

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 APPELLEE VEEJAY, INC.

TEAM 7
Attorneys for Appellee

February 1, 2021

CERTIFICATE OF INTEREST

Counsel for Appellee, Veejay, Inc. (“Veejay”), certifies the following:

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

Veejay, Inc.

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

Veejay, Inc.

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, Appellee provides there have been no previous appeals in this case.

JURISDICTIONAL STATEMENT

The district court had subject matter jurisdiction over this patent infringement action under 28 U.S.C. §§ 1331 and 1338(a). The district court entered a final judgment of non-infringement in the suit after granting summary judgment of no pre-suit damages in favor of Defendant Veejay Inc. and denying Goji's renewed motion for judgment as a matter of law on infringement. 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 ISSUES

1. Whether the district court properly allowed the jury to use the plain and ordinary meaning of the claim term “made with alcohol” to determine non-infringement.
2. Whether the district court correctly held that Goji is not entitled to pre-suit damages due to Goji’s failure to mark the products of the asserted patent in accordance with 35 U.S.C. § 287.

STATEMENT OF THE CASE

This case commenced in April 2020—amid the COVID-19 global 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.

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 dispute that Veejay practiced every limitation of Goji’s claimed method. *Id.* Veejay responded by arguing that summary judgment was inappropriate because there was a genuine dispute over whether Veejay practiced the “made with alcohol” limitation of claim 8. R. 7. Arguing that there was a dispute over whether Veejay’s product VireX, which contains no alcohol in the final composition, was “made with alcohol.” R. 6–7. Goji responded that the limitation “made with alcohol” required construction as a matter of law by the court. *Id.* The district court agreed with Veejay, 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. *Id.* Veejay argued that 35 U.S.C. § 287 prohibited Goji from recovering any pre-suit damages because Goji and its licensee did not mark the products covered by the ’913

Patent. R. 7. In response, Goji unsuccessfully argued that § 287 is inapplicable because Goji asserted only the method claims of the '913 Patent. *Id.* The district court again agreed with Veejay and granted Veejay's motion for summary judgment of no pre-suit damages. *Id.*

The case proceeded to trial and 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 found for Veejay and returned a verdict of non-infringement. *Id.* Goji then, for a third time, asked the district court to find infringement and renewed its motion for judgment as a matter of law. *Id.* The district court, for a third time, denied the motion and entered a final judgment for Veejay. *Id.* Goji appealed to this Court. R. 7–8.

STATEMENT OF THE FACTS

1. The Parties

Veejay manufactures and sells VireX, a hand sanitizer that the Center for Disease Control and Prevention has found effective at killing the COVID-19 virus.

R. 6. VireX is unique to other hand sanitizers because it uses benzalkonium chloride instead of alcohol to kill germs and viruses. *Id.* Alcohol is only used at an intermediate step of manufacturing, and is completely consumed during the manufacturing process. No amount of alcohol is present in the final product. *Id.*

Goji is the manufacturer of a competing hand sanitizer, Cleanell Plus, that uses alcohol to kill germs and viruses. *Id.* Goji patented its product and method of manufacturing in the '913 Patent. R. 3. Goji then licensed the '913 Patent to Beckitt Reckiser. R. 5. Beckitt Reckiser continued producing Cleanell Plus, marketing the product under the name "Brettol." *Id.* Brettol sanitizers sold by Beckitt Renckiser are not marked with the number of the '913 Patent. *Id.*

2. The '913 Patent

In 2006, Goji created a new hand sanitizer, that used the traditional antimicrobial agent alcohol, but added ingredients to make the product less irritating to skin. R. 3. The patent office granted Goji the '913 Patent. *Id.* The '913 patent includes both the physical gel (the apparatus) and the method of making the gel. Goji

asserted only the method claims, claims 8–13, in this case. R. 1. 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. R. 4.

3. The Litigation

On April 6, 2020, just weeks into the COVID-19 pandemic, Goji sued Veejay for infringement of the method claim of the '913 Patent. R. 4. Veejay moved for summary judgment under FED. R. CIV. P. 56 seeking to prevent Goji from asking for pre-suit damages. R. 7. Veejay argued that Goji did not mark any of its hand sanitizer products covered by the '913 Patent, and thus failed to meet the requirements § 287. *Id.* Goji responded that the marking requirement did not apply to this case because Goji asserted only the method claims of the '913 Patent, and not the apparatus claims. *Id.* It was undisputed that Goji did not mark the product of the method claim in the '913 Patent. R. App'x 5. The district court agreed with Veejay, found that §

287 did apply, that Goji and its licensees had failed to mark its products, and granted the motion. R. 7.

