

No. 2020-GSR

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

GOJI Industries Corp.,
Appellant,

v.

Veejay, Inc.,
Appellee.

APPEAL FROM THE UNITED STATES COURT OF THE DISTRICT OF
GILESEAD

BRIEF OF APPELLANT GOJI INDUSTRIES CORP.

TEAM 7
Attorneys for Appellant

February 1, 2021

CERTIFICATE OF INTEREST

Counsel for Appellant, Goji Industries Corp. certifies the following:

1. The full name of every party or amicus represented by me is:

Goji Industries Corp.

2. The name of the real party in interest represented by me is:

Goji Industries Corp.

3. All parent corporations and any publicly held companies that own 10 percent or more of the stock of the party or amicus curiae represented by me are:

None.

4. The names of all law firms and the partners or associates that appeared for the party or amicus now represented by me in the trial court or agency or are expected to appear in this court are:

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STATEMENT OF RELATED CASES

Pursuant to FED. CIR. R. 47.5, Appellant provides that there are no other cases that may be affected by this Court's decision.

JURISDICTIONAL STATEMENT

Goji Industries, Inc. filed this patent infringement suit in the U.S. District Court for the District of Gilesead. The district court exercised subject matter jurisdiction over this patent infringement action under 28 U.S.C. §§ 1331 and 1338(a). The district court entered final judgment on February 4, 2021. Goji then filed a timely notice of appeal under FED. R. APP. P. 4(a)(1)(A). This Court has jurisdiction under 28 U.S.C. § 1295(a)(1).

STATEMENT OF THE ISSUES

1. Did the district court err in declining to construe a key claim limitation, “made with alcohol,” thereby improperly allowing the jury to determine a question of law?
2. Did the district court err in holding that 35 U.S.C. § 287 barred Goji from recovering pre-suit damages even though this Court has previously held that marking is not required in cases like this one in which the patentee asserts only method claims?

STATEMENT OF THE CASE

This case commenced in April 2020—amid the COVID-19 pandemic—when Goji filed a complaint against Veejay for infringing U.S. Patent No. GSR,835,913 (“the ’913 Patent”). R. 6. Goji asserted claim 8 of the ’913 Patent, an independent claim for a method of making hand sanitizer, and its dependents. R. App’x 21. Claim 8 is the only independent claim being asserted in the ’913 Patent. R. App’x 21–22.

Before trial, both Goji and Veejay moved for summary judgment. R. 6. Goji moved for summary judgment on infringement, arguing that there was no genuine issue of material fact that Veejay practices every limitation of Goji’s claimed method. *Id.* Veejay responded by arguing that summary judgment was inappropriate because there was a dispute over whether Veejay practiced the “made with alcohol” limitation of claim 8. R. 7. Specifically, Veejay argued that there was a dispute over whether its accused product, which had no alcohol in the finished version, was “made with alcohol.” R. 6–7. Goji responded that the limitation “made with alcohol” required construction as a matter of law by the district court. *Id.* The district court denied Goji’s motion for summary judgment and declined to construe the “made with alcohol” term. R. 7.

Veejay also moved for summary judgment on the issue of pre-suit damages, arguing that 35 U.S.C. § 287 prohibits Goji from recovering any pre-suit damages because Goji and its licensees did not mark the products produced using claim 8 of

the '913 Patent. *Id.* In response, Goji argued that § 287 is inapplicable because Goji only asserted the method claims of the '913 Patent. *Id.* The district court rejected this argument and granted Veejay's motion for summary judgment of no pre-suit damages. *Id.*

At trial, the sole issue in dispute was whether Veejay's accused product practiced the "made with alcohol" limitation of claim 8. *Id.* At the close of evidence, Goji moved for judgment as a matter of law on infringement. *Id.* The district court denied Goji's motion. *Id.* The jury then returned a verdict of non-infringement. *Id.* Goji renewed its motion for judgment as a matter of law, and the district court denied the motion and entered a final judgment of non-infringement. *Id.*

Goji appeals and asks the Court to reverse both the district court's denial of judgment as a matter of law and the court's grant of summary judgment of no pre-suit damages.

STATEMENT OF FACTS

1. **The Parties**

In 1946, Amber Lippstein and Thomas Baker founded Goji, the world's largest manufacturer of hand cleaners. R. 2. Goji was founded in the immediate aftermath of the Second World War, when Baker and Lippstein invented the world's first industrial hand cleaner that removed dirt and grime without damaging the user's hands. *Id.* For almost eight decades, Goji has remained a fixture in the market for industrial hand cleaners and germ-killing hand sanitizers. *Id.*

Veejay is a competitor of Goji's that began selling hand cleaners in the 1980s. *Id.* Veejay originally sold its hand cleaners under the name "Veejay Cleanell," but was required to change the name after losing a trademark infringement action brought by Goji. *Id.*

2. **Cleanell—Goji's Breakthrough**

In 1981, Goji responded to the AIDS epidemic by developing hand sanitizers that could kill germs on contact without the aid of soap or water. *Id.* This research culminated with the invention of Cleanell: a sanitizer that kills germs on contact, without soap and water, and without leaving any residue. *Id.* Cleanell quickly became Goji's most successful product, so much so that the Cleanell brand became synonymous with hand sanitizers. *Id.*

