) Logitech also objects on hearsay, reliance on unidentified or unauthenticated documents, and improper lay/expert testimony grounds. (*Id.* at 12-15.)

UEI argues that such personal knowledge is implied by Hayes position and tenure at the company. ('326 & '726 Resp. to Objs. 2, Docket No. 109.) Further, he was copied on several of the communications attached to his declaration. (*Id.*) UEI argues that he is not required to set forth a detailed, exacting description of each and every source of that personal knowledge. (*Id.*) UEI relies on *In re Kaypro*, 218 F.3d 1070, 1074 (9th Cir. 2000) and *Tele Atlas N.V. v. NAVTEQ Corp.*, 2008 WL 4809441 (N.D. Cal. Oct. 28, 2008) as showing the propriety of inferring personal knowledge based on position. ('326 & '726 Resp. to Objs. 3.)

For reasons delineated below, the Court finds the statements going to reliance, those about amounts spent on development and advertising etc., to be immaterial and the Court does not address objections aimed at such. For those going to when advertising for certain products began or other statements to support UEI's contention that it engaged in pervasive, open and notorious activity, the Court will consider them in deciding this motion.

Hayes current position as Vice-President of Intellectual Property, his previous positions as Director of Software Development, and Vice President of Technology Development, and his service at the company since 1992 all allow this Court to infer his personal knowledge of these matters. See *Kaypro* 218 F.3d at 1075; *Barthelemy v. Air Lines Pilots Ass'n*, 897 F.2d 999, 1018 (9th Cir. 1990). Logitech does not acknowledge this line of case law and cites only to the general provision that personal knowledge is required. The Court finds Hayes has

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sufficiently laid the foundation through his position for his personal knowledge of the statements this Court cites to from his declaration.

The Court thus finds that it is uncontroverted that there was no substantial contact between UEI and Logitech or Evolve regarding the '326 and '726 Patents after the correspondence in 2003 already discussed. (Hayes Decl. ¶¶ 14, 16.) Communications between UEI and Evolve were initiated because UEI was seeking “television program listing data for use in its NevoGuide PDA remote control TV Guide application.” (*Id.* at ¶ 6.) The parties met about the matter. (*Id.* at 7.)⁹ Certain JP1 and JP1.x products were advertised, marketed, and produced in 2003. (*Id.* at ¶ 19.) Several of UEI’s future remotes were derived from previous Nevo remote technology. (*Id.* at ¶ 17.)

IV. DISCUSSION

The Court finds that UEI has not established an absence of genuine issue of fact on several issues. However, the Court finds that it has met its burden and is entitled to summary judgment for non-infringement of the '580 Patent due to prosecution disclaimer.

A. Non-Infringement of the '580 Patent

A determination of “[p]atent infringement requires a two-step analysis.” CCS Fitness v. Brunswick Corp., 288 F.3d 1359, 1365 (Fed. Cir. 2002). First, the Court must construe the disputed claims. *Id.* Then, the Court must compare the “properly construed claims to the accused device, to see whether that device contains all the limitations, either literally or by equivalents, in the claimed invention.” *Id.* The Court has not yet construed any claim terms so it first turns to that matter.

⁹Hayes states the meeting was on using guide data for “UEI’s remote controls, including UEI’s Nevo PDA remote control.” (Hayes Decl. ¶ 7.) However, the document cited to only indicates UEI sought guide data for its “NevoGui[d]e application.” (Hayes Decl. Ex. 1.) Thus, the Court considers this statement only to include remote controls that used the NevoGuide application.

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1. Claim Construction

It is well settled that claim construction is “exclusively within the province of the court.” Markman v. Westview Instruments, Inc., 517 U.S. 370, 372 (1996). Such construction “begins and ends” with the claim language itself, Interactive Gift Express, Inc. v. Compuserve, Inc., 256 F.3d 1323, 1331 (Fed. Cir. 2001), but extrinsic evidence may also be consulted “if needed to assist in determining the meaning or scope of technical terms in the claims.” Pall Corp. v. Micron Separations, Inc., 66 F.3d 1211, 1216 (Fed. Cir. 1995).

In construing the claim language, the Court begins with the principle that “the words of a claim are generally given their ordinary and customary meaning.” Phillips v. AWH Corp., 415 F.3d 1303, 1312 (Fed. Cir. 2005) (internal quotation marks omitted). Further, this ordinary and customary meaning “is the meaning that the [claim] term would have to a person of ordinary skill in the art in question at the time of the invention, *i.e.*, as of the effective filing date of the patent application.” Id. at 1313. “[T]he person of ordinary skill in the art is deemed to read the claim term not only in the context of the particular claim in which the disputed term appears, but in the context of the entire patent, including the specification.” Id.