Goji also moved for summary judgment under FED. R. CIV. P. 56 on the issue of infringement. R. 6. Goji argued that Veejay practiced the method claim of the '913 Patent and that there was no dispute to take to the jury. *Id.* Goji cited only extrinsic evidence of Veejay's technical documents to support its motion. *Id.* Veejay responded that the issue should be taken before the jury because there was disagreement over if Veejay practiced the "made with alcohol" limitation of the '913 Patent. *Id.* Goji argued that the dispute was a question of claim construction that the court should decide as a matter of law. R. 7. The court disagreed, declined to construe "made with alcohol," and denied Goji's motion. *Id.*

4. The Jury Found Veejay Does Not Infringe the '913 Patent

In the trial below, Veejay presented expert testimony in support of the argument that Veejay does not infringe the '913 Patent because VireX does not contain any alcohol in the final product, and thus does not fulfill the "made with alcohol" limitation of claim 8. R. 7. Goji argued through its own expert that "made with alcohol" requires only that alcohol be used at some point during the manufacturing process, regardless of whether alcohol is present in the final product. R. App'x 12. Before the case went to the jury, Goji moved for judgment as a matter of law on the issue of infringement. R. 7. The district court denied the motion. *Id.*

The jury returned a verdict of non-infringement. *Id.* Goji yet again moved for judgment as a matter of law. *Id.* The district court denied the motion. *Id.* The district court entered a final judgment under FED. R. CIV. P. 58. *Id.*

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). The jury’s factual determinations are reviewed for substantial evidence. *Union Carbide Chems. & Plastics Tech. Corp. v. Shell Oil Co.*, 308 F.3d 1167, 1177 (Fed. Cir. 2002).

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). “We construe the facts in the light most favorable to the jury verdict and draw any inferences in favor of the non-movant.” *Sanchez v. Foley*, 97 F.3d 1, 10 (1st Cir. 2020) (internal quotations omitted).

Marking under 35 U.S.C. § 287 is an issue 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 correctly declined to construe the claim term “made with alcohol” in the ’913 Patent, giving the term its plain and ordinary meaning. A district court is not obligated to construe terms with ordinary meanings. At trial, the parties’ experts testified as to if Veejay literally infringed based upon the plain and ordinary meaning of “made with alcohol.” This was not debate over claim scope. Thus, *O2 Micro* does not apply because the jury was not required to determine the legal question of claim scope—only the factual question of infringement. The dispute below was whether or not Veejay infringed the claimed method, which includes the limitation that the antimicrobial solution be “made with alcohol.” Goji is disguising its disappointment over the jury’s finding of non-infringement as a claim construction issue. Infringement is a question of fact and properly decided upon by the jury. Under either the plain and ordinary meaning of “made with alcohol,” or a construction based upon the intrinsic and extrinsic evidence, Veejay does not practice the “made with alcohol” limitation. The jury correctly determined Veejay does not infringe the ’913 Patent and this Court should affirm the district court’s denial of judgment of a matter of law.

Additionally, the district court properly held that the marking requirement prohibits Goji from recovering pre-suit damages. The marking statute applies when a patentee asserts method claims from a patent that contains method and apparatus

claims and which produces a tangible object that the patentee can mark. Here, Goji's '913 Patent claims a method for making hand sanitizer and a tangible object that can be marked: the hand sanitizer products made using the claimed method. The marking requirement exists to protect the public, and allowing Goji to thwart the marking requirement by asserting only its method claims would undermine this protection. This Court should decline to do so, and affirm the district court's grant of summary judgment of no pre-suit damages. Thus, the entire judgment of the district court should be affirmed.

ARGUMENT

I. Goji is disguising its disappointment over the jury’s finding of non-infringement as a claim construction issue.

Appellants contend that the decision by the court below to not construe “made with alcohol” runs afoul of this Court’s holding in *O2 Micro*, and thus a new trial is required. This is incorrect. There is no *O2* issue here because the dispute below was not over a question of claim scope, but whether Veejay practiced the claim limitation “made with alcohol.” This is a question of infringement, not claim construction. Such a dispute “is a question of fact, to be submitted to a jury.” *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 384 (1996).