3. The '913 Patent

In 2006, a team of Goji scientists invented an improved hand sanitizer that was simultaneously more effective at killing viruses and germs while also less irritating to the skin. R. 3. The inventors of this product, Greg Lawson and Andrea Brodsky, obtained the '913 Patent, which claims both the physical gel (the apparatus) and the method of making the gel. *Id.* Lawson and Brodsky created the invention to “provide a liquid-based skin sanitizing composition that improves skin health without reducing efficacy of pathogen killing.” '913 Patent at 1:11–13. Although the embodiment disclosed in the '913 Patent includes alcohol in the final solution, the patent specifically notes that the embodiment is merely an example. *Id.* at 3:8–11.

The '913 Patent recites both method and apparatus claims. Claim 8, is the only independent claim asserted:

- 8.** A method of making a hand sanitizer composition comprising the steps of:
 - a. mixing together in a vessel a high spreading emollient and a medium spreading emollient in a ratio of from about 3:1 to about 1:3 by weight, wherein the resulting emollient mixture will be about 1 to about 3 wt. % of said final composition;
 - b. mixing in an antimicrobial solution that will be between about 60 wt. % and about 95 wt. % of said final composition, wherein the antimicrobial solution is made with alcohol;
 - c. mixing in a skin conditioner with the emollients and antimicrobial solution, wherein the conditioner totals no more than about 1 wt. % of said final composition;
 - d. homogenizing the mixture of emollient, antimicrobial solution, and skin conditioner;
 - e. mixing in a thickening agent; and

f. homogenizing the mixture of emollient, antimicrobial solution, skin conditioner, and thickening agent.

4. **“Cleanell Plus” and Goji’s Licensing of the ’913 Patent**

Goji brought the invention claimed in the ’913 Patent to market as “Cleanell Plus.” R. 3. Unfortunately for Goji, the rollout of Cleanell Plus throughout 2007 and 2008 coincided with the economic downturn in the United States, and consumers were unwilling to pay a premium price for Goji’s improved sanitizer. R. 4–5. After a wave of shareholder and management upheaval, Goji ultimately chose to license the ’913 Patent to Beckitt Renckiser. R. 4. Beckitt Renckiser continued producing Cleanell Plus, marketing the product under the name “Brettol.” *Id.* Neither Goji nor Beckitt Renckiser marked their hand sanitizer products with the ’913 Patent number. *Id.*

5. **Veejay’s Infringement**

After ten years of moderate sales, Brettol began to fly off the shelves in early 2020 when the U.S. Centers for Disease Control and Prevention announced that Brettol is 50% more effective against COVID-19 than other hand sanitizers. *Id.* At the same time, Veejay saw a remarkable increase in sales of its competing product, VireX. R. 5. VireX is almost identical to Brettol, except that it uses benzalkonium chloride as the antimicrobial agent, with alcohol as an intermediate reagent to make the benzalkonium chloride. R. 6. Upon learning of Veejay’s infringement, Goji brought this action.

STANDARD OF REVIEW

Claim construction is a question of law that this Court reviews *de novo*. *Teva Pharm. USA, Inc. v. Sandoz, Inc.*, 574 U.S. 318, 325 (2015).

This Court reviews denials for judgment as a matter of law under the law of the regional circuit. *MicroStrategy Inc. v. Business Objects, S.A.*, 429 F.3d 1344, 1348 (Fed. Cir. 2005). The First Circuit reviews judgment as a matter of law *de novo*. *Blomquist v. Horned Dorset Primavera, Inc.*, 925 F.3d 541, 546 (1st Cir. 2019). This Court sustains a district court’s denial of a Rule 50(b) motion for judgment as a matter of law unless the evidence “could lead a reasonable person to only one conclusion, namely, that the moving party was entitled to judgment.” *Id.* at 11.

Whether the district court improperly granted Veejay’s motion for summary judgment of no pre-suit damages under 35 U.S.C. § 287(a) is a question of statutory construction, which this Court reviews *de novo*. *Am. Med. Sys., Inc. v. Med. Eng’g Corp.*, 6 F.3d 1523, 1534 (Fed. Cir. 1993). Summary judgment is appropriate if the moving party establishes that there is no genuine issue of material fact and that it is entitled to judgment as a matter of law. *Celotex Corp. v. Catrett*, 477 U.S. 317, 318 (1986). Summary judgment “is, of course, in all respects reviewed *de novo*.” *Callaway Manor Apartments, Ltd. v. United States*, 940 F.3d 650, 656 (Fed. Cir. 2019).

SUMMARY OF THE ARGUMENT

The district court erred in declining to construe a crucial claim term, “made with alcohol.” In declining to construe this claim term, the district court permitted the parties to argue claim scope at trial, the jury to construe the term and decide a question of law, and the jury to return an erroneous verdict of non-infringement. This is exactly the error this Court warned against in *O2 Micro*. The intrinsic evidence establishes that the correct construction of “made with alcohol” means that alcohol is used at some point in the manufacturing process. Under this construction, there is no question Veejay infringes the ’913 Patent, as Veejay’s own expert admitted at trial. This Court should reverse the decision below, construe the “made with alcohol” term, and remand the case to the district court to enter a judgment of infringement.

