IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

ALARM.COM, INC. and ICN ACQUISITION, LLC, Plaintiffs; v. SECURENET TECHNOLOGIES, LLC, Defendant.	Civil Action No. 15-807-RGA

MEMORANDUM OPINION

Kenneth Dorsney, MORRIS JAMES LLP, Wilmington, DE; Ian R. Liston, WILSON SONSINI GOODRICH & ROSATI, P.C., Wilmington, DE; James C. Yoon, Ryan R. Smith, Christopher D. Mays, and Mary A. Procaccio-Flowers, WILSON SONSINI GOODRICH & ROSATI, P.C., Palo Alto, CA, attorneys for Plaintiffs.

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August 23, 2019

ANDREWS, U.S. DISTRICT JUDGE:

Currently pending before the Court is Plaintiffs' Motion for New Trial and Renewed Judgment as a Matter of Law. (D.I. 283). The Parties' have fully briefed the issues. (D.I. 284, 287, 291). For the following reasons, I deny Plaintiffs' motion.

I. BACKGROUND

Plaintiffs Alarm.com, Inc. and ICN Acquisition LLC brought suit against Defendant SecureNet Technologies LLC alleging infringement of U.S. Patent Nos. 7,855,635 ("the '635 patent"), 8,473,619 ("the '619 patent"), 8,478,844 ("the '844 patent"), and 8,073,931 ("the '931 patent"). Before trial, Plaintiffs narrowed their infringement contentions to allege infringement (both direct and indirect) of claims 1 and 9 of the '931 patent, claims 1 and 55 of the '619 patent, and claim 48 of the '844 patent ("the asserted patents"). Defendant asserted invalidity based on obviousness for claims 1 and 9 of the '931 patent.

During trial, I granted JMOL of no infringement for any asserted claim under the Doctrine of Equivalents. (D.I. 277). At trial, the jury found the following: 1) Plaintiffs did not prove direct, induced or contributory infringement for any of the asserted claims, and 2) Defendant did not prove invalidity of the '931 patent claims.[1] (D.I. 270).

Plaintiffs now move for a new trial or JMOL of infringement on the asserted claims of the '619 and '931 patent. Plaintiffs do not challenge the jury's finding on the '844 patent. Plaintiffs' motion asserts that the jury was exposed to numerous erroneous claim constructions. I have included the relevant claim language below, with the disputed claim language italicized.

[1] Because the jury did not find infringement, the jury did not make any finding on willful infringement or damages.

The asserted claims of the '619 patent read as follows:

1. A system comprising:

a gateway located at a first location;

a *connection management component* coupled to the gateway and *automatically establishing* a wireless coupling with a security system installed at the first location, the security system including security system components, wherein the *connection management component* forms a security network by *automatically discovering* the security system components and integrating communications and functions of the security system components into the security network; and

a security server at a second location different from the first location, wherein the security server is coupled to the gateway, wherein the gateway receives security data from the security system components, device data of a plurality of network devices coupled to a local network of the first location that is independent of the security network, and remote data from the security server, wherein the gateway generates processed data by processing at the gateway the security data, the device data, and the remote data, wherein the gateway determines a state change of the security system using the processed data and maintains objects at the security server using the processed data, wherein the objects correspond to the security system components and the plurality of network devices.

55. The system of claim 1, wherein the security server generates and transfers notifications to remote client devices, the notifications comprising event data.

('619 patent, cls. 1, 55) (disputed claim terms italicized). The asserted claims of the '931 patent read as follows:

1. A device comprising:

a *touchscreen* at a first location, wherein the *touchscreen* includes a processor coupled to a local area network (LAN) and a security system at the first location; and

a plurality of interfaces presented by at least one application executing on the processor of the *touchscreen* and presented to a user via the *touchscreen*, wherein the plurality of interfaces include a security interface and a network interface, wherein the security interface provides the user with control of functions of the security system and access to data collected by the security system, wherein the network interface allows the user to transfer content to and from a wide area network (WAN) coupled to the LAN; and

a remote server at a second location, wherein the remote server is coupled to the *touchscreen*, the remote server managing at least one of the *touchscreen* and

the security system, wherein objects are maintained on the remote server that correspond to at least one of at least one security system component of the security system and at least one network device of the LAN.