This Court was presented with an entirely distinct set of facts and issues in *O2 Micro* that do not correspond to the argument over infringement that took place below. In *O2 Micro*, the plaintiff accused the defendant of infringing a patent for DC-to-AC converters that used a feedback signal to limit the transmitted power. *O2 Micro Int’l Ltd. v. Beyond Innovation Tech. Co.*, 521 F.3d 1351, 1354 (Fed. Cir. 2008). The parties’ dispute centered on the term “only if” in the phrase “only if said feedback signal is above a predetermined threshold.” *Id.* at 1357. The defendants argued at a claim construction hearing that the term should be construed, but the plaintiffs “maintained no construction was necessary.” *Id.* The district court did not construe “only if” because the term had “a well-understood definition, capable of application by both the jury and this court” *Id.* At trial experts debated “whether

or not the ‘only if’ claim language allows exceptions,” and if the accused devises satisfied the limitation. *Id.* at 1358. Ultimately, the jury returned a verdict of infringement. *Id.* On appeal the appellants contended that the district court erred in declining to construe “only if” to decide whether the limitation allowed exceptions, and by not construing the term allowed the jury to “reach a verdict based upon an erroneous legal construction.” *Id.* at 1360. Conversely, Appellees argued the term needed no construction because it had a common meaning. *Id.* This Court held “the district court failed to resolve the parties’ dispute because the parties argued not about the *meaning* of the words themselves, but the *scope* that should be encompassed by this claim language.” *Id.* at 1361 (emphasis original). This Court “remand[ed] for further proceedings consistent with the opinion.” *Id.* at 1363.

Here, unlike in *O2 Micro*, both parties agreed on the scope of the claim but disagreed on whether Veejay practiced the claim limitation. Mem. Order Den. Pl.’s Renewed Mot. for J. as a Matter of Law at 4 (hereinafter “Mem. Or.”). The parties disputed infringement, not claim scope, which is a question for the jury and not the court to decide. At trial, both experts focused on if Veejay infringed the ’913 Patent. Even when the experts testified using the colloquial word “meaning,” they were still debating the question of infringement. For example, Goji’s expert was asked in her very first substantive question “does Veejay practice the term [‘made with alcohol’] in their manufacture of VireX?” R. App’x 11:28–29. The expert’s opinion was

focused on, in the words of Goji’s own attorney, “whether Veejay infringes the asserted claims of Goji’s patent.” R. App’x 12:9–10. Veejay’s expert’s first substantive question was also “whether Veejay’s manufacturing process satisfies [the ‘made with alcohol’] requirement.” R. App’x 14:23–24. Both experts’ testimony centered on *infringement*, not claim scope.

Additionally, this Court has stated that when a disputed term has a plain and ordinary meaning, “restating a settled argument does not create an actual dispute within the meaning of *O2 Micro*.” *Summit 6, LLC v. Samsung Electronics Co., Ltd.*, 802 F.2d 1283, 1289 (Fed. Cir. 2015) (citing *Finjan, Inc. v. Secure Computing Corp.*, 626 F.3d 1197, 1207 (Fed. Cir. 2010)). The dispute in *Summit* is factually similar to this case. In *Summit*, only one independent claim, a method claim relating to the processing of digital content, was asserted. *Id.* at 1287. Both parties offered constructions of the term “being provided to” in the phrase “one or more preprocessing parameters being provided to said client device” *Id.* at 1288. The district court declined to construe the term. *Id.* The plaintiff then filed a motion for summary judgment of infringement which the district court denied because there was a question of material fact as to whether the defendant practiced a step of the method relating to the disputed claim term. *Id.*

During trial in *Summit*, experts testified on both sides as to the proper requirements of the pre-processing step, which included the “being provided to”

term. *Id.* at 1289. They did not testify as to what the claim should be construed as, but what would be required to infringe the claim. Summit’s expert testified that the parameters did not need to continuously be provided to the device. *Id.* Samsung’s expert testified that “active receipt of the parameters is required and the preprocessing parameters are not provided to any accused Samsung device.” *Id.* The jury returned a verdict of validity and non-infringement. *Id.* On appeal the plaintiff-appellants asked this Court to determine if the district court erred in declining to construe the “being provided to” term. *Id.* This Court held that the district court did not err, that the plain and ordinary meaning of “being provided to” was clear, and that the district court had settled the construction issue by declining to construe the term. *Id.* at 1291.