The district court also improperly held that § 287 prohibits Goji from recovering pre-suit damages. In cases like this one, where the patentee asserts only method claims from a patent containing method and apparatus claims, § 287 does not apply. Veejay’s arguments to the contrary pluck dicta from factually distinct cases and ask this Court to ignore well-established precedent that marking is not required when a patentee asserts only method claims. This Court should decline to do so and should reverse the district court’s grant of summary judgment of no pre-suit damages.

ARGUMENT

I. The district court erred in declining to construe the claim term “made with alcohol”—leaving the jury to decide a question of law.

In declining to construe the term “made with alcohol” in the ’913 Patent, the court below erred in ignoring a genuine dispute between the parties as to the scope of the term. *Eon Corp. IP Holdings v. Silver Spring Networks*, 815 F.3d 1314, 1319 (Fed. Cir. 2016). The purpose of claim construction is to “determin[e] the meaning and scope of the patent claims asserted to be infringed.” *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 976 (Fed. Cir. 1995) (en banc), *aff’d*, 517 U.S. 370 (1996). “A court need not attempt the impossible task of resolving all questions of meaning with absolute, univocal finality.” *Eon*, 815 F.3d at 1318. However, when, as here, “the parties raise an actual dispute regarding the proper scope of [the] claims, the court, not the jury, must resolve the dispute.” *O2 Micro Int’l Ltd. v. Beyond Innovation Tech. Co.*, 521 F.3d 1351, 1360 (Fed. Cir. 2008).

In *O2 Micro*, the plaintiff accused the defendant of infringing a patent for DC-to-AC converters that utilized a feedback loop to control the amount of power delivered to the load. *Id.* at 1354. The central issue was the district court’s decision not to construe the claim term “only if” in the phrase “only if said feedback signal is above a predetermined threshold.” *Id.* at 1357. The defendant argued that the accused product did not fulfill the “only if” limitation, because there were two circumstances (during start-up and a 32-microsecond period after the feedback

signal fell below the threshold) where the feedback loop controlled the circuit despite the signal falling below the threshold. *Id.* at 1356–57. The plaintiff argued that the claim limitation did not apply during those circumstances, that it applied only during “steady state operation,” and needed no construction because “only if” consisted of “two simple, plain English words.” *Id.* at 1357; 1361. The district court “summarized the dispute as concerning whether or not ‘there can be an exception’ to the ‘only if’ language,” but declined to construe the term. *Id.* At trial, both parties argued whether “only if” allowed exceptions. *Id.* at 1358. The jury returned a verdict of induced infringement. *Id.* On appeal, this Court stated that “a determination that a claim term ‘needs no construction’ or has the ‘plain and ordinary meaning’ may be inadequate . . . when reliance on a term’s ‘ordinary’ meaning does not resolve the parties’ dispute.” *Id.* at 1361. This Court noted that while the parties agreed that “only if” had a common meaning, they still disputed the “alleged circumstances when the requirement specified by the claim term must be satisfied.” *Id.* This Court then held “the district court failed to resolve the parties’ dispute because the parties disputed not the *meaning* of the words themselves, but the *scope* that should be encompassed by this claim language.” *Id.* (emphasis in original). This Court reversed and remanded for the district court to construe the term as the district court was “in the best position to determine the proper construction of this claim term in the first instance.” *Id.* at 1363.

This case is strikingly similar to *O2 Micro*. Below, both parties presented conflicting interpretations of the term “made with alcohol.” Mem. Order Den. Pl.’s Renewed Mot. for J. as a Matter of Law at 4 (hereinafter “Mem. Or.”). Goji’s expert testified that if alcohol is used at any point in the manufacturing process, the claim term is satisfied. R. App’x 13. This is similar to the defendant in *O2 Micro* arguing that there were no exceptions as to when the “only if” term applied—that it applied at all times. *O2 Micro*, 521 F.3d at 1356. Veejay’s expert testified that “made with alcohol” requires alcohol in the final product. R. App’x 15. Again, this is similar to the plaintiff in *O2 Micro* arguing that it was only during a certain time, steady state operation, that the claim limitation applied. *O2 Micro*, 521 F.3d at 1361. As in *O2 Micro*, the court below determined that the disputed term needed no construction and left the jury to resolve the question of claim scope. Mem. Or. At 5.

Further, as in *O2 Micro*, the district court’s use of the plain and ordinary meaning of “made with alcohol” did not resolve the parties’ dispute. Despite “made,” “with,” and “alcohol” having common meanings (just like “only” and “if”), the parties still disputed the “alleged circumstances when the requirement specified by the claim term must be satisfied.” *O2 Micro*, 521 F.3d at 1361. When asked on cross examination (in reference to VireX), “but isn’t it true that the finished product doesn’t contain alcohol,” Goji’s expert responded “yes that’s true, but that’s not what the claim requires.” R. App’x 13. Veejay’s expert testified that the “plain meaning

of the phrase ‘made with alcohol’ is that the end product contains alcohol,” narrowing the claim scope to not include if alcohol is used in the manufacturing steps, but not present in the final product. R. App’x 15. The parties disputed the scope of the claim term, not the meaning of the individual words or even infringement. Accordingly, the court below erred in declining to construe the claim term.

