NOT FOR PUBLICATION

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

INTERNATIONAL DEVELOPMENT LLC, Plaintiff, v. SIMON NICHOLAS RICHMOND and ADVENTIVE IDEAS, LLC, Defendants.	Civil Action No. 09-2495 (GEB) **MEMORANDUM OPINION**

BROWN, Chief Judge

This matter comes before the Court on Plaintiff's motion for summary judgment to declare that certain claims of Defendants' two patents are invalid. (Doc. No. 89). Defendants submitted an opposition to the motion and Plaintiff replied. (Doc. Nos. 104, 106). The Court has considered all of the parties' submissions and decided the motion without oral argument pursuant to Federal Rule of Civil Procedure 78. For the reasons set forth below, Plaintiff's motion is denied.

I. BACKGROUND

This is a declaratory judgment action for non-infringement and invalidity of patents directed to solar powered garden lamps that can produce a variety of colors. (Compl. at ¶4; Doc. No. 1.) Defendant, Simon Richmond, is the inventor of the two patents at issue in this case, U.S. Patent Numbers 7,196,477 ("the '477 patent") and 7,429,827 ("the '827 patent). The patents are both titled "Solar Powered Light Assembly to Produce Light of Varying Colors." ('477 patent,

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'827 patent, Title). The '827 patent is a continuation in part (CIP) of the '477 patent, meaning that the '827 patent's specification adds to the disclosure of the '477 patent but includes all of the disclosure of the '477 patent. (*See* '477 and '827 patents, Specification). The primary differences between the two specifications are that the claim language in the '827 patent is presented in the specification as well and there is one page of additional figures and their accompanying description (Fig. 11-13) depicting a "modification" that includes a spherical lens. (*See* '827 patent, 8:25-9:9.)

This action began when Defendants threatened some of Plaintiff's customers with suit. Plaintiff International Development ("IDC") distributes a variety of solar garden lamps to customers, including to QVC, Inc. (Compl. at ¶7; Doc. No. 1). Defendant Richmond, as president and sole owner of Adventive Ideas, contacted International Development's customer QVC and accused it of infringing his patents. (*Id.* at ¶8-11; Pls.' R. 56.1 at ¶4; Defs.' R. 56.1 at ¶4). In order to resolve the dispute, IDC brought this declaratory judgment action against Defendants for non-infringement and for invalidity of Richmond's patents. (Compl. at ¶4; Doc. No. 1).

After conducting discovery and participating in a *Markman* hearing, IDC filed this motion for summary judgment that the claims of Richmond's patents are invalid because they are anticipated or would have been obvious to one of ordinary skill in the art.

II. DISCUSSION

A. Standard of Review

A party seeking summary judgment must "show that there is no genuine issue as to any

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material fact and that the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(c); *see also Celotex Corp. v. Catrett*, 477 U.S. 317, 322, 106 S. Ct. 2548, 91 L. Ed. 2d 265 (1986); *Hersh v. Allen Prods. Co.*, 789 F.2d 230, 232 (3d Cir. 1986). The threshold inquiry is whether there are "any genuine factual issues that properly can be resolved only by a finder of fact because they may reasonably be resolved in favor of either party." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 250, 106 S. Ct. 2505, 91 L. Ed. 2d 202 (1986) (noting that no issue for trial exists unless there is sufficient evidence favoring the nonmoving party for a jury to return a verdict in its favor). In deciding whether triable issues of fact exist, a court must view the underlying facts and draw all reasonable inferences in favor of the nonmoving party. *Matsushita Elec. Indus. Co., v. Zenith Radio Corp.*, 475 U.S. 574, 587, 106 S. Ct. 1348, 89 L. Ed. 2d 538 (1986); *Pa. Coal Ass'n v. Babbitt*, 63 F.3d 231, 236 (3d Cir. 1995); *Hancock Indus. v. Schaeffer*, 811 F.2d 225, 231 (3d Cir. 1987). However, the nonmoving party "may not rest upon the mere allegations or denials of his pleading, but his response, by affidavits or as otherwise provided in this rule, must set forth specific facts showing that there is a genuine issue for trial. If he does not so respond, summary judgment, if appropriate, shall be entered against him." *Matsushita*, 475 U.S. at 586.