Just as in *Summit*, the disputed claim term here has a clear meaning that does not require any construction, and the testimony at trial centered on infringement, not claim scope. Further, as in *Summit*, the plaintiff asked for the disputed term to be construed beyond its plain and ordinary meaning. R. 6. And just as in *Summit*, the district court denied the motion for summary judgment of infringement and declined to construe the term. R. 7. Experts for both sides testified in the case below as to if the accused device satisfied the claim limitations, under the plain and ordinary meaning of the term. R. 7. Goji’s expert testified that Veejay practiced the “made with alcohol” term because “Veejay uses alcohol as an ingredient,” based upon her

understanding of the plain and ordinary meaning of “made with alcohol.” R. App’x 12:4; 12:29–30. Similarly, Veejay’s expert testified to her evaluation of infringement based upon her understanding of the plain and ordinary meaning of the limitation. R. App’x 14:27–28. The jury returned a verdict of non-infringement. R. 7. At no time did any party or expert dispute the actual meaning of the ordinary terms “made,” “with,” and “alcohol.” Goji is disappointed with the jury’s finding and attempting to disguise that disappointment as an issue of claim construction. R. 8.

Despite Appellant’s arguments to the contrary, the testimony presented at trial below shows that the parties dispute was not a question of claim *scope*, but of infringement—if the claim term “made with alcohol” is satisfied by the VireX manufacturing process. This Court has consistently held that an *O2 Micro* challenge is not applicable when the parties dispute is not over the scope of the term. *See Verizon Services Corp. v. Cox Fibernet Virginia, Inc.*, 602 F.3d 1325, 1334 (Fed. Cir. 2010) (where appellant mischaracterized an argument about improper attorney argument as one of claim scope); *see also GPNE Corp v. Apple Inc.*, 830 F.3d 1365, 1372 (Fed. Cir. 2016) (holding that “where a district court has resolved the questions about claim scope that were raised by the parties, it is under no obligation to address other potential ambiguities that have no bearing on the operative scope of the claim”); *ActiveVideo Networks v. Verizon Commc’ns*, 694 F.3d 1312, 1326 (Fed. Cir. 2012) (holding that the district court did not err in giving terms their plain

meanings and leaving the jury to decide infringement when the court already resolved the dispute between parties).

In *Verizon*, the plaintiff-appellant argued to this Court that a new trial was required under *O2 Micro* because the defendants made improper arguments about claim scope to the jury and the district court declined to provide a limiting instruction. *Verizon*, 602 F.3d at 1331. This Court determined the actual issue between the parties was about improper argument by the defendant to the jury, not the claim scope, and thus an *O2 Micro* challenge was improper. *Id.* Similarly, this case is not about an issue of claim scope, but the pure fact question of literal infringement—despite Appellant’s arguments to the contrary. The words “made,” “with,” and “alcohol” do not have a special meaning that required a construction to aid the jury.

Further, “courts should not resolve questions that do not go to claim scope, but instead go to infringement... or improper attorney argument.” *Eon Corp. IP Holdings v. Silver Spring Networks*, 815 F.3d 1314, 1319 (Fed. Cir. 2016). In *Eon*, this Court faced an actual dispute over claim scope. This Court noted that the dispute was over if the terms “portable” and “mobile” “should be construed so broadly such that they covered ‘fixed or stationary products that are only theoretically capable of being moved.’” *Id.* That question is one of claim scope and of the actual meaning of the words “portable” and “mobile.” Conversely, the debate here is again not over the

meaning of the words “made with alcohol,” but over whether Veejay fulfills the claim limitation based upon the plain and ordinary meaning of the words.

However, even if this Court finds that the district court erred in not construing the term “made with alcohol” a reversal and remand are not required. “[W]hile [*O2 Micro*] permits a remand for further claim construction, it does not require one.” *Kinetic Concepts, Inc. v. Blue Sky Medical Group, Inc.*, 554 F.3d 1010, 1019 n.4 (Fed. Cir. 2009). A more expeditious resolution can be reached by this Court construing the term under a *de novo* review.

II. Even if “made with alcohol” is construed, the jury’s finding of non-infringement should be affirmed because it is supported by substantial evidence.

In the case below, the court correctly declined to construe the term “made with alcohol” because there was a suitable plain and ordinary meaning for the jury to apply. 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) *aff’d*, 517 U.S. 370, (1996). As a general rule, the starting point in claim construction is to give words “their ordinary and customary meaning.” *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312 (Fed. Cir. 2005). “A district court is not obligated to construe terms with ordinary meanings.” *O2 Micro*, 521 F.3d at 1360.