Another example of a similar dispute over claim scope is found in *Eon*. In *Eon*, the dispute centered on the terms “portable” and “mobile” in relation to two-way communication devices. *Eon*, 815 F.3d at 1317. The accused devices were “electric watt-hour utility meters that are attached to the exterior walls of buildings.” *Id.* The defendant argued for the terms to be construed, but the district court declined and gave the terms their plain and ordinary meanings. *Id.* At trial, both parties presented expert testimony on the proper scope of the terms. *Id.* The patentee’s expert testified that the claim terms only required that the devices be “capable of being easily moved . . . but not that it actually has to move.” *Id.* The defendant’s expert testified that “the terms required that a [device] could be ‘easily moved from one location to another.’” *Id.* The jury returned a verdict of infringement. *Id.* at 1318. On appeal, defendants argued that the district court erred in leaving the question of claim scope to the jury. *Id.* This Court noted that “the continuing debate as to the meaning of ‘portable’ and ‘mobile’ during the trial belies the court’s boiler plate

assertion” that it “provide[d] the jury with a clear understanding of the disputed claim scope.” *Id.* at 1321. This Court then construed the terms, found no infringement, and reversed the final judgment of the district court. *Id.* at 1316.

As in *Eon*, the court below erred in not construing a claim term with a disputed scope. The parties below asked the court to construe the claim term “made with alcohol” pre-trial. R. 7. The court declined, and the lack of a construction led to a battle of the experts during trial the scope of the term. Mem. Or. at 4. Goji’s expert testified that the claim term only requires that alcohol is used at some point in the manufacturing process. R. App’x 12. Veejay’s expert testified that alcohol must be in the final product. R. App’x 15. This dispute, much like in *Eon*, did not center on the meaning of the individual words “made,” “with,” and “alcohol,” but how broadly or narrowly the term should be read. As in *Eon*, the testimony about the proper scope of the term at trial evidences that the court did not resolve the parties’ dispute in declining to construe “made with alcohol.” A plain and ordinary meaning construction did not define the scope of “made with alcohol” in the context of the ’913 Patent. *Cf. Summit 6, LLC v. Samsung Electronics Co., Ltd.*, 802 F.2d 1283, 1289 (Fed. Cir. 2015) (holding that *O2 Micro* did not apply because the disputed terms had no special meaning in the art and the intrinsic evidence did not support a construction beyond the plain and ordinary meaning). This is a question of law that the court, and not the jury, must decide.

This is not just a question of improper attorney argument. *Verizon Servs. Corp. v. Cox Fibernet Virginia, Inc.*, 602 F.3d 1325 (Fed. Cir. 2010). In *Verizon*, both parties argued before the court about the scope of the claim term “packet data network.” *Id.* at 1332. Unlike this case, the court in *Verizon* adopted a construction to resolve the parties’ dispute. *Id.* at 1333. This Court did not face an issue of denial of claim construction in *Verizon*, “but instead about arguments that Cox made to the jury about claim scope,” after the court already construed the term. *Id.* This Court noted that unlike *O2 Micro*, *Verizon* did not have an ongoing dispute about the scope of a claim, and the jury was not asked to “choose between alternative meanings of technical terms or words of art or to decide the meaning of a particular claim term.” *Id.* at 1334. Instead, the plaintiff-appellant tried to shape an argument that the defendant-appellee’s arguments were directed toward limited claim scope when, as this Court found, the arguments directed towards distinguishing the accused product. *Id.* This Court held that issues of improper argument to the jury are not *O2 Micro* issues.

What the plaintiff-appellant lacked in *Verizon* to make a proper *O2 Micro* challenge is present today. Goji and Veejay agreed there was a dispute in the proper construction of the term “made with alcohol” before trial. Mem. Or. at 2. This dispute continued throughout the trial. *Id.* at 3. The judge below, unlike in *Verizon*, never construed the term in dispute. *Id.* Also unlike *Verizon*, the jury here *was* forced

to “choose between alternative meanings of technical terms.” *Verizon*, 602 F.3d at 1334. Veejay’s expert even offered his own construction of the “plain and ordinary meaning.” R. App’x 15. “The plain meaning of the phrase ‘made with alcohol’ is that the end product contains alcohol.” *Id.* The dispute between Goji and Veejay was a genuine dispute about claim scope. This dispute requires claim construction by the court. As such, the court below committed legal error in not construing the term “made with alcohol.”

II. Under a proper construction, the term “made with alcohol” means alcohol is used at some point in the manufacturing process. Thus, no reasonable juror could find non-infringement.

The term “made with alcohol” should be construed to mean that alcohol is used at some point in the manufacturing process. This Court has the authority to construe the claim term today, or remand for the district court to do so. Under the proper construction of the term, it is undisputed that Veejay infringes the ’913 Patent because alcohol is used in the manufacturing of VireX. Mem. Or. at 2–3. “Here, it is clear that no remand is necessary because, when the claim terms are properly construed, no reasonable jury could” find non-infringement. *Eon*, 815 F.3d at 1320.