“In some cases, the ordinary meaning of claim language as understood by a person of skill in the art may be readily apparent even to lay judges, and claim construction in such cases involves little more than the application of the widely accepted meaning of commonly understood words. In such circumstances general purpose dictionaries may be helpful.” Id. at 1314. In other cases, “determining the ordinary and customary meaning of the claim requires examination of terms that have a particular meaning in a field of art.” Id. In those cases, “the court looks to those sources available to the public that show what a person of skill in the art would have understood the disputed claim language to mean.” Id. These sources include “the words of the claims themselves, the remainder of the specification, the prosecution history, and extrinsic evidence concerning relevant scientific principles, the meaning of technical terms, and the state of the art.” Id. (internal quotation marks omitted).

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The claim terms are not presumed to have the meaning that a person of ordinary skill in the relevant art would ordinarily attribute to them if (1) the patentee acts as his own lexicographer, or (2) the claim term is too vague for an accurate meaning to be ascertained from the language used. Novartis Pharms. Corp. v. Abbott Labs., 375 F.3d 1328, 1334 (Fed. Cir. 2004). To act as his own lexicographer a patentee must merely set out a different meaning in the specification in a manner sufficient to provide notice of the meaning to a person of ordinary skill in the art. In re Paulsen, 30 F.3d 1475, 1480 (Fed. Cir. 1994).

It is improper to read limitations from the specification into the claim. Callicrate v. Wadsworth Mfg., Inc., 427 F.3d 1361, 1368 (Fed. Cir. 2005) (citing Phillips, 415 F.3d at 1312 “[I]f we once begin to include elements not mentioned in the claim, in order to limit such claim. . . . we should never know where to stop.”) Although a specification may be relevant, the “written description part of the specification itself does not delimit the right to exclude. That is the function and the purpose of the claims.” Markman, 52 F.3d at 980.

With these principles in mind, the Court now turns to the construction of the claim language at issue.

Claim Language	UEI’s Proposed Construction
“information presentation device” (Claims 1, 5, 7) ¹⁰	“a device that visually presents information that is not a telephone and that is not a remote control”

As an initial matter the Court notes that “claim construction is a matter of

¹⁰The subject language is part of the claim preamble. See e.g. Pitney Bowes, Inc. v. Hewlett-Packard Co., 182 F.3d 1298, 1305 (Fed. Cir. 1999). The parties do not dispute whether the term “information presentation device” as used in the preamble of the asserted claims limits their scope. For a preamble to limit a claim, it is “analyzed to ascertain whether it states a necessary and defining aspect of the invention, or is simply an introduction to the general field of the claim.” On Demand Mach. Corp. v. Ingram Indus., 442 F.3d 1331, 1343 (Fed. Cir. 2006). The preamble here clearly does recite some necessary and defining characteristics of the invention regardless of whether it also means a device that is “not a remote” such as information and presentation. Thus, it limits the scope of the asserted claims.

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resolution of *disputed* meanings and technical scope, to clarify and *when necessary* to explain what the patentee covered by the claims.” U.S. Surgical Corp. v. Ethicon, Inc., 103 F.3d 1554, 1568 (Fed. Cir. 1997) (emphasis added). For the purposes of this motion, the dispute and necessary construction to resolve the dispute centers only on whether “information presentation device” should be construed to also mean “not a remote control.” Therefore, the Court will only construe whether the term “information presentation device” at least means a device that is not a remote control.

Generally, there is a “‘heavy presumption’ that claim terms carry their full ordinary and customary meaning unless the patentee unequivocally imparted a novel meaning to those terms or expressly relinquished claim scope during prosecution.” Omega Engineering, Inc. v. Raytek Corp., 334 F.3d 1314, 1323 (Fed. Cir. 2003) (internal citations omitted). The parties’ arguments center on these two ways of overcoming the presumption, presenting two issues to be resolved. First, looking at the patent and its prosecution history, must “non-remote controller” be considered part of the definition of “information presentation device” due to its inclusion in the patent title and the proposed amendment adding it to the specification? Second, did the patentee’s arguments and amendments in the course of prosecuting the ’580 Patent disclaim remote controllers to the extent it cannot assert it against remote controllers now? The Court examines these in turn.