However, if this Court determines that “made with alcohol” should be construed beyond a plain and ordinary meaning, the correct construction of “made with alcohol,” requires that the end product of the method in claim 8 contain alcohol. Goji’s suggested claim construction broadens the scope of the term beyond what the ’913 Patent’s claims and specification support and should be rejected. *See e.g. Bayer CropScience AG v. Dow AgroSciences LLC*, 728 F.3d 1324 (Fed. Cir. 2013) (rejecting appellants appeal of district court’s use of “plain and ordinary meaning” where appellants presented an overly broad claim construction as the only basis to show appellees infringement). Thus, the VireX manufacturing process does not infringe the ’913 Patent. This Court is free under a *de novo* review to examine the ’913 Patent to determine the proper claim scope. *Teva*, 574 U.S. at 325.

A. The intrinsic evidence of the ’913 Patent shows that “made with alcohol” requires alcohol to be in the end product.

Looking first to the claims of the patent, the language of claim 8 supports that “made with alcohol” requires the final product to contain alcohol. Claim 8(b) states that “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 4:32–35 (emphasis added). The language of the claim requires that the antimicrobial solution is in the “final composition” of the hand sanitizer, and that it is “made with alcohol.” *Id.* Claim 1 also requires that an antimicrobial solution “made with alcohol” be in the final composition of the hand sanitizer. *Id.* at 4:34.

Alcohol must be in the antimicrobial solution, and thus, alcohol must be in final hand sanitizer product.

The construction of “made with alcohol” requiring the alcohol to be in the final product is further supported by the specification itself. “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). The entire purpose of the invention in the ’913 Patent is to “provide a liquid-based skin sanitizing composition that improves skin health without reducing efficacy of pathogen killing.” ’913 Patent 2:11–13. The “Background of the Invention” discusses the merits of alcohol as “active ingredient” in hand sanitizer for twenty lines. *Id.* at 1:24–44. In order to be “active,” and achieve the benefits of killing pathogens, the alcohol must be in the final composition of the hand sanitizer. The “Composition” section of the patent states that the antimicrobial solution is “made with alcohol or a mixture of two or more alcohols, and water.” *Id.* at 2:20–21. The only example listed in the specification requires 800mL of isopropyl alcohol in a 1L solution. *Id.* at 2:47. The “Method of Making Hand Sanitizer Composition” section states as the second step to “add desired alcohol to the oil solution and mix.” *Id.* at 2:56. Every substantive section of the ’913 Patent shows alcohol in the final hand sanitizer composition.

Additionally, the only drawing in the patent also shows the addition of the antimicrobial solution, a solution that must be “made with an alcohol... and water.” *Id.* at Fig. 1; 1:20–21. Alcohol in the final product is not merely an embodiment of the ’913 Patent, but a fundamental aspect of the invention. If “made with alcohol” did not require alcohol in the final composition, the end product would not achieve the goals of the invention. Alcohol cannot be just a mere “tool” in the manufacturing process, like a microwave used to melt butter that goes into a cake, because it is crucial to the actual function of the end product and has no suggested substitute. It is a key part of the product, not something that is merely used in the process of creating the product. This construction of “made with alcohol” is not reading any limitation into the claim, as appellants contend, but is merely using the specification to shed light on the meaning of the claim term, “in the context of the patent.” *Columbia*, 811 F.3d at 1363.

Even if this construction of “made with alcohol” does not conform to some analogies submitted by Appellants, such as alcohol evaporating during a cooking process, the construction is consistent with the meaning of the term as used in the ’913 Patent. The proper construction of a term is not based upon common usage, but on “how a person of ordinary skill in the art understands the claim term.” *Phillips*, 415 F.3d at 1313. “The inventor’s words that are used to describe the invention—the inventor’s lexicography—must be understood and interpreted by a person in that

field of technology.” *Id.* (quoting *Multiform Desiccants, Inc. v. Medzam, Ltd.*, 133 F.3d 1473, 1477 (Fed. Cir. 1998)). It is clear from how the inventors used the term “made with alcohol” in the claims and the throughout the rest of the ’913 Patent that the alcohol is required to be in the end product.

B. The extrinsic evidence supports that construction of “made with alcohol” requires alcohol to be in the end product.

While unnecessary to the claim construction decision, the extrinsic evidence on the record also supports Veejay’s construction of “made with alcohol.” The record contains several emails written by the inventors, Lawson and Brodsky, discussing VireX in relation to the ’913 Patent.

