

No. 11-301

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**In the  
Supreme Court of the United States**

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SAINT-GOBAIN CERAMICS & PLASTICS, INC.,  
*Petitioner,*

v.

SIEMENS MEDICAL SOLUTIONS USA, INC.,  
*Respondent.*

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**On Petition for Writ of Certiorari  
to the United States Court of Appeals  
for the Federal Circuit**

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**BRIEF IN OPPOSITION**

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## QUESTIONS PRESENTED

For over 120 years, patent holders have been required to prove claims of infringement by a preponderance of the evidence. *Bene v. Jeantet*, 129 U.S. 683 (1889). When the claim of infringement is brought under the doctrine of equivalents and there is evidence that the accused product is covered by a second patent, courts have consistently held that the second patent is simply relevant evidence to the claim of infringement, but neither alters the standard of proof nor creates a presumption of noninfringement.

The petition presents the following questions:

1. Whether the trial court and the court of appeals both correctly declined to re-write the standard for proving infringement under the doctrine of equivalents to require heightened, clear-and-convincing, proof of infringement for the first time in U.S. history.

2. Whether, in a case in which no party raised a claim or defense of invalidity, the trial court properly declined to instruct the jury that the second patent—presented only for evidentiary purposes—was presumptively valid.

**CORPORATE DISCLOSURE STATEMENT**

Siemens Corporation, which is not a publicly traded corporation, is the sole parent of Respondent Siemens Medical Solutions USA, Inc. Siemens AG, which is a publicly traded corporation, is the indirect and ultimate parent of Siemens Corporation. Otherwise, there is no parent or publicly held company owning more than 10% of the stock of Respondent Siemens Medical Solutions USA, Inc.

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## INTRODUCTION

The standard of proof for infringement, whether literal or under the doctrine of equivalents, has always been a preponderance of the evidence. Saint-Gobain, however, asks this Court to make an exception to that longstanding rule for the first time in history, in cases where the patentee alleges infringement under the doctrine of equivalents and the defendant asserts that its accused product is separately patentable. Just last term, this Court rejected arguments from Microsoft for a similarly “variable standard of proof that must itself be adjudicated in each case,” in the context of invalidity claims, with the standard of proof depending on whether a particular reference was before the patent office when it issued the patent in suit. *Microsoft Corp. v. i4i Ltd. P’Ship*, 131 S. Ct. 2238, 2250 (2011). Saint-Gobain’s petition is on even shakier ground here, as its arguments have been comprehensively refuted by more than a century of unwavering precedent from this Court and the courts of appeals.

Saint-Gobain’s argument depends on a tortured logical syllogism starting with the fact that claims and defenses of *invalidity* are subject to a heightened standard of proof under 35 U.S.C. § 282. The argument would conflate the inquiry for invalidity by obviousness under 35 U.S.C. § 103 with the analysis of infringement under the doctrine of equivalents, and bootstrap the higher standard of proof for the former onto the latter. To begin with, the two inquiries are simply different—focusing on different facts at different points in time. The Court would have to throw out 100 years of precedent to merge

the two inquiries. Moreover, the fact that there is a second patent that purportedly covers an accused device is not a “super-fact” that changes the standard of proof for *infringement*. To the contrary, the Federal Circuit—like the regional circuits before it—has consistently rejected the argument that a separate patent creates a presumption of noninfringement.

That makes sense. A patent grants only the right to exclude, not an affirmative right to practice the invention. Claims of broad, pioneering patents may overlap with or entirely cover later, separately patentable claims. In fact, products are routinely covered by numerous patents, either literally or under the doctrine of equivalents, and no court has ever suggested that a finding that one patent is infringed by a product somehow diminishes, much less invalidates, any other patent covering the same product. Notwithstanding Saint-Gobain’s protests to the contrary, the decision below did not “nullify the statutory presumption of validity” or “constructively invalidate” the second patent. Indeed, the logic of Saint-Gobain’s argument proceeds as if the court of appeals had concluded that a finding of infringement under the doctrine of equivalents served to invalidate the second-issued patent; yet the court held precisely the opposite. The court of appeals rejected the very reasoning that gives rise to Saint-Gobain’s argument, eschewing the notion that the determination of infringement had any effect on the second patent whatsoever. Simply put, Saint-Gobain’s petition presents the Court with a solution in search of a problem.