“Made with alcohol” can be construed considering only the intrinsic evidence. When, as here, the meaning of the claim-term is not readily apparent, the court looks to “the words of the claims themselves, the remainder of the specification, the prosecution history, and extrinsic evidence concerning relevant scientific

principles” *Phillips v. AWH Corp.*, 415 F.3d 1303, 1314 (Fed. Cir. 2005). In construing a claim term, “the only meaning that matters in a claim construction is the meaning in the context of the patent.” *Trs. of Columbia Univ. v. Symantec Corp.*, 811 F.3d 1359, 1363 (Fed. Cir. 2016). “Extrinsic evidence may not be used ‘to contradict claim meaning that is unambiguous in light of the intrinsic evidence.’” *Summit*, 802 F.3d at 1290 (quoting *Phillips*, 415 F.3d at 1324).

A. The intrinsic evidence of the ’913 Patent shows that “made with alcohol” requires only that alcohol is used at some point in the manufacturing process.

When read in the context of the ’913 Patent, the meaning of “made with alcohol” is that alcohol is used at some point in the manufacturing process. Looking first to the claims themselves, the disputed term is found in claim 8(b): “mixing in an antimicrobial solution that will be between about 60 wt. % and about 95 wt. % of said final composition, wherein the antimicrobial solution is *made with alcohol*.” ’913 Patent 4:32–34 (emphasis added). There is nothing in the claim itself, or in any other claim of the ’913 Patent, that requires the alcohol to be in the final product. The claims are clear that an *anti-microbial solution* must be in the final composition, but there is no such limitation that *alcohol* must be in the final composition. *Id.* at 3:18–24. Further, the limitation is found in the *steps* of making the hand sanitizer, rather than in the listed final composition. *Id.* at 4:24; 1:18–24. “Made with alcohol”

is required only in the process of manufacturing and is not a limitation on the final composition.

Conversely, other claims within the patent list very specific ingredients that are to be included in the composition. *Id.* at claims 3, 4, 5, 6, 9, 10, 11, 12. These claims all list required ingredients in clear language. For example, claim 9 states that “said medium spreading emollient *includes* . . .” and claim 11 states that “said skin conditioner *is* one or more of the following . . .” *Id.* at 4:46–7; 5:8–9. This shows that the patentee knew how, and when necessary did, list the required components of the individual ingredients. No such requirement was placed on the antimicrobial solution to contain alcohol in the final solution. This Court has repeatedly warned against reading limitations from the specification into the claims, which is what Veejay seeks to do by narrowing the claim scope to require alcohol in the end product. *Phillips*, 415 F.3d at 1323.

The written description also supports Goji’s construction of “made with alcohol.” The written description lists the steps of creating the final product and shows alcohol as an ingredient in the process (with no regards to the final composition). Example 1 instructs the reader to “use” isopropyl alcohol. ’913 Patent 2:47–48. This language would allow for alcohol to be in the final composition or consumed as a reagent in the mixture. The “Method of Making Hand Sanitizer Composition” section also shows alcohol as an ingredient to the overall process of

making the hand sanitizer. *Id.* at 2:56. The patent instructs the reader again to “add desired alcohol to the oil solution and mix.” *Id.* The specification describes alcohol as an ingredient *in the process* of making the hand sanitizer, which can be in the final composition, but is not required to be.

The single figure in the patent also supports the construction that “made with alcohol” means using alcohol somewhere in the process. In fact, Fig. 1 makes no mention of alcohol. It merely lists antimicrobial solution as an ingredient, and the specification then lists alcohol as a component of the antimicrobial solution. *Id.* at Fig. 1.

Nor is there any disavowal of claim scope within the ’913 Patent. To limit the scope of a claim term a patentee must disavow the scope. *Phillips*, 415 F.3d at 1316. “To disavow claim scope, the specification must contain ‘expressions of manifest exclusion or restriction, representing a clear disavowal of claim scope.’” *Retractable Techs., Inc. v. Becton, Dickinson & Co.*, 653 F.3d 1296, 1306 (Fed. Cir. 2011) (quoting *Epistar Corp. v. Int’l Trade Comm’n*, 566 F.3d 1321, 1335 (Fed. Cir. 2009)). In fact, the “Background of the Invention” section describes viruses that alcohol is not effective against, and drawbacks to using alcohol-based hand sanitizers. ’913 Patent 1:34–34; 1:46. A POSITA would understand that there are other formulations of hand sanitizers that do not contain alcohol in the final product that could be used in place of the example described in the written description.

Veejay’s construction suggestion that “made with alcohol” requires alcohol to be in the final product is just the preferred embodiment, not a requirement. Goji did not disavow hand sanitizers that used alcohol in the manufacturing process but did not contain alcohol in the final product.