i. Patentee as Its Own Lexicographer

UEI argues that “information presentation device” must be construed as meaning a device that is not a remote control because the title and specification of the ’580 Patent state that it is not a remote control. (’580 Mot. Br. 11.) It points to cases Exxon Chem. Patents, Inc. v. Lubrizol Corp., 64 F.3d 1553, 1558 (Fed. Cir. 1995); Titanium Metals Corp of America v. Banner, 778 F.2d 775, 780 (Fed. Cir. 1985); and ActiveVideo Networks, Inc. v. Verizon Communications Inc., 801 F. Supp. 2d 465, 490 (E.D. Va. 2011), to support this argument. (*Id.*) It further argues that where “information presentation device” is used in the field of invention portion of the specification, it was also supposed to be modified with “non-remote controller,” but an amendment was inadvertently left out of the issued

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patent. (Id. at 12 n. 12.) UEI goes on to argue that these passages show the patentee acting as its own lexicographer to define “information presentation device.” (’580 Rep. Br. 11.)

Logitech argues that using part of the specification to add an additional limitation to a claim is clearly prohibited. (’580 Opp. Br. 5.) It goes on to point out that the Federal Circuit has held that reading limitations into a patent from the title is even more improper. (Id. at 5-6 (citing Pitney Bowes, 182 F.3d at 1312 (Fed. Cir. 1999)).) Logitech further argues that UEI’s cases are distinguishable and do not stand for the idea that a patent title can dictate a claim construction. (’580 Opp. Br. 6-8.)

The starting point for any claim construction must be the claims themselves. Vitronics, 90 F.3d at 1582. UEI does not appear to argue that the term is ambiguous or does not have a plain and ordinary meaning to a person of skill in the art that is readily apparent. In this situation, for the Court to do more than apply the widely accepted meaning of commonly understood words “information,” “presentation,” and “device,” the patentee must have acted as its own lexicographer. See Phillips 415 F.3d at 1314. For a party to act as its own lexicographer, a special meaning for a term must appear with reasonable clarity and precision in the patent or its prosecution history. Honeywell Int’l Inc. v. Universal Avionics Sys. Corp., 493 F.3d 1358, 1361. (Fed. Cir. 2007). A special meaning is reasonably clear and precise when the patent or its prosecution history puts one of ordinary skill in the relevant art, or a reasonable competitor, on notice that the applicant intended to so specially define the claim language. Union Carbide Chemicals & Plastics Technology Corp v. Shell Oil Co., 308 F.3d 1167, 1177 (Fed. Cir. 2002). For words with a common meaning, it may be necessary for the applicant to clearly point out how the term in the patent differs from conventional understanding. Apple Computer v. Articulate Sys., 234 F.3d 14, 21 n. 5 (Fed. Cir. 2000).

In the prosecution history, the applicant does not argue that an information presentation device is not a remote controller, rather it argues that the applicant’s device, which it seeks to patent, is not a remote controller. It also argues several other things are required by the patented invention. The Court finds such

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arguments cannot reasonably show with clarity and precision that the term “information presentation device” was being defined specially as a device that is not a remote controller or requiring other limitations to the term inherently. Therefore, the Court finds that the applicant did not act as its own lexicographer to define information presentation device as a non-remote control by adding “non-remote controller” to the patent title and arguing in the prosecution that the invention was not a remote control.

Absent a finding that the patentee acted as his own lexicographer, the Court finds Logitech’s analysis of the case law on title based limitations apt and more persuasive than UEI’s. Pitney Bowes explicitly discusses both controlling opinions cited by UEI and dismissed them as not standing for the proposition that the patent title should limit the claims. 182 F.3d at 1312. It found that the “dearth of case law in which the patent title has been used as an aid to claim construction” was a sign of the “near irrelevancy of the patent title to claim construction.” Id. Further, the Court finds that ActiveVideo only uses the patent title as a secondary grounds for bolstering a construction it reaches on other grounds. 801 F. Supp. 2d at 490. Additionally, the term being constructed, “level 1 gateway,” did not have an easily ascertainable plain and ordinary meaning. Id.