B. Application

IDC argues that claims 1-9, 13-16, 20-22, and 26 of the '477 patent and claims 27, 32, and 35 of the '827 patent are anticipated by several of IDC's own products, referred to as the "Four Season Solar Lights," which were on sale more than one year prior to the application date. (Pl's. Br. at 9-21); *See* 35 U.S.C. § 102(b). The Court disagrees because there is a material fact as to whether the Four Seasons lamps could create the "varying color" limitation that is present in all of the claims. The Court addresses this issue first. IDC also contends that claims in the

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'827 patent, claims 28-31, 33, and 34, are obvious based on the combination of the Four Seasons lamps in view of the Piepgras patent publication. The Court also finds that there is a material fact as to obviousness because there is evidence of secondary considerations of nonobviousness. The Court addresses this issue after the anticipation analysis.

1. Anticipation Standard

To anticipate the claims of a patent, and thereby render them invalid, a single prior art reference must include each and every limitation of the claim. *Schering Corp. v. Geneva Pharm., Inc.*, 339 F.3d 1373, 1377 (Fed. Cir. 2003); *see also* 35 U.S.C. § 102. Anticipation is a question of fact, including the determination of whether an element is inherent in the prior art. *Eli Lilly & Co. v. Zenith Goldline Pharms., Inc.*, 471 F.3d 1369, 1375 (Fed. Cir. 2006). However, anticipation "may be decided on summary judgment if the record reveals no genuine dispute of material fact." *Golden Bridge Tech., Inc. v. Nokia, Inc.*, 527 F.3d 1318, 1321 (Fed. Cir. 2008). A prior art reference can inherently anticipate a patent, if a person of skill in the art would understand the limitations are implicitly disclosed. *Helifix Ltd. v. Blok-Lok, Ltd.*, 208 F.3d 1339, 1347 (Fed. Cir. 2000).

Patents are presumed valid and as a result "[a]nticipation must be proved by clear and convincing evidence." 35 U.S.C. § 282; *Electro Med. Sys., S.A. v. Cooper Life Sciences, Inc.*, 34 F.3d 1048, 1052 (Fed. Cir. 1994). However, "'[t]he presumption [of validity] is one of law, not fact, and does not constitute 'evidence' to be weighed against the challenger's evidence.'" *Chiron Cop v. Genentech*, 363 F.3d 1247, 1258-59 (Fed. Cir. 2004). When the prior art at issue was not considered by the Patent Office during prosecution, then it is easier for the moving party to overcome the presumption of validity. *Alco Standard Corp. v. Tennessee Valley Auth.*, 808

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F.2d 1490, 1497 (Fed. Cir. 1986); *American Hoist and Derrick Co. v. Sowa & Sons, Inc.*, 725 F.2d 1350, 1360 (Fed. Cir. 1984).

2. There is a Dispute as to a Material Fact of Anticipation

As an example of the subject matter at issue in this patent, claim 1 of the '477 claims:

> A lighting device to produce a light of varying colour,[1] said device including:
>
> a body including a spike;
>
> a lens mounted on the body and generally enclosing a chamber having an upper rim surrounding a top opening, and a bottom region;
>
> a cap assembly including a securing means to releasably engage the rim so that cap assembly can be selectively removed from the lens; assembly including;
>
> a base; and
>
> a circuit having at least two lamps of different colours to produce a desired colour *including a varying colour*, the lamps being mounted to direct light into said chamber, connections for at least one rechargeable battery to power the circuit and a solar cell mounted on the surface of the assembly so as to be exposed to light and operatively associated with the connections to charge the battery, and a switch operated to control delivery of electric power from the battery to operate said circuit, the switch being exposed to provide for access thereto by a user.

('477 patent, Certificate of Correction) (emphasis added).

IDC argues that claims 1-9, 13-16, 20-22 and 26 of the '477 patent and claims 27, 32 and 35 of the '827 patent are anticipated by IDC's Four Season Solar Lights, which were on sale more than one year prior to the application date. (Pl's. Br. at 9-21); *See* 35 U.S.C. § 102(b). While IDC concedes that Defendants' expert, Dr. Ducharme, found that those models could not produce a "varying colour" as required by the all of claims at issue, it argues that this does not create a material fact because he examined only the diagrams of those models and did not

[1] The patent at various points uses "colour," the British spelling of the American word "color"; at other points it uses the American spelling. The Court treats them interchangeably because neither party has disputed that they have the same meaning.

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