Additionally, claim scope is not limited by the presence of a single embodiment, even if that embodiment contains alcohol. “We have also ‘expressly rejected the contention that if a patent describes only a single embodiment, the claims of the patent must be construed as being limited to that embodiment.’” *Continental Circuits LLC v. Intel Corp.*, 915 F.3d 788, 797 (Fed. Cir. 2019) (quoting *Phillips*, 415 F.3d at 1323). The ’913 Patent merely describes one embodiment of the method of making a hand sanitizer. In fact, it explicitly states that “embodiments are illustrated by way of example and are not intended to be limited in the accompanying figures.” ’913 Patent 4:10–12. Construing the claim scope to require alcohol in the final composition is improperly reading a limitation into the claim.

B. Under the correct construction of “made with alcohol,” Veejay admits infringement of the ’913 Patent.

In the trial below, Veejay’s “sole non-infringement argument was that it does not practice the ‘made with alcohol’ limitation of claim 8” Mem. Or. at 2. Therefore, under proper construction of “made with alcohol” (alcohol is used at some point in the process) the only remaining question is if Veejay’s product uses alcohol at some point in the process. Veejay did not dispute that it “uses alcohol as

a reagent in manufacturing VireX.” Mem. Or. at 3. Accordingly, no reasonable jury could find non-infringement. R. 7. This Court can reverse the district court’s judgment and, based on the correct construction, hold Veejay infringes the ’913 Patent. Alternatively, this Court can reverse and remand for the district court to provide a construction for “made with alcohol” if it feels the district court is “in the best position to determine the proper construction of this claim term in the first instance.” *O2 Micro*, 521 F.3d at 1363.

III. Section 287 does not limit Goji’s ability to seek pre-suit damages because Goji asserted only method claims.

This Court has not minced its words. Section 287 “[does] not apply where the patentee only asserted the method claims of a patent which include[s] both method and apparatus claims.” *Crown Packaging Tech., Inc. v. Rexam Beverage Can Co.*, 559 F.3d 1308, 1316 (Fed. Cir. 2009) (citing *Hanson v. Alpine Valley Ski Area, Inc.*, 718 F.2d 1075, 1082–83 (Fed. Cir. 1983)). Goji has asserted only method claims. As a result, according to this Court’s well-established precedent, § 287 does not apply.

The district court gave this precedent short shrift, and this Court should reverse the district court’s grant of summary judgment and remand this case for a new trial on damages for two reasons. First, the district court relied on dicta from factually distinct cases and ignored the principle set out in *Hanson* and *Crown Packaging*. R. App’x 8–9. Anything less than a full reversal of the court’s grant of

summary judgment would improperly erode that principle. Second, if left uncorrected, the district court’s holding would unfairly punish patent applicants who choose to file “mixed” patent applications containing both method and apparatus claims. Further, the district court’s interpretation would improperly encourage would-be patentees to file method and apparatus claims separately, thus adding to the USPTO’s gargantuan backlog of applications.

A. This Court’s precedent makes clear that § 287 does not apply when a patentee asserts only method claims.

The marking statute exists “to give patentees the proper incentive to mark the products and thus place the world on notice of the existence of the patent.” *Wine Ry. Appliance Co. v. Enterprise Ry. Equip. Co.*, 297 U.S. 387, 394 (1936). Patentees who elect to mark their patented devices can recover damages beginning from the date of infringement, but, for those who elect not to mark, “no damages shall be recovered . . . in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter.” 35 U.S.C. § 287(a). A patentee who makes or sells patented articles can satisfy § 287 by providing constructive notice—*i.e.*, marking its products—or by providing actual notice to an alleged infringer. *Gart v. Logitech, Inc.*, 254 F.3d 1334, 1345 (Fed. Cir. 2001). “Actual notice requires the affirmative communication of a specific charge of infringement by a specific accused product or device.” *Amsted Indus. Inc. v. Buckeye Steel Castings Co.*, 24 F.3d 178, 187 (Fed. Cir. 1994). And this provision

applies whether it is the patentee or its licensees that sells the article. *Arctic Cat Inc. v. Bombardier Recreational Products Inc.*, 950 F.3d 860, 864 (Fed. Cir. 2020).

But this provision is subject to a notable qualification. “It is ‘settled in the case law’ that the [marking statute] does not apply where the patent is directed to a process or method.” *Hanson*, 718 F.2d at 1083 (quoting *Bandag, Inc. v. Gerrard Tire Co.*, 704 F.2d 1578, 1581 (Fed. Cir. 1983)). In *Bandag*, this Court concluded that the “clear language” of § 287—specifically its emphasis on “patented articles”—commands the conclusion that the marking statute “does not apply where the patent is directed to a process or method.” 704 F.2d at 1581. The *Bandag* Court relied on the Supreme Court’s *Wine Railway* decision, which predates § 287 and makes establishes that marking is not required for method patents. *Wine Ry.*, 297 U.S. at 395 (“[Notice] can only be given in connection with some fabricated article.”).

1. Section 287 does not apply here, even though the ’913 Patent contains apparatus claims, because Goji asserted only method claims.

This Court has also long recognized that § 287 is inapplicable when a patentee asserts only method claims—even if the patent-in-suit also contains apparatus claims. *Crown Packaging*, 559 F.3d at 1316; *Hanson*, 718 F.2d at 1082–83. *Hanson* is the seminal case on this point. In *Hanson*, the patentee, like Goji here, asserted method-of-making claims in a patent that also contained apparatus claims. *Hanson*,

718 F.2d at 1076. Even so, the *Hanson* Court determined that *Bandag* controlled, and that the marking statute did not restrict the patentee’s ability to recover pre-suit damages. *Id.* at 1083.