In an email dated January 10, 2020, Lawson suggested investigating VireX for possible legal issues. R. App’x 19. Brodsky replied that she didn’t think there was an issue because the Veejay website “says their hand sanitizer contains no alcohol.” R. App’x 19. Brodsky further went on to suggest she and Lawson purchase VireX and “test whether or not it contains alcohol.” R. App’x 19. Lawson replied that “if it doesn’t have any alcohol in it there likely isn’t a problem.” R. App’x 20. Thus, it is a requirement that the method of the ’913 Patent is “made with alcohol,” and that the final product contains alcohol. If a test for the presence of alcohol in a product is dispositive to the inventors of the ’913 Patent, then the correct construction of “made with alcohol” is that the final product contains alcohol.

Using this construction of “made with alcohol,” no reasonable jury can find Veejay infringes the ’913 Patent, and thus the jury’s verdict remains valid. At trial, Veejay’s sole argument for non-infringement was that Veejay does not practice the “made with alcohol” limitation of claim 8 because their final product does not contain alcohol. Mem. Or. at 2. The only question then for a reasonable juror to find non-infringement is if the final composition of VireX contains alcohol. Both experts testified that under the above construction, Veejay does not infringe the ’913 Patent. Veejay’s expert testified that “Veejay’s manufacturing process does not satisfy [the “made with alcohol”] requirement,” because “[t]here is simply no alcohol—not even a trace—in the end product.” R. App’x 14:27–28; 15:1. Goji’s expert testified that if “made with alcohol” required alcohol to be in the end product, “Veejay would not practice the ‘made with alcohol’ limitation.” R. App’x 13:22. There is sufficient evidence for a reasonable juror to find that Veejay infringes the ’913 Patent, and thus the verdict of non-infringement should be affirmed. *Union Carbide*, 308 F.3d at 1177.

III. Goji is not entitled to pre-suit damages because it failed to mark the devices that practice the ’913 Patent.

The marking requirement exists specifically for cases like this one. “It is undisputed that [Goji] failed to mark although marking was feasible.” R. App’x 9. That fact was dispositive for the district court’s judgment. *Id.* It should be dispositive here. Indeed, Goji made and sold a patented product using a patented method. R. 5.

It did not mark that product, and, because of that failure to mark, the district court rejected its attempt to skirt the marking requirement. R. App'x 9. Goji now asks the Court to bless its end-run around the marking requirement. This Court should not do so for two reasons.

First, this Court has made clear that “[w]here the patent contains both apparatus and method claims . . . 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 obliged to do so if it intends to avail itself of the constructive notice provisions of section 287(a).” *Am. Med.*, 6 F.3d at 1538. The '913 Patent contains both method and apparatus claims, and there is a tangible item by which Goji could have given notice of its claims—the hand sanitizers that embody the claimed method. Thus, Goji is subject to the marking requirement, and any arguments to the contrary are rooted in a misunderstanding of this Court’s marking caselaw.

Second, requiring marking in situations like this one advances the policies that underlie the marking statute. Section 287 “protects the public’s ability to exploit an unmarked product’s features without liability for damages until a patentee provides either constructive notice through marking or actual notice.” *Rembrandt Wireless Techs., LP v. Samsung Elecs. Co., Ltd.*, 853 F.3d 1370, 1383 (Fed. Cir. 2017) (citing *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 162 (1989)). Goji’s interpretation of § 287 erodes that protection by creating the type of “end-run around

the marking statute” that this Court has held to be “irreconcilable with the statute’s purpose.” *Rembrandt*, 853 F.3d at 1383.

A. Section 287 applies in cases, like this one, in which a patented method results in an apparatus that can be marked.

Section 287 requires patentees to either mark their products with the patent number or provide the public with actual notice of the patent. *Gart v. Logitech, Inc.*, 254 F.3d 1334, 1345 (Fed. Cir. 2001). When patentees like Goji ignore this requirement, “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.” 35 U.S.C. § 287(a) (emphasis added). Because of this flouting of § 287, Goji is barred from recovering pre-suit damages here, where the only notice offered was the filing of this infringement action.

Contrary to Goji’s contentions, the marking requirement applies in situations like this one, in which “the patent contains both apparatus and method claims” and “there is a tangible item to mark by which notice of the asserted method claims can be given.” *Am. Med.*, 6 F.3d at 1538. Indeed, “the demarcation lines have been clear for many years: patents with only method claims do not require marking whereas patents with apparatus claims do.” *ActiveVideo*, 694 F.3d at 1334.