Finally, the Court also does not find it compelling that the field of invention section was purportedly supposed to include “non-remote” as a modifier. While “[i]t is always necessary to review the specification to determine whether the inventor has used any terms in a manner inconsistent with their ordinary meaning.” Vitronics, 90 F.3d at 1582; see also Phillips, 415 F.3d at 1315. There is a distinction between using the specification to analyze claim terms and incorporating limitations from the specification into the claim language. Phillips, 415 F.3d at 1323; see also Liebel–Flarsheim Co. v. Medrad, Inc., 358 F.3d 898, 904 (Fed. Cir. 2004). The latter is what UEI seeks to do. Accordingly, the Court will not add this limitation on the basis of its presence in the title or its possible presence in the specification.

ii. Prosecution History Disclaimer

UEI argues that restricting “information presentation device” to something

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“that cannot be a remote control” is required in view of the patent applicant’s numerous express disclaimers and amendments made to overcome prior art rejections. (’580 Mot. Br. 13.) Logitech contends that a prosecution disclaimer has to be clear and unmistakable and that the statements and amendments here do not rise to that level. (’580 Opp. Br. 9.) It contends the statements could be reasonably interpreted to say only that the device does not have to be a remote control. (*Id.* at 10-11.) Finally, Logitech argues that UEI’s interpretation must fail because the exact limitation it seeks to add was rejected by the patent office in its final office action. (*Id.* at 12.)

“Under the doctrine of prosecution disclaimer, a patentee may limit the meaning of a claim term by making a clear and unmistakable disavowal of scope during the prosecution.” Purdue Pharma L.P. v. Endo Pharmaceuticals Inc., 438 F.3d 1123, 1136 (Fed. Cir. 2006); accord Spectrum Intern., Inc. v. Sterilite Corp., 164 F.3d 1372, 1378 (Fed. Cir. 1998) (“[E]xplicit statements made by a patent applicant during prosecution to distinguish a claimed invention over prior art may serve to narrow the scope of a claim.”). Thus, if a specific interpretation of a claim term was disclaimed, the Court’s construction should exclude it. Southwall Techs. Inc. v. Cardinal IG Co., 54 F.3d 1570, 1576 (Fed. Cir. 1995).

a. Amendments

The amendments adding “non-remote” language to the claims were rejected. While the Court does not necessarily give this the weight that Logitech does, it certainly “is a rule . . . that a claim in a patent as allowed must be read and interpreted with reference to claims that have been cancelled or rejected and the claims cannot by construction be read to cover what was eliminated from the patent.” Schriber-Schroth Co. v. Cleveland Trust Co., 311 U.S. 211, 220-21 (1940). The other amendments at issue altered the title of the patent and sought to modify the specification as discussed in Section IV. A. 1. *i. supra*. UEI is correct that the rejection of the claims with the “non-remote” language was a function of written description and the MPEP’s guidance that “[a]ny negative limitation or exclusionary provision must have basis in the original disclosure.” MPEP § 2173.05(I). However, the Court does not agree that this means the Court should give no weight to the rejection or that it is consistent with later construing the

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claims to add the rejected language to the claims. Instead, the Court will consider what claim coverage “was eliminated” by removing such language. The Court finds the amendments inconclusive of disclaimer for summary judgment purposes standing on their own.

b. Remarks

Thus, the Court turns to whether the prosecution history statements pointed out by UEI, by themselves or in context of the amendments, disclaim any device that would otherwise infringe but also operates as a remote controller. Further, the Court looks at whether such a disclaimer is clear and unmistakable. Omega Engineering, Inc. v. Raytek Corp., 334 F.3d 1314, 1325-26 (Fed. Cir. 2003).

The statements at issue all seek to convey the same primary message, that the invention is not a remote control or controller. UEI’s position is that this means the invention cannot be a remote control or controller. Logitech’s is that it means the invention does not have to be a remote control or controller.

The statements are all made to overcome obviousness rejections under 35 U.S.C. §103(a). Specifically, to overcome the Goldstein remote control patent (the ’326 Patent) in light of other patents. A patent is invalid under § 103(a) “if the difference between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.” 35 U.S.C. § 103(a). Thus, obviousness can be overcome by either arguing the elements disclosed did not exist in the prior art, or that there was no reason to combine certain elements disclosed in the prior art. KSR Int’l Co. v. Teleflex Inc., 550 U.S. 398, 407, 418 (2007). Here, the arguments regarding the remote control nature of Goldstein are not related to reasons to combine pieces of prior art. Instead, they appear aimed at demonstrating the device has an element or limitation that Goldstein does not. Thus, not being a remote controller was an additional limitation and the applicant disclaimed his invention being a remote control.