This Court has since built more than three decades of caselaw upon *Hanson*. Although the *Hanson* Court noted that its holding was “narrow,” this Court did not hesitate to find that *Hanson* controlled in *Crown Packaging*. *Crown Packaging*, 559 F.3d at 1316 (“In *Hanson*, we held that § 287 did not apply where the patentee only asserted the method claims of a patent which included both method and apparatus claims.”).

Thus, the relevant distinction is between cases like this one, “in which only method claims are asserted to have been infringed” and “cases . . . where [the patentee] alleged infringement of all its apparatus and method claims.” *Devices for Med., Inc. v. Boehl*, 822 F.2d 1062, 1066 (Fed. Cir. 1987). Because Goji has asserted only method claims, § 287 does not apply here.

2. This Court has never held that § 287 applies in a case like this one.

The district court’s conclusion that *Crown Packaging* conflicts with this Court’s prior precedent is simply incorrect. R. App’x 8. This Court has never held that the marking statute applies when a patentee has asserted only method claims from a patent containing both method and apparatus claims. *See, e.g., Rembrandt Wireless Techs., LP v. Samsung Elecs. Co., Ltd.*, 853 F.3d 1370 (Fed. Cir. 2017)

(patentee asserted apparatus and method claims and then withdrew the apparatus claims on the eve of trial); *ActiveVideo Networks, Inc. v. Verizon Communications, Inc.*, 694 F.3d 1312, 1334 (Fed. Cir. 2012) (patentee asserted three patents containing apparatus claims and one containing method claims); *Am. Med.*, 6 F.3d at 1529 (patentee asserted both method *and* apparatus claims).

The district court relied heavily on the statement in *American Medical* that “to the extent that there is a tangible item to mark by which notice of the asserted method claims can be given, a party is obligated to do so.” *Am. Med.*, 6 F.3d at 1539. But that statement, standing alone, paints an incomplete picture of the holding in *American Medical*. That case ultimately turned on the fact that “both apparatus and method claims . . . were asserted *and* there was a physical device produced by the claimed method that was capable of being marked.” *Id.* (emphasis added). Further, that statement is merely dicta as the issue of whether the marking statute applies when the patentee has only asserted method claims was not before the court. *Id.*

That said, the district court was correct in noting that “*Crown Packaging* did not purport to abrogate *American Medical*.” R. App’x 7. Nor did it have to. Rather, *Crown Packaging* distinguished *American Medical*, noting that *American Medical* is a case in which “both apparatus and method claims . . . were asserted,” while *Hanson* controls in situations like this one in which “the patentee *only* asserted method claims despite the fact that the patent contained both method and apparatus

claims.” *Crown Packaging*, 559 F.3d at 1317 (emphasis added). If *American Medical* was ever in tension with *Hanson*, *Crown Packaging* unambiguously eliminated that tension with one guiding principle—§ 287 does not apply when a patentee asserts only method claims. *Id.*

Thus, the district court erred in misapplying *Crown Packaging* and *Hanson* here. *Crown Packaging* makes clear that *Hanson* is still the binding law of this Court, and the district court is bound by it. *Crown Packaging*, 559 F.3d at 1316. In contrast, since *Crown Packaging*, lower courts faced with situations like this one routinely reach the result dictated by *Hanson*. See, e.g., *Core Optical Techs., LLC v. Nokia Corp.*, SA-CV19-02190, 2020 WL 6126285, at *6 (C.D. Cal. Oct. 8, 2020) (rejecting argument that “*American Medical* in effect displaces *Crown Packaging* and *Hanson*”); *Intell. Ventures II LLC v. Sprint Spectrum, L.P.*, 2:17-CV-00662-JRG-RSP, 2019 WL 2959568, at *2 (E.D. Tex. Apr. 18, 2019), report and recommendation adopted, 2:17-CV-00662-JRG-RSP, 2019 WL 1987204 (E.D. Tex. May 6, 2019) (“In both *Hanson* and *Crown Packaging*, the Federal Circuit has made clear that the marking statute does not apply where a patentee has only asserted method claims, even when the patent also contains apparatus claims.”).

Finally, the district court’s decision turned on two arbitrary distinctions that have no basis in the law. First, the district court held that the fact that Goji’s claimed method produced a tangible item was dispositive. But this Court has never held that

the existence of a tangible item to mark is dispositive. *See Core Optical*, 2020 WL 6126285, at *6 (“[In *Hanson* and *Crown Packaging*] the Federal Circuit did not state that the lack of a tangible item was dispositive to the marking question.”). As discussed above, this Court was careful to distinguish *American Medical* in *Crown Packaging*, not because there was no tangible item to mark, but because the patentee in *American Medical* asserted both method and apparatus claims from the same patent. *Crown Packaging*, 559 F.3d at 1317. The district court also concluded that claim 8’s status as a method-of-making claim was somehow dispositive. That conclusion rings equally hollow. The district court’s proposed distinction between method of making claims and method of use claims is “meaningless within the context of section 287(a).” *Am. Med.*, 6 F.3d at 1538. In *American Medical*, this Court rejected the patentee’s attempt to draw that exact distinction. Rather, it rooted its decision in the fact that “both method and apparatus claims . . . were asserted *and* there was a physical device produced by the claimed method that was capable of being marked.” *Id.* at 1538–39 (emphasis added). The district court’s distinction is also dampened by the fact that *Hanson* involved a method-of-making claim. *Hanson*, 718 F.3d at 1076 (“*Hanson*’s patent disclosed a new method of making snow.”).