9. The device of claim 7, wherein the camera is managed by the remote server.

('931 patent, cls. 1, 9) (disputed claim term italicized).

II. LEGAL STANDARD

A. New Trial

Federal Rule of Civil Procedure 59(a)(1)(A) provides, in pertinent part: "The court may, on motion, grant a new trial on all or some of the issues—and to any party— . . . after a jury trial, for any reason for which a new trial has heretofore been granted in an action at law in federal court . . . ." Among the most common reasons for granting a new trial are: (1) the jury's verdict is against the clear weight of the evidence, and a new trial must be granted to prevent a miscarriage of justice; (2) newly discovered evidence exists that would likely alter the outcome of the trial; (3) improper conduct by an attorney or the court unfairly influenced the verdict; or (4) the jury's verdict was facially inconsistent. *See Zarow-Smith v. N.J. Transit Rail Operations, Inc.*, 953 F. Supp. 581, 584–85 (D.N.J. 1997).

The decision to grant or deny a new trial is committed to the sound discretion of the district court. *See Allied Chem. Corp. v. Daiflon, Inc.*, 449 U.S. 33, 36 (1980); *Olefins Trading, Inc. v. Han Yang Chem. Corp.*, 9 F.3d 282, 289 (3d Cir. 1993) (reviewing district court's grant or denial of new trial motion under the "abuse of discretion" standard). Although the standard for granting a new trial is less rigorous than the standard for granting judgment as a matter of law—in that the Court need not view the evidence in the light most favorable to the verdict winner—a new trial should only be granted where "a miscarriage of justice would result if the verdict were to stand,"

the verdict "cries out to be overturned," or where the verdict "shocks [the] conscience." *Williamson*, 926 F.2d at 1352–53.

B. Judgment as a Matter of Law

Judgment as a matter of law is appropriate if "the court finds that a reasonable jury would not have a legally sufficient evidentiary basis to find for [a] party" on an issue. Fed. R. Civ. P. 50(a)(1). "Entry of judgment as a matter of law is a 'sparingly' invoked remedy, 'granted only if, viewing the evidence in the light most favorable to the nonmovant and giving it the advantage of every fair and reasonable inference, there is insufficient evidence from which a jury reasonably could find liability.'" *Marra v. Phila. Hous. Auth.*, 497 F.3d 286, 300 (3d Cir. 2007) (citation omitted).

"To prevail on a renewed motion for JMOL following a jury trial, a party must show that the jury's findings, presumed or express, are not supported by substantial evidence or, if they were, that the legal conclusion(s) implied [by] the jury's verdict cannot in law be supported by those findings." *Pannu v. Iolab Corp.*, 155 F.3d 1344, 1348 (Fed. Cir. 1998) (alterations in original). "'Substantial' evidence is such relevant evidence from the record taken as a whole as might be accepted by a reasonable mind as adequate to support the finding under review." *Perkin-Elmer Corp. v. Computervision Corp.*, 732 F.2d 888, 893 (Fed. Cir. 1984).

In assessing the sufficiency of the evidence, the Court must give the non-moving party, "as [the] verdict winner, the benefit of all logical inferences that could be drawn from the evidence presented, resolve all conflicts in the evidence in his favor and, in general, view the record in the light most favorable to him." *Williamson v. Consol. Rail Corp.*, 926 F.2d 1344, 1348 (3d Cir. 1991). The Court may "not determine the credibility of the witnesses [nor] substitute its choice for that of the jury between conflicting elements in the evidence." *Perkin-Elmer*, 732 F.2d at 893.

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