This does not necessarily conflict with the rejected claim amendments. The

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use of negative language is generally forbidden without a basis such as disclosing multiple alternatives to what you are negating. MPEP § 2173.05(i). In this sense, the MPEP anticipates the interpretation of “non-remote” that would allow claiming everything but a remote and requires you to show several non-remote alternatives to support the breadth of that claim. Therefore, the rejection was to prevent the patent from claiming all non-remote devices without showing several alternatives instead of just one. This does not conflict with finding that the device cannot be a remote, as that is a separate limitation, not broadening the scope of “non-remote control” devices covered. Additionally, the language of the rejected claim amendments and the construction sought, while similar, are not identical. Here, UEI seeks the term to be constructed in part as “a device . . . that is not a remote control.” This is not identical to “non-remote controller information presentation device.”

Accordingly, the Court finds that the ’580 Patent applicant disclaimed any patent scope over devices that are remote controls. Thus, the term “information presentation device” is properly construed to mean at a minimum “a device that is not a remote control.”

2. Accused Product Analysis

An accused product must have each limitation of a claim either literally or by equivalent, in order to infringe. Thus, where there is no genuine issue of fact whether a product is missing a limitation, summary judgment of non-infringement can be appropriate. Genzyme Corp v. Transkaryotic Therapies, Inc., 3346 F.3d 1094, 1106 (Fed. Cir. 2003). While open claim terms provide for additional elements to be added to a product without it avoiding infringement, if such an additional element would be antithetical or vitiate a limitation, the product does not infringe. Trading Tech. Int’l, Inc. v. eSpeed, Inc., 595 F.3d 1340, 1354 (Fed. Cir. 2010). Thus, here if the claim includes the limitation that “the device is not a remote control” you cannot add the “additional feature” that it is a remote control. Such an addition would be antithetical to such a limitation and vitiate it.

All the accused products admittedly act and are remote controls. Accordingly, because the Court finds the claim scope requires the invention to not

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be a remote control, the products cannot infringe as a matter of law.

B. Non-Infringement of the '326 & '726 Patents

While the three asserted defenses rely on primarily the same facts and similarly appeal to the equitable power of the Court, the doctrines involve several different elements. The Court examines in turn whether UEI has established any of the defenses as a matter of law.

1. Implied Waiver

Implied waiver is a subset of waiver where a patentee's actions imply it has relinquished its right to enforce its patents. Qualcomm Inc. v. Broadcom Corp., 548 F.3d 1004, 1020 (Fed. Cir. 2008). UEI argues that implied waiver exists anytime a patentee's conduct is "so inconsistent with an intent to enforce its rights as to induce a reasonable belief that such right has been relinquished." ('326 & '726 Mot. Br. 7 (citing to Qualcomm, 548 F.3d at 1020 and Hynix Semiconductor Inc. v. Rambus, Inc., 645 F.3d 1336, 1347-48 (2011)).) Logitech contends that these cases and implied waiver doctrine require clear and convincing evidence that the patentee had a duty to speak or obligation to disclose information. ('326 & '726 Opp. Br. 10.) While UEI argues this is only for implied waiver in a case involving a patentee who is a member of a Standard Setting Organization ("SSO") and allegedly was silent. ('326 & '726 Rep. Br. 10-11.)

All of UEI's provided cases and most of the documented instances discussing implied waiver of a patent enforcement rights are, in fact, in the context of behavior related to SSO activities. See Hynix, 645 F.3d at 1347; Qualcomm, 548 F.3d at 1020; Barnes & Noble, Inc. v. LSI Corp, 2011 U.S. Dist. LEXIS 12719 at *46 (N.D. Cal. February 2, 2012); Netscape Communications Corp v. ValueClick, Inc., 684 F. Supp. 2d 699, 723-24 (E.D. Va. 2010). Nevertheless, implied waiver as a doctrine does not need to be limited to this situation. Thus, if UEI can establish beyond a genuine issue of material fact that Logitech's conduct was "so inconsistent" with intent to enforce its rights that it induced a reasonable belief that such a right was relinquished, it can establish a waiver.

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In this instance, UEI points to no law dictating that silence outside of the SSO context is “so inconsistent” with intent to enforce. In light of other courts imposing significant barriers to establish a duty to disclose in the SSO context and thus waiver, the Court finds no reason to find the alleged facts here establish a duty outside the SSO context. Nor does the Court find the conduct taken as a whole to be “so inconsistent” as to constitute a waiver as a matter of law. Accordingly, the Court denies summary judgment of non-infringement of the ’326 & ’726 Patents based on implied waiver.