B. The district court’s holding would punish patentees who choose to file patents containing method and apparatus claims, thereby flooding the USPTO with needless method applications.

Simply put, if Goji had filed the method claims in the ’913 patent as a separate patent and asserted only that patent, it would be beyond dispute that § 287 does not apply. After all, it is “settled in the case law that the notice requirement of this statute does not apply where the patent is directed to a process or method.” *Bandag*, 704 F.2d at 1581. This Court has made clear that it “look[s] to the asserted patents independently”—refusing to examine patents containing only method claims to see if something could be marked. *State Contracting & Eng’g Corp. v. Condotte Am., Inc.*, 346 F.3d 1057, 1074 (Fed. Cir. 2003) (“We have not previously held that a patent containing only method claims is examined to see if something could have been marked in order to assess whether the notice provision applies, and we decline to do so now.”). This is true even when the patentee has also asserted patents containing apparatus claims. *ActiveVideo*, 694 F.3d at 1334 (rejecting argument that the marking statute should apply to patent containing only method claims even though the patentee had also asserted patents containing apparatus claims). Ignoring the weight of this contrary authority, the district court interpreted § 287 as subjecting Goji to the marking provisions just because Goji filed method and apparatus claims in the same patent.

The district court’s interpretation would inordinately punish those patentees, like Goji, who seek to conserve time and resources by filing one patent application rather than multiple. And it would create a perverse incentive for patentees to steel themselves against marking challenges like this one by filing duplicative patents containing separate method and apparatus claims, thereby adding to the USPTO’s backlog, which currently stands at 590,224 unexamined applications. *See* Patents Production, Unexamined Inventory and Filings Data November 2020, <https://www.uspto.gov/dashboard/patents/production-unexamined-filing.html>.

C. The district court’s construction of § 287 replaces a predictable, consistent standard with an unpredictable, fact-intensive inquiry.

The simple fact is that for three decades the rule has been clear: the marking statute does not apply when a patentee asserts only method claims. Veejay now asks the Court to discard that rule for a case-by-case test that asks courts to determine whether there is a sufficiently markable product associated with a method—even though the point is moot if the method and apparatus claims are in separate patents. This Court has previously rejected attempts to create new tests like these, concluding that they would be “a confusing mess for the district courts to try to apply.” *ActiveVideo*, 694 F.3d at 1334. And yet Veejay asks this court to make such a confusing mess, one that would inject uncertainty into the patent application process. In doing so, it would undermine “the cornerstones of a well-functioning patent system”—uniformity and predictability. Hon. Timothy B. Dyk, *Federal Circuit*

Jurisdiction: Looking Back and Thinking Forward, 67 AM. U. L. REV. 971, 977 (2018).

At its core, this case is not about loopholes. It is not about skirting marking rules that protect the public. It is about consistency and predictability. Indeed, in *Wine Railway*, the bedrock of modern marking policy, the Supreme Court recognized the impracticality of requiring patentees to attempt to mark all embodiments of a method claim because such a construction would mean that method patents could be infringed “with impunity.” *Wine Ry.*, 297 U.S. at 395. Indeed, methods are inherently difficult to mark because they do not always relate to markable products, and, even when they do, in many cases, the method claims are not coextensive with the apparatus claims. This is exactly such a case. And so, the Court should reaffirm its longstanding precedent, hold that the marking statute does not apply, and reverse the district court’s grant of summary judgment so that there can be a new trial on damages.

CONCLUSION

For the reasons stated above, this Court should reverse the decision below, construe the “made with alcohol” limitation to mean that alcohol needs to be used at some point in the process, and hold that Veejay infringes the ’913 Patent. Alternatively, the Court should reverse the district court’s judgment of non-infringement and remand this case for proper claim construction and a new trial if necessary. Additionally, this Court should reverse the district court’s grant of summary judgment of no pre-suit damages and remand this case for a new trial on damages.

CERTIFICATE OF SERVICE

We certify that on the 1st day of February, 2021, a true and correct copy of this document was served on Will Freeman, National Operations Director, and Sparkle Ellison and Thomas Landers, Regional Directors, in compliance with FED. R. APP. P. 25(b).

TEAM 7
Attorneys for Appellant

CERTIFICATE OF COMPLIANCE

We certify that the foregoing brief meets the technical rules promulgated by the Federal Circuit Court of Appeals. This brief is in double-spaced 14-point font with a one-inch margin on all sides. This 32-page, 7,138-word brief complies with the limitations set by this Court in FED. R. APP. P. 32(a)(7), given the exemptions in FED. R. APP. P. 32(f).

TEAM 7
Attorneys for Appellant