

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

LAKESOUTH HOLDINGS, LLC,

Plaintiff,

v.

ACE EVERT, INC., *et al.*,

Defendants.

§
§
§
§
§
§
§
§

Civil Action No. 3:14-CV-1348-N

ORDER

This Order addresses the construction of several disputed claim terms in United States Patent No. 6,612,713 (the “Patent”) pursuant to *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995) (en banc), *aff’d*, 517 U.S. 370 (1996). Having reviewed the relevant intrinsic evidence in the record, the Court construes the disputed terms and phrases as provided below.

I. BACKGROUND OF THE INVENTION

The Patent is for an improved patio umbrella combining various of the following improvements: batteries, solar cells on the top of the canopy for charging the batteries, lights or fans or misters on the bottom side of the canopy, and a motorized retraction system that aids in the raising and lowering of the canopy.

II. CLAIM CONSTRUCTION STANDARDS

Claim construction is a question of law for the Court, *see Markman*, 517 U.S. at 391, although it may involve subsidiary factual questions. *See Teva Pharm. USA, Inc. v. Sandoz*,

Inc., 135 S. Ct. 831, 836-39 (2015). In construing the claims of a patent, the words comprising the claims “are generally given their ordinary and customary meaning” as understood by “a person of ordinary skill in the art in question at the time of the invention.” *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312-13 (Fed. Cir. 2005) (en banc) (citations and internal quotation marks omitted). Accordingly, courts must determine the meaning of claim terms in light of the resources that a person with such skill would review to understand the patented technology. *See id.* at 1313 (citing *Multiform Desiccants, Inc. v. Medzam, Ltd.*, 133 F.3d 1473, 1477 (Fed. Cir. 1998)). First, “the person of ordinary skill in the art is deemed to read the claim term . . . in the context of the entire patent, including the specification.” *Id.* If the specification “reveal[s] a special definition given to a claim term by the patentee that differs from the meaning it would otherwise possess . . . , the inventor’s lexicography governs.” *Id.* at 1316. Likewise, if “the specification . . . reveal[s] an intentional disclaimer, or disavowal, of claim scope by the inventor . . . [,] the inventor’s intention, as expressed in the specification, is regarded as dispositive.” *Id.* (citation omitted). While the claims themselves provide significant guidance as to the meaning of a claim term, the specification is generally dispositive as “it is the single best guide to the meaning of a disputed term.” *Id.* at 1314-15 (internal quotation marks omitted).

In addition to the specification, courts must examine the patent’s prosecution history – that is, the “complete record of the proceedings before the PTO and includ[ing] the prior art cited during the examination of the patent.” *Id.* at 1317 (citation omitted). “Like the specification, the prosecution history provides evidence of how the PTO and the inventor

understood the patent.” *Id.* (citation omitted). In particular, courts must look to the prosecution history to determine “whether the inventor limited the invention in the course of prosecution, making the claim scope narrower than it would otherwise be.” *Id.* (citations omitted). “[W]here the patentee has unequivocally disavowed a certain meaning to obtain his patent, the doctrine of prosecution disclaimer attaches and narrows the ordinary meaning of the claim congruent with the scope of the surrender.” *Omega Eng’g, Inc. v. Raytek Corp.*, 334 F.3d 1314, 1324 (Fed. Cir. 2003).

Finally, in addition to evidence intrinsic to the patent at issue and its prosecution history, courts may look to “extrinsic evidence, which ‘consists of all evidence external to the patent and prosecution history, including expert and inventor testimony, dictionaries, and learned treatises.’” *Phillips*, 415 F.3d at 1317 (quoting *Markman*, 52 F.3d at 980). In general, extrinsic evidence is “less reliable than the patent and its prosecution history in determining how to read claim terms.” *Id.* at 1318.

When the intrinsic evidence, that is the patent specification and prosecution history, unambiguously describes the scope of a patented invention, reliance on extrinsic evidence, which is everything outside the specification and prosecution history, is improper. *See Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1583 (Fed. Cir. 1996). While the Court may consult extrinsic evidence to educate itself about the invention and relevant technology, it may not rely upon extrinsic evidence to reach a claim construction that is clearly at odds with a construction mandated by the intrinsic evidence. *See Key Pharm. v. Hercon Labs. Corp.*, 161 F.3d 709, 716 (Fed. Cir. 1998).

III. DISPUTED TERMS

“a base support portion”

Plaintiff LakeSouth Holdings, LLC’s (“LakeSouth”) Proposed Construction: needs no construction and should be afforded its plain and ordinary meaning.

Defendants Wal-Mart Stores, Inc. and Wal-Mart Stores Texas LLC (collectively, Wal-Mart) Proposed Construction: “part into which the pole portion is inserted and supports the umbrella apparatus.”