2. Equitable Estoppel

Equitable estoppel bars a patentee from recovering from an infringer for all past and prospective infringement and from obtaining injunctive relief. Scholle Corp. v. Blackhawk Molding Co., 133 F.3d 1469, 1471 (Fed. Cir. 1998). “A party raising equitable estoppel as a defense must prove, by a preponderance of the evidence, three elements: ‘(1) The [patentee], who usually must have knowledge of the true facts, communicates something in a misleading way, either by words, conduct or silence. (2) The [accused infringer] relies upon that communication. (3) And the [accused infringer] would be harmed materially if the [patentee] is later permitted to assert any claim inconsistent with his earlier conduct.’” Vanerlande Indus. Nederland Bv v. ITC, 366 F.3d 1311, 1324 (Fed. Cir. 2004) (quoting A.C. Aukerman Co. v. R.L. Chaides Constr. Co., 960 F.2d 1020, 1041 (Fed. Cir. 1992)). No presumption arises due to any specific length of delay and a defendant must establish all the factual elements. Aukerman, 960 F.2d at 1043. But such a delay may be relevant to assessing whether certain actions are misleading. Id. at 1042.

i. Misleading Conduct or Silence

To meet this element, an accused infringer must show that the patentee’s statements, conduct, or silence communicates something in a misleading way. Id. The purported message communicated is normally that the accused infringer will not be disturbed in its current activities. Id. Silence can be considered misleading only where somehow an obligation to speak has been triggered. Aspex Eyewear Inc. v. Clariti Eyewear, Inc., 605 F.3d 1305, 1310-12 (Fed. Cir. 2010). Such an obligation can be triggered by “threatened immediate or vigorous enforcement” of

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patent rights. Id. at 1310 (quoting Meyers v. Brooks Shoe, Inc., 912 F.2d 1459, 1464 (Fed. Cir. 1990)).

UEI argues that Logitech and Evolve's 8 years of silence and inaction after the 2003 licensing offers constitute misleading conduct. ('326 & '726 Mot. Br. 8.) This conduct and silence communicated that Logitech had abandoned its intent to enforce the '326 and '726 patents against UEI. (Id.) UEI argues the 2003 offers were sufficient under Aspex to trigger an ongoing obligation to not remain silent in order to not mislead UEI. (Id.) Further, as an equitable doctrine, estoppel should not follow some precise formula, but instead look to whether the communication would reasonably be seen as a threat of infringement even in the presence of hedging language. ('326 & '726 Rep. Br. 3.)

Logitech argues that it had no duty to speak and that its silence did not reinforce any inference by UEI that it would be unmolested. ('326 & '726 Opp. Br. 5.) It argues that under Aspex and Meyers that the 2003 communications cannot trigger a duty to speak because they did not threaten to enforce the patents and specifically disclaimed any position on infringement. (Id. at 6.) Instead, the communications were only an invitation to enter into a business relationship that did not threaten litigation nor convey the impression that Evolve would acquiesce in UEI's alleged infringement. (Id.) Further, it argues that on summary judgment, any reasonable inference from the letters should be drawn in its favor.

The Court finds that there remains genuine issues of material fact over whether Evolve and Logitech engaged in misleading conduct. UEI argues that the "present situation involves much more than a mere suggestion of infringement coupled with an offer to license. Here, there was an offer to license coupled with a threat of an infringement law suit." The Court does not find this statement supported by the evidence, especially in light of the procedural posture. While hedging language does not prevent a letter from being misleading, the positive language here does not rise to the level of threatening vigorous or immediate enforcement. The letters specifically named the '326 and '726 patents, but did not include statements like Aspex where the patentee stated that its patents may cover some products of the other party. 605 F.3d at 1311. The Court does not find that these letters could only be reasonably viewed as a threat of an infringement suit.

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Accordingly, the Court finds that UEI has not established equitable estoppel as a matter of law.

ii. Reliance and Material Harm

Because UEI cannot establish misleading conduct or silence as a matter of law, the Court does not analyze the possible reliance and material harm for equitable estoppel.

3. Laches

“The application of the defense of laches is committed to the sound discretion of the district court.” Aukerman, 960 F.2d at 1032. A laches claim requires proof of the following elements: (1) the plaintiff delayed filing suit for an unreasonable and inexcusable length of time from the time the plaintiff knew or reasonably should have known of its claim against the defendant, and (2) the delay operated to the prejudice or injury of the defendant. Id. When established, laches may bar recovery for pre-suit damages, but the court must “look to all the facts and circumstances of the case and weigh the equities of the parties” before deciding. Gasser Chair Co., v. Infanti Chair Mfg. Corp., 60 F.3d 770, 773 (Fed. Cir. 1995).