As for Saint-Gobain’s litany of policy arguments asserting purported harms caused by the doctrine of equivalents, this Court has repeatedly considered and rejected those as well. Specifically, the Court has addressed and rejected both (1) policy arguments for revising the doctrine of equivalents, and (2) policy arguments for variable standards of proof in patent cases. See; *i4i*, 131 S. Ct. at 2251-52; *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 733 (2002) (“*Festo VIII*”); *Warner-Jenkinson Co. v. Hilton-Davis Chemical Co.*, 520 U.S. 17, 28 (1997). And Saint-Gobain’s unsupported assertion that parties “rely” upon an “assurance ... of protection from equivalents-based infringement claims by the owners of prior art patents,” Pet. 3-4, is belied by its own conduct in this case. Now faced with a judgment against it, Saint-Gobain asks this Court to change settled law.

It is simply too late in the day to impose a novel standard of proof for infringement in cases where the defendant presents evidence that the alleged equivalent may be covered by a separate patent. The decision below is consistent with this Court’s precedents, Federal Circuit precedent, and the decisions of the courts of appeals predating the Federal Circuit. The Court should reject Saint-Gobain’s attempt to upend 120 years of settled law and deny the petition for review.

## COUNTERSTATEMENT OF THE CASE

### A. Background

Positron emission tomography (“PET”) is a medical imaging technique that uses radiation and

detectors to produce detailed images of a patient's internal organs. The PET scanner detects radiation and generates images of the patient's internal organs. Those images are used to diagnose and treat patients with cancer, neurological disorders, and other ailments. App. 2a, 42a.

The scintillator crystal is the key component in a PET scanner, and drives its performance. Fed. Cir. Joint Appendix ("JA") 739:16-18, JA1497:4-6, JA1571:18-20. Better scintillators allow PET scanners to produce more precise, higher-quality images. Superior images allow physicians to detect smaller, earlier-stage tumors or identify other features of interest with greater precision.

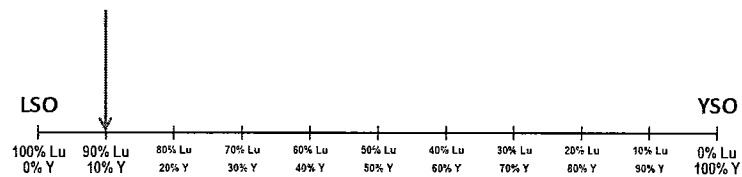
PET scanning technology experienced a significant leap forward with the invention of the cerium-doped lutetium oxyorthosilicate ("LSO") crystal as a scintillator in the late 1980s and the commercialization of the first LSO-based PET scanner by Siemens in 2000. *See, e.g.*, JA2517-18; App. 43a. The use of an LSO crystal as a scintillator to detect radiation was first described and claimed in Siemens' U.S. Patent No. 4,958,080. App. 3a; JA78.

Siemens' LSO-based scanners established a new, high-end PET scanner market in which typical purchasers are hospitals and research institutions. App. 29a, 60a-62a; *see also* JA970:16-971:22, JA2532, JA744:13-24, JA769:14-20, JA776:5-8, JA814:22-24, JA827:22-828:21, JA1028:23-1031:14, JA1033:11-19, JA1288:10-23. Siemens stood alone in that market until the infringement at issue here began.

Saint-Gobain, a crystal manufacturer, could only enter the new high-end PET market if it developed an alternative to Siemens' patented LSO crystal and sold it to one of Siemens' principal PET competitors: Philips or General Electric ("GE"). It tried to do just that, but its experiments with two alternative crystals failed. JA775:2-5, JA1493:14-15, JA3114; App. 30a, 64a.