Discussion:

LakeSouth argues that this term should be left undefined. In its infringement contentions, however, LakeSouth argues that the plain, undefined meaning of the term is any structure that supports the umbrella canopy, including the pole itself. Wal-Mart argues that this leaves the claim language indefinite because LakeSouth simply selects one point on the pole and declares everything below that point is the base support portion.

LakeSouth conversely criticizes Wal-Mart’s proposed construction as improperly importing limits from the specifications into the claim construction. LakeSouth argues that nothing requires a physical structure separate from the pole into which the pole is inserted. Indeed, the specification states that “little or no base member whatsoever” is needed “provided there is a table or some other support structure, including the ground, which may be adapted to receive pole portion 15.” Col. 3:32-48.

The Court agrees with both sides’ arguments and finds neither proposed construction satisfying. The Court will construe “base support portion” as “support structure for the pole, including but not limited to a table or the ground, which may be adapted to receive pole portion 15.”

“coupled”

LakeSouth’s Proposed Construction:

needs no construction and should be afforded its plain and ordinary meaning.

Wal-Mart’s Proposed Construction:

“directly connected.”

Discussion:

LakeSouth agrees with Wal-Mart that “coupled” is analogous to “connected” or “linked.” The point of dispute between the parties is that Wal-Mart would require the connection to be direct and LakeSouth would not. “Direct” here appears to mean that the two objects that are coupled are therefore touching. LakeSouth points to uses of the term “coupled” in the specifications that do not require the two items to be touching. *See* col. 11:13-14 (pulley coupled through gears to electric motor); col. 12:40-41 (pole portion indirectly coupled to canopy through top cap). Given that the specification appears to preclude a requirement of direct connection, the Court rejects Wal-Mart’s proposed construction. *See Braintree Labs., Inc. v. Novel Labs., Inc.*, 749 F.3d 1349, 1356 (Fed. Cir. 2014) (“[a] claim construction that excludes the preferred embodiment is rarely, if ever, correct and would require highly persuasive evidentiary support”) (quoting *Adams Respiratory Therapeutics, Inc. v. Perrigo Co.*, 616 F.3d 1283, 1290 (Fed. Cir. 2010) (internal quotation marks omitted)).

In view of the parties’ dispute, the Court feels that some construction is necessary. The Court, therefore, construes “coupled” as “directly or indirectly connected.”

“hingedly coupled”

LakeSouth’s Proposed Construction:
needs no construction and should be afforded its plain and ordinary meaning.

Wal-Mart’s Proposed Construction:
“coupled through a hinge.”

Discussion:

In view of the Court’s construction of “coupled,” there is little dispute left regarding this term and the Court finds no further construction is needed.

“lower portion of the power module”

LakeSouth’s Proposed Construction:
needs no construction and should be afforded its plain and ordinary meaning.

Wal-Mart’s Proposed Construction:
“bottom portion of a power module that defines an interior battery compartment.”

Discussion:

LakeSouth argues that the Wal-Mart’s proposed construction imports a limitation from the preferred embodiments, requiring an interior battery compartment in the lower portion of the power module. Wal-Mart argues that this was the usage of LakeSouth during reexamination. The Court finds that the Wal-Mart’s additional limitation is unnecessary to reflect the prosecution history during reexamination, as there is additional claim language specifying a rechargeable electrical power system disposed in the lower portion of the power module. As such, it is unnecessary to duplicate that limitation in the construction of “lower portion of the power module.” Accordingly, the Court agrees with LakeSouth that no construction of this phrase is needed.

“upper portion of the power module”

LakeSouth’s Proposed Construction:
needs no construction and should be afforded its plain and ordinary meaning.

Wal-Mart’s Proposed Construction:
“top portion of the power module.”

Discussion:

The Court sees little to be added to “upper portion” by construing it as “top portion.”

Accordingly, the Court agrees with LakeSouth that no construction of this phrase is needed.

“conductively coupled”

LakeSouth’s Proposed Construction:
needs no construction and should be afforded its plain and ordinary meaning.

Wal-Mart’s Proposed Construction:
“coupled through a conductor.”

Discussion:

As with “hingedly coupled,” given the Court’s construction of “coupled,” it finds that no further construction of “conductively coupled” is needed.

“recessed”

LakeSouth’s Proposed Construction:
needs no construction and should be afforded its plain and ordinary meaning.

Wal-Mart’s Proposed Construction:
“recessed” means “fully recessed.”

Discussion:

Analysis of this term requires close examination of the prosecution history during reexamination. Initially, LakeSouth argues that while claim 15 uses the word “recessed,”

claim 17 uses the term “fully recessed.” Thus, under the claim differentiation doctrine, “recessed” must mean something different than “fully recessed.” *See Merck & Co. v. Teva Pharm. USA, Inc.*, 395 F.3d 1364, 1372 (Fed. Cir. 2005).