The cases relied on by Goji do not contradict this principle. Rather, they hold only that the marking statute does not apply when a patentee asserts only method claims *and* there is no physical object produced by the claimed method that the

patentee could have marked. *See Crown Packaging Tech., Inc. v. Rexam Beverage Can Co.*, 559 F.3d 1308, 1316 (Fed. Cir. 2009) (patentee asserted claims directed at a method of using dies to reduce the diameter of the top of a soda can); *Hanson v. Alpine Valley Ski Area, Inc.*, 718 F.2d 1075, 1076 (Fed. Cir. 1983) (patent-in-suit “disclosed a new method of making snow,” which, of course, cannot be marked).

Hanson does not control here. The *Hanson* Court determined that “the notice requirement of this statute does not apply where the patent is directed to a process or method.” *Hanson*, 718 F.2d at 1083. The Court held that § 287 did not apply because “the only claims that were found infringed” were method claims, even though the patent also contained apparatus claims. *Hanson*, 718 F.2d at 1083. But *Hanson* is a “narrow” decision in a case involving a method of making and spreading artificial snow—a product which cannot be marked. *Id.* Indeed, in *Crown Packaging*, where the patentee claimed a method of using dies to “neck” the tops of soda cans, this Court held that it was “bound by the rule of *Hanson*” because the cases were “factually identical.” *Crown Packaging*, 559 F.3d at 1316. In both cases, the patentee asserted only method claims that did not create a tangible object that could be marked. *See id.*

But there is no factual identity here. Goji’s claimed method is a method of making hand sanitizers, and it creates tangible objects that Goji could readily mark: the Brettol line of licensed hand sanitizers. Thus, it would make little sense to

extend *Hanson* to cases like this one, where Goji claims a patented product made by a patented method.

Indeed, this Court has only exempted method claims from § 287 because “ordinarily, where the patent claims are directed to only a method or process, there is nothing to mark.” *Am. Med.*, 6 F.3d at 1538. But it has refused to extend that exemption to cases like this one where there is a “a tangible item to mark by which notice of the asserted method claims can be given.” *Id.* at 1539. In *American Medical*, the patentee, like Goji, asserted a patent that claimed a method (specifically for “packaging a fluid-containing penile prosthesis in a pre-filled, sterile state”) and an apparatus that was “produced by the claimed method and capable of being marked.” *Id.* at 1528; 1539. This Court held that the purpose behind the marking requirement—“to encourage the patentee to give notice to the public of the patent”—compelled the conclusion that § 287 applies when there is a physical device that can be marked, even though the patentee had only asserted method claims. *Id.* at 1539–40. The same is true here, and this Court should hold that Goji was required to mark its products to recover pre-suit damages.

American Medical teaches that, when a patent contains both method and apparatus claims, the focus should be on whether there is a tangible object produced by the claimed method that can be marked. Goji’s proposed reading of § 287 shifts this focus to the claims the patentee asserts in litigation. In doing so, it allows savvy

patentees to sidestep the marking requirement in cases like this one that involve a tangible object that can be readily marked. Ultimately, Goji asks this Court to ignore the teaching of *American Medical*, and to hold that patentees who fail to mark their patented products may excuse themselves from § 287 by asserting only method claims in litigation. The Court should decline to do so.

B. Goji’s proposed reading of § 287 would undermine the statute’s public notice function by allowing patentees to recover pre-suit damages even when they fail to give notice of the patent to the public.

“The essence of the marking statute is to encourage the patentee to give notice to the public of the patent.” *Rembrandt*, 853 F.3d at 1383 (quoting *Crown Packaging*, 559 F.3d at 1316). This notice is intended to provide the public with “a ready means of discerning the status of the intellectual property embodied in an article of manufacture or design.” *Bonito Boats, Inc.*, 489 U.S. at 162. Indeed, the marking requirement serves three related purposes: (1) helping to avoid innocent infringement, (2) encouraging patentees to give notice to the public that an article is patented, and (3) aiding the public in identifying patented articles. *Nike, Inc. v. Wal-Mart Stores, Inc.*, 138 F.3d 1437, 1443 (Fed. Cir. 1998).