The alleged infringer bears the burden of proving these elements by a preponderance of the evidence. Aukerman, 960 F.2d at 1045. However, laches is presumed “where a patentee delays bringing suit for more than six years after the date the patentee knew or should have known of the alleged infringers’ activity.” Id. at 1037. Thus, an alleged infringer can meet its burden for a prima facie defense of laches by proving the patentee had or should have had knowledge of infringement more than six years prior to filing suit. Id. at 1035-36. Absent rebuttal, the infringer has established his defense without further burden or evidence. Hall v. Aqua Queen Mfg., Inc., 93 F.3d 1548, 1554 (Fed. Cir. 1996) The patentee can come forward with evidence to contest the grounds for triggering the presumption to prevent it from arising, or may offer proof directed to rebutting the laches factors. Aukerman, 960 F.2d at 1038. If a patentee can establish the presumption does not trigger because six years did not pass or it did not have

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knowledge, the alleged infringer must then come forward with evidence on the laches factors and bears the burden of proof and persuasion. Hall, 93 F.3d at 1555-56. If presumption is triggered, but the patentee can raise a genuine issue respecting either factual element, the presumption for both is overcome. Aukerman, 960 F.2d at 1038. The alleged infringer must again then meet its normal burden. Id.

i. Presumption

UEI contends that the presumption of laches applies to Logitech's activities because it knew of infringement and waited over six years to commence suit. ('326 & '726 Mot. Br. 13.) It argues that the letters sent to UEI by Evolve in 2003 indicate its "knowledge that UEI might be engaging in infringing activity with respect to the '326 and '726 Patents." (Id.) Alternatively, UEI contends that Evolve had constructive knowledge of UEI's allegedly infringing activity because of UEI's pervasive, open, and notorious advertising and sales activity for JP1 and JP1.x products. (Id.) This advertising commenced at least in 2003. Section III. B. 3 supra p. 12. Therefore, through either actual or constructive knowledge, Evolve, and thus Logitech, was aware of the infringing activity and waited over 8 years to file suit in this action. (Id. at 14.)

Logitech argues that the 2003 letters cannot show knowledge because several of the currently accused products did not even exist at the time they were sent. ('326 & '726 Opp. Br. 12.) It points out that UEI did not develop and release these products until later. (Id. citing Rogaski Decl. Ex. 2, No. 9, Docket No. 97-4.) And while some JP1 or JP1.x products existed in 2003, the letters to UEI never spoke about those products or any others. ('326 & '726 Opp. Br. 12.) Thus, Logitech argues, there is no evidence of actual knowledge and an inference must be made in order to find such knowledge. (Id.) It goes on to argue that UEI has not established constructive knowledge because UEI has not produced admissible evidence or any evidence beyond Hayes declaration about advertising and sales efforts. (Id. at 13.) Thus, UEI has not met the standard of evidence relied on in Hall, 93 F.3d at 1553 (Fed. Cir. 1996).

UEI responds that expanding and developing a product line that exists when

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Logitech gained knowledge, is precisely the prejudice and damage that laches seeks to capture. ('326 & '726 Rep. Br. 8.) Thus, the fact that some of the current products were not developed until much later does not change Evolve and Logitech's knowledge. (*Id.*) Further, UEI contends that Evolve had knowledge because it was a sophisticated business entity and its competitor, UEI, was engaging in open, notorious, and pervasive marketing activities. (*Id.* 9.) Finally, UEI points to the fact that Evolve's founders had knowledge of UEI's remote control designs and activities because they also founded UEI.¹¹ (*Id.* at 9 (citing Logitech Ans. and Counter Claims ¶ 122, Docket No. 31).)

a. Actual Knowledge

The Court examines whether there is no genuine issue of material fact that Evolve knew or should have known of UEI's alleged infringing activity in 2003. First, the Court looks to whether the 2003 correspondence shows Evolve's actual knowledge of UEI's allegedly infringing activities. The communications between the parties was triggered by UEI seeking "television program listing data for use in its NevoGuide PDA remote control TV Guide application." (Hayes Decl. ¶ 6.) The parties met about the matter. (*Id.*)¹² This led to the February 4 and March 4, 2003, communications. Both letters discussed the '326 and '726 patents amongst others as being related particularly to "hand held remote controls that include guide functions." Section III. B. 1. *supra* p. 9. The communications do not discuss any specific product or the JP1 or JP1.x interface.