Wal-Mart argues that during reexamination, LakeSouth relinquished partially recessed. Claim 51 originally claimed at least partially recessed lighting. *See* Defs.’ App. 224 [48]. The Examiner rejected partially recessed. *Id.* at 96. The Examiner later explicitly stated that “lighting elements or wiring that are referenced as being ‘recessed’ will be construed as being fully recessed.” *Id.* at 327. LakeSouth responded by amending the subject claims to refer to “recessed” lighting. *Id.* at 363, 378. Thus, argues Wal-Mart, LakeSouth is estopped from claiming “recessed” includes “partially recessed.”

LakeSouth, anticipating Wal-Mart’s estoppel argument, points out that it contested the Examiner’s construction of “recessed” during reexamination. Pl.’s App. at 334 [46]. LakeSouth argues that because estoppel requires a change in position by the applicant, and LakeSouth reserved its position that recessed” includes “partially recessed,” LakeSouth is not estopped. *See 3M Innovative Props. Co. v. Avery Dennison Corp.*, 350 F.3d 1365, 1373 (Fed. Cir. 2003). Wal-Mart responds that LakeSouth’s acts contesting the Examiner’s construction came in a petition for amendment after the Examiner allowed the claims, and the Examiner refused to allow the amendment under 37 C.F.R. § 1.951. Thus, Wal-Mart argues, LakeSouth’s supposed contest took place after the fact and is ineffectual. Finally, LakeSouth argues that its proposed amendment to claim 51 in fact calls for “at least a portion of each lighting element [to] extend[] beyond the corresponding rib member,” Pl.’s Resp.

App. 536 [59], and thus precludes fully recessed lighting. It also does not appear to use the term “recessed.”

The Federal Circuit has stated that it “does not rely on the prosecution history to construe the meaning of the claim to be narrower than it would otherwise be unless a patentee limited or surrendered claim scope through a clear and unmistakable disavowal.” *3M Innovative Proprs. Co. v. Tredegar Corp.*, 725 F.3d 1315, 1322 (Fed. Cir. 2013). Under the claim differentiation doctrine, the Court would otherwise construe “recessed” as something different from “fully recessed.” Given the ambiguity in the reexamination history, particularly that LakeSouth’s proposed amended claim 51 appears to require at least partially recessed lighting elements and in fact does not use the term “recessed” in a manner that could be construed as “fully recessed,” the Court holds that LakeSouth did not clearly and unmistakably disavow “partially recessed.”

Given the dispute of the parties over the term, the Court believes it cannot simply say “recessed” means “recessed.” Accordingly, the Court construes “recessed” to mean “fully or partially recessed.”

“component part”

LakeSouth’s Proposed Construction:
needs no construction and should be afforded its plain and ordinary meaning.

Wal-Mart’s Proposed Construction:
“any electric device, having distinct electrical characteristics and having terminals at which it may be connected to other components to form a circuit.”

Discussion:

Although both parties purport to use the plain meaning of “component,” Wal-Mart limits it to electrical components. While electrical components are certainly “components,” not all components are electrical. The specification also refers to mechanical elements as components. *See* col. 14:28-35. The specification also refers to “electrical components,” *see* col. 12:49-51, which would be redundant under Wal-Mart’s construction. The Court sees no reason to limit components to electrical components and agrees with LakeSouth that the term requires no construction.

“releasably coupled”

LakeSouth’s Proposed Construction:

needs no construction and should be afforded its plain and ordinary meaning.

Wal-Mart’s Proposed Construction:

“secured to the pole portion with a threaded coupling.”

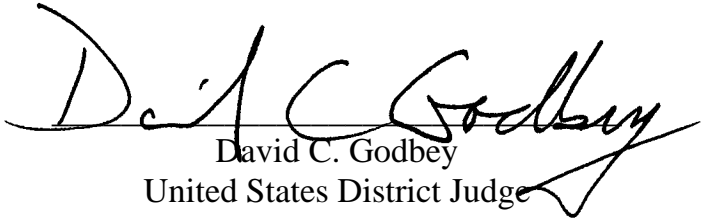
Discussion:

Wal-Mart argues that LakeSouth is estopped from claiming any releasable coupling other than threaded. The Court’s review of the record does not appear to support Wal-Mart’s argument. Accordingly, the Court agrees with LakeSouth that the term does not require construction.

CONCLUSION

The Court orders that the various patent terms are construed as indicated. The Court will by separate order establish a schedule for resolution of the remaining issues in the case.

Signed August 10, 2015.


David C. Godbey
United States District Judge