The holding that Goji requests—that the marking requirement is inapplicable when a patentee asserts only method claims even if there is a physical product that can be marked—disserves those purposes. Goji seeks to recover full pre-suit damages by asserting only method claims—even though it failed to mark its patented

products. Section 287 seeks to prevent this type of failure to mark by limiting the damages available to patentees. It does so to “prevent patent owners from deceiving the public by distributing unmarked (and hence apparently copyable) articles which are in fact covered by a patent.” 7 Chisum on Patents § 20.03 (2020). Goji’s reading of § 287 would throw open the doors to that kind of deception and would allow patentees to circumvent the marking requirement at will by strategically asserting only method claims with the knowledge that they can still recover their full damages—even though they failed to make the public aware of their patented articles. If § 287 is to “protect the public’s ability to exploit an unmarked product’s features without liability,” patentees like Goji cannot avoid the consequences of their failures to mark by asserting only method claims. *Bonito Boats*, 489 U.S. at 162.

1. Goji’s argument is irreconcilable with the purpose of § 287.

Goji’s position “effectively provides an end-run around the marking statute and is irreconcilable with the statute’s purpose.” *Rembrandt*, 853 F.3d at 1383. This Court’s decision in *Rembrandt* makes clear that a patentee’s strategic attempts to “avoid the consequence of its failure to mark undermines the statute’s public notice function.” *Id.* In that case, the patentee asserted both method and apparatus claims, and then dropped and disclaimed its apparatus claims during litigation. *Id.* at 1382. This Court held that § 287 applied because the marking statute ultimately serves the public, and the patentee’s disclaimer did not “relinquish[] the rights of the public.”

Id. at 1383–84. The reasoning in *Rembrandt* applies with equal force here because the patentee’s choice to assert only method claims in litigation cannot affect the “the making statute’s focus”—which affects “not only on the rights of the patentee, but the rights of the public.” *Id.* at 1384.

Indeed, the Supreme Court has highlighted the danger of these creative “end-runs” in another context that implicates the rights of the public: the doctrine of patent exhaustion. See *Quanta Computer, Inc. v. LG Elecs., Inc.*, 553 U.S. 617, 630 (2008) (rejecting “argument that method claims, as a category, are never exhaustible” as an “end-run around exhaustion”). In *Quanta Computer*, the Court reasoned that “eliminating exhaustion for method patents would seriously undermine the exhaustion doctrine” because “[p]atentees seeking to avoid patent exhaustion could simply draft their patent claims to describe a method rather than an apparatus.” *Id.* at 629. The Court pointed out that a commentator had encouraged patentees to draft creative method claims to avoid the exhaustion doctrine. *Id.* at 629 n. 5 (citing John R. Thomas, *Of Text, Technique, and the Tangible: Drafting Patent Claims Around Patent Rules*, 17 J. MARSHALL J. COMPUTER & INFO. L. 219, 252 (1998)). That very same commentator encouraged patentees to “draft around the marking statute” by “draft[ing] additional method claims . . . or, at the least, to assert only method claims during enforcement litigation.” Thomas, *supra* at 256–57. In *Quanta Computer*, the Court cut off the potential “end-run around exhaustion” out of a concern that savvy

patent drafters could “shield practically any patented item from exhaustion.” 553 U.S. at 630. The Court should do the same here and prevent patentees from shielding patented items from the marking requirement by asserting only method claims.

2. If the marking statute is to have any meaning, it must apply in cases like this one.

Section 287 exists “to encourage the patentee to give notice to the public of the patent.” *Am. Med.*, 6 F.3d at 1538. This Court has carved out an exception for method claims “where the patent claims are directed to only a method or process [where] there is nothing to mark.” *Id.* If the marking requirement is to have any significance, this exception cannot swallow the rule. Rather, in cases like this one, where the patent contains both method and apparatus claims and there is a tangible item to mark, the marking statute must apply.

This Court, for good reason, has never held that the marking statute is inapplicable in cases like this one. Such a holding would remove the teeth from § 287 and would allow clever patentees to erode the policies that underlie the statute. This Court should refuse to make that holding here, and should affirm the district court’s grant of summary judgment for no pre-suit damages.

CONCLUSION

The district court was correct giving the claim term “made with alcohol” its plain and ordinary meaning. There was substantial evidence at trial that Veejay did not infringe the ’913 Patent. However, even if the claim term was construed, under a proper construction there is no dispute that Veejay does not infringe the ’913 Patent. Under either circumstance, the district court’s decision to deny Goji’s judgment as a matter of law should be affirmed. Further, the district court’s grant of Veejay’s motion for summary judgment on no pre-suit damages should also be affirmed.

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 Appellee

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 33-page, 7,193-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 Appellee