The Court finds that UEI has not established that no fact finder could reasonably conclude that Evolve did not have knowledge of the alleged infringing activities after examining the 2003 letters. Giving Logitech the benefit of any

¹¹UEI also states these individuals were "the designers of many of the UEI remotes incorporating the JP1 interface." (*Id.* at 9.) It provides no support for this statement. The Court therefore disregards it.

¹²Hayes states the meeting was on using guide data for "UEI's remote controls, including UEI's Nevo PDA remote control." (Hayes Decl. ¶ 11.) However, the document cited to only indicates UEI sought guide data for its "NevoGui[d]e application." (Hayes Decl. Ex. 1.) Thus, the Court considers this statement only to include remote controls that used the NevoGuide application.

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reasonable inference, the Court finds the letters only indicate what patents Evolve held. UEI has provided no authority finding similar statements to constitute actual knowledge. (See '326 & '726 Mot. Br. 14-15; '326 & '726 Rep. Br. 8-9.)

b. Constructive Knowledge

As a preliminary matter, the Court agrees with the basic precept advanced by UEI that certain products developed later can be tied to a date of knowledge earlier than their release or development date for purposes of laches. Odetics, Inc. v. Storage Technology Corp., 919 F.Supp 911, 916 n.3, vacated on other grounds, 116 F.3d 1497 (Fed. Cir. 1997 (Table)) (citing MGA, Inc. v. Centri-Spray Corp., 699 F.Supp 610 (E.D. Mich. 1987)). Thus, the fact that accused products did not exist in 2003 does not prevent Evolve from having constructive knowledge at that date. However, UEI fails to acknowledge the Odetics and MGA courts' requirements to consider later products as the same device as an earlier product. Odetics found it appropriate to treat later developed products and an earlier product as a single device produced beginning on the date of the earliest product because they were "essentially identical . . . with respect to the elements at issue here." 919 F.Supp. at 916 n.3. MGA held that a product will only be barred on the basis of the date of production of an earlier device if "defendant's subsequent product is the equivalent of the earlier product under the established doctrine of equivalents used to determine infringement." 699 F.Supp. at 615.

While a closer issue than actual knowledge, the Court finds that UEI has not provided sufficient evidence to establish that Evolve and Logitech should have known about UEI's alleged infringing activities. UEI's evidence fails for several reasons. First, it argues that Evolve is a competitor but provides no evidence on the matter. Second, it provides no evidence of the dates of development for each accused product. Third, it provides no evidence that the accused products are similar enough to those existing in 2003 that they should be considered the same under the reasoning of Odetics or MGA.¹³ Fourth, it does not provide specific

¹³Hayes' averments that "[m]any of UEI's future universal remote controls derived from the original iPAQ based Nevo remote control technology," that several of the accused products use a JP1 or JP1.x interface, and that "the NevoQ50 and NevoS70 devices are descendants of UEI's original Nevo

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Title Universal Electronics Inc. v. Logitech, Inc., et al.

evidence of when any advertising of those products or trade shows were attended. See Hall, 93 F.3d at 1553. Fifth, it does not provide any evidence that Evolve or Logitech was in attendance at those trade shows. See Id.

The Court therefore concludes that UEI has not met its burden of establishing knowledge of the alleged infringing activity more than six years prior to filing suit. Therefore, the presumption is not triggered and UEI must bear the burden of production and persuasion as to the laches factors. Aukerman, 960 F.2d at 1038.

ii. Unreasonable and Inexcusable Delay

While UEI makes the statement “Logitech’s failure to inquire into Logitech’s [sic] product development renders its delay unreasonable,” it does not appear to argue this factor beyond reliance upon the presumption (’326 & ’726 Mot. Br. 15.) Following this statement, it cites to a section of Hall where the presumption has been triggered and does so under its argument that the presumption applies. (Id.) Further, the Court finds that UEI has not provided sufficient evidence to establish an unreasonable delay absent the presumption. Therefore, the doctrine of laches will not apply and UEI is not entitled to summary judgment of non-infringement of the ’326 and ’726 Patents.

iii. Prejudice

UEI presents some evidence on the matter of material prejudice. However, in light of the Court’s conclusion on the failure of proof for unreasonable delay, the Court does not reach the matter of prejudice.

V. CONCLUSION

remote control technology” are insufficient on this issue. (Hayes Decl. ¶¶17, 18.) They do not provide evidence of similarity to the products then existing in a manner sufficient for the Court to determine this issue on summary judgment.

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

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For the foregoing reasons, summary judgment on non-infringement of the '580 Patent is GRANTED and summary judgment of non-infringement of the '326 and '726 Patents is DENIED.

IT IS SO ORDERED.

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