After those failures, Saint-Gobain copied Siemens' LSO scintillator, making only a minor change. Through a project it referred to internally as "*Project: LSO Equivalent Crystals*," Saint-Gobain diluted the LSO crystal by substituting 10% of the atoms of lutetium with yttrium—just enough to take the resulting product out of the literal scope of Siemens' patent claims while still capturing the benefits of Siemens' invention. JA2661; JA791:15-21. The resulting crystal is referred to as 10%Y LYSO. *See, e.g.*, App. 3a, 43a.

Lutetium and yttrium are in the same group of elements on the periodic table, and yttrium can be substituted for some or all of the lutetium in an LSO crystal without significantly changing the crystal structure. JA751:15-752:2, JA747:19-748:6. Witnesses described Saint-Gobain's 10%Y LYSO as a point on a continuum between pure LSO (*i.e.*, LSO in which no lutetium has been replaced) and YSO (100% of the lutetium replaced with yttrium). JA766:25-767:19, JA888:1-9.



Saint-Gobain worked with Siemens' competitor Philips to determine the amount of yttrium to substitute for lutetium. Both companies were well aware of Siemens' patent. JA791:13-14, JA3116. Minutes from a 2003 meeting between Saint-Gobain and Philips list as a first action item the task of figuring out how much yttrium should be added to LSO to appear outside the literal scope of Siemens' patent while still retaining the performance of LSO. JA2808:¶III.1, JA1052:14-18. They settled on 10% — “just a bit of Y,” in the words of Saint-Gobain's director of technology, JA2893; JA854:14-852:23. Contemporaneous Philips documents stated forthrightly that “[10%Y] LYSO is a variant of LSO—essentially LSO with Yttrium substituted for 5-10% of the Lutetium. It is clear to all that the purpose of this substitution is circumvention of [Siemens'] IP claims.” A3116, , JA997:15-998:14.

Philips bought Saint-Gobain's 10%Y LYSO crystals and incorporated them into infringing PET scanners to compete with Siemens. Philips only agreed to purchase the crystals, however, on the condition that Saint-Gobain agree to indemnify Philips from Siemens' inevitable patent lawsuit. JA1059:24-1060:12. Saint-Gobain agreed, and the indemnity clause of the contract specifically identifies Siemens' patent by number.

JA2616¶ 15.1.3. Philips then sold infringing PET scanners with Saint-Gobain's 10%Y LYSO crystals.

GE, by contrast, chose not to buy Saint-Gobain's crystals and to wait at least until after Siemens' patent expired in October 2008 before attempting to enter the high-end PET scanner market. JA1014:15-22; JA1030:10-23.

## **B. District Court Proceedings**

Siemens sued Saint-Gobain in the U.S. District Court for the District of Delaware in 2007, alleging induced and contributory infringement under the doctrine of equivalents, and further alleging that Saint-Gobain's infringement was willful. Saint-Gobain denied that its infringement was willful, but did not challenge the validity of the patent at trial, and conceded most of the elements of Siemens' infringement case. A common test for infringement under the doctrine of equivalents is whether the accused device performs substantially the same function in substantially the same way, to achieve substantially the same result, for each element of the patented invention. *Warner-Jenkinson*, 520 U.S. at 34-35 (citing *Machine Co. v. Murphy*, 97 U.S. 120, 125 (1878)). Saint-Gobain conceded that the accused scanners literally contained all elements of both claims of Siemens' patent except for the "scintillator" element, and further conceded that its 10%Y LYSO crystals performed substantially the same function in substantially the same way as the patented LSO "scintillator," disputing only whether they produced the same result. JA880:17-881:10; JA440-42.

The case was tried to a jury. Siemens presented overwhelming evidence of equivalence between its claimed scintillator and Saint-Gobain's 10%Y LYSO crystals, including test results, experimental data, expert testimony, and admissions from Saint-Gobain's and Philips' documents and witnesses. The jury heard expert testimony explaining in detail that the scintillation properties of LSO and 10%Y LYSO are equivalent. JA887-916.

Saint-Gobain's expert agreed that "in the context of standard PET scanners ... the key properties of LSO scintillator crystals and ten-percent Y LYSO scintillator crystals are very similar." JA1540:5-10. Saint-Gobain's witnesses and internal documents further demonstrated equivalence. As this Court explained, infringement under the doctrine of equivalents in *Graver Tank & Manufacