#### IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

ROBERT BOSCH LLC,	)
Plaintiff,	) )
<b>V.</b>	)
ALBEREE PRODUCTS, INC., API CO., LTD., SAVER AUTOMOTIVE	)
PRODUCTS, INC., and COSTCO WHOLESALE CORPORATION,	)
Defendants	)

Civil Action No. 12-574-LPS

#### MEMORANDUM ORDER

At Wilmington this 16th day of September, 2015:

Having reviewed the parties' briefing (D.I. 113, 114, 116, 152, 171, 190) and having heard oral argument on June 8, 2015 (D.I. 204) on Costco Wholesale Corporation's ("Costco") Motion to Dismiss Claims for Alleged Pre-Notice Damages and Pre-Notice Indirect Infringement (D.I. 112), as well as Robert Bosch LLC's ("Bosch" or "Plaintiff") request for leave to amend its complaint (D.I. 114 at 9),

**IT IS HEREBY ORDERED** that: (1) Costco's motion (D.I. 112) is **DENIED IN PART** with respect to the '419 patent and **GRANTED IN PART** with respect to all other patents-insuit; and (2) Bosch's request for leave to amend (D.I. 114 at 9) is **DENIED AS MOOT**.

1. On May 4, 2012, Bosch commenced this action, asserting that Alberee Products, Inc. ("Alberee") and API Korea, Co., Ltd. ("API") each directly and indirectly infringed certain claims of U.S. Patent Nos. 6,523,218 ("the '218 patent"), 6,530,111 ("the '111 patent"), 6,553,607 ("the '607 patent"), 6,611,988 ("the '988 patent"), 6,675,434 ("the '434 patent"),

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6,836,926 ("the '926 patent"), 6,944,905 ("the '905 patent"), 6,973,698 ("the '698 patent"), 7,228,588 ("the '588 patent"), 7,293,321 ("the '321 patent"), 7,523,520 ("the '520 patent"), and 7,484,264 ("the '264 patent"), "by making, using, selling, and offering for sale in the United States windshield wiper blades such as the Goodyear Assurance, the Saver Arc Flex Ultra, and the Touring Ultra." (D.I. 1 at ¶ 6) Bosch further alleged that Alberee does business under the name "Saver Automotive Products, Inc." ("Saver"). (*Id.* at 1)

2. On May 30, 2012, Bosch sent Costco a notice letter informing Costco of the infringement action against Alberee and API, stating that "certain beam-style wiper products sold by Saver, including the Goodyear Assurance, the Saver Flex Ultra, and the Touring Ultra" ("the Beam products") were accused of infringing the asserted patents, and further stating "that Costco currently purchases one or more of the accused wiper products from Saver." (D.I. 113, Ex. C at 1)

3. On January 18, 2013, Bosch filed an Amended Complaint adding Saver Automotive Products, Inc. as a defendant and alleging infringement by the Beam products of U.S. Patent No. 8,099,823 ("the '823 patent") as well as infringement of all the previously asserted patents. (D.I. 38)

4. On February 5, 2014, Bosch filed another patent infringement action against defendants API, Alberee, and Saver alleging infringement of U.S. Patent No. 6,292,974 ("the '974 patent") by the Beam products. (C.A. No. 14-142-LPS, D.I. 1) On September 10, 2014, the Court consolidated the two patent infringement actions. (D.I. 67)

5. On October 9, 2014, Bosch filed a consolidated amended complaint ("CAC") adding Costco as a defendant and alleging infringement by the Beam products of U.S. Patent

Nos. 6,292,974 ("the '974 patent"), 6,668,419 ("the '419 patent"), 7,941,891 ("the '891 patent"), and 8,544,136 ("the '136 patent), as well as infringement of all of the previously asserted patents. (D.I. 84) The CAC was served on Costco on October 10, 2014. (D.I. 86)

6. On October 22, 2014, Bosch served Costco with notice of its Second Amended Complaint ("SAC"). (*See* D.I. 113 at 2; *see also* D.I. 95) The SAC was filed on October 31, 2014, alleging infringement by the Goodyear Hybrid product of U.S. Patent No. 8,272,096 ("the '096 patent") and the '607, '926, and '698 patents, as well infringement by the Beam products of all of the previously asserted patents. (D.I. 95) The SAC further alleged that Costco received notice of: (1) the Beam products' alleged infringement of the '218, '111, '607, '988, '434, '926, '905, '698, '588, '321, '520, and '264 patents by means of the May 30, 2012 letter; (2) the Beam products' alleged infringement of the '823, '974, '419, '891, and '136 patents by means of the CAC served on October 10, 2014; and (3) the Goodyear Hybrid product's alleged infringement of the '607, '926, '698, and '096 patents by means of the notice served on October 22, 2014. (*Id.* at ¶¶ 38, 42, 60, 76, 77, 100, 104, 129, 133, 158, 159, 163, 188, 192, 217, 218, 222, 247, 251, 276, 305, 309, 334, 338, 431)

7. Costco filed its Motion to Dismiss Claims for Alleged Pre-Notice Damages and Pre-Notice Indirect Infringement on December 23, 2014. (D.I. 112) The parties completed briefing on the motion on January 20, 2015. (D.I. 113, 114, 116) Thereafter, Bosch submitted a Notice of Subsequent Development Regarding Costco Wholesale Corporation's Motion to Dismiss ("Notice") (D.I. 152), to which Costco submitted a Response (D.I. 171), and Bosch submitted a Reply (D.I. 190). Because the Notice asked the Court to consider documents obtained in discovery, Costco requested in its Response that the Court convert Costco's motion

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to dismiss to a motion for summary judgment. (D.I. 171 at 1) Bosch did not oppose conversion of the motion into a summary judgment motion (*see* D.I. 90 at 1; *see also* D.I. 204 at 22), and the Court will treat it as such.<sup>1</sup> The Court heard oral argument on the motion at the June 8, 2015 Markman hearing. (D.I. 204)

8. "The court shall grant summary judgment if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a). The moving party bears the burden of demonstrating the absence of a genuine issue of material fact. See Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio Corp., 475 U.S. 574, 586 n.10 (1986). An assertion that a fact cannot be – or, alternatively, is – genuinely disputed must be supported either by citing to "particular parts of materials in the record, including depositions, documents, electronically stored information, affidavits or declarations, stipulations (including those made for the purposes of the motion only), admissions, interrogatory answers, or other materials," or by "showing that the materials cited do not establish the absence or presence of a genuine dispute, or that an adverse party cannot produce admissible evidence to support the fact." Fed. R. Civ. P. 56(c)(1)(A) & (B). If the moving party has carried its burden, the nonmovant must then "come forward with specific facts showing that there is a genuine issue for trial." Matsushita, 475 U.S. at 587 (internal quotation marks omitted). The Court will "draw all reasonable inferences in favor of the nonmoving party, and it may not make credibility determinations or weigh the evidence." Reeves v. Sanderson Plumbing Prods., Inc., 530 U.S. 133, 150 (2000).

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<sup>&</sup>lt;sup>1</sup>This moots Plaintiff's request for leave to amend its complaint, as well as Plaintiff's argument that constructive notice was adequately pled through willfulness allegations. (*See* D.I. 204 at 21-22)

If a patentee fails to adequately mark patented articles, the patentee may not 9. recover damages for direct infringement claims arising before the patentee provides notice of infringement to the alleged infringer. See 35 U.S.C. § 287(a) ("In the event of a failure so to mark, no damages shall be recovered by the patentee in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice."). "[T]he actual notice requirement of § 287(a) is satisfied when the recipient is informed of the identity of the patent and the activity that is believed to be an infringement, accompanied by a proposal to abate the infringement, whether by license or otherwise." SRI Int'l, Inc. v. Advanced Tech. Labs., Inc., 127 F.3d 1462, 1470 (Fed. Cir. 1997); see also Lans v. Digital Equip. Corp., 252 F.3d 1320, 1327 (Fed. Cir. 2001) ("[T]he actual notice requirement of § 287(a) demands notice of the patentee's identity as well as notice of infringement."). "[T]he notice must arise by 'an affirmative act on the part of the patentee which informs the defendant of infringement."" U.S. Philips Corp. v. Iwasaki Elec. Co. Ltd., 505 F.3d 1371, 1375 (Fed. Cir. 2007) (quoting Lans, 252 F.3d at 1327-28); see also Amsted Indus. Inc. v. Buckeye Steel Castings Co., 24 F.3d 178, 187 (Fed. Cir. 1994) ("The correct approach to determining notice under section 287 must focus on the action of the patentee, not the knowledge of the infringer."). Relatedly, liability for indirect infringement under 35 U.S.C. §§ 271(b)-(c) requires "knowledge of the existence of the patent that is infringed." Global-Tech Appliances, Inc. v. SEB S.A., 131 S. Ct. 2060, 2067-68 (2011).

10. Pursuant to §§ 287(a) and 271(b) and (c), Costco seeks summary judgment of no pre-notice damages for any claim arising from any alleged acts of direct or indirect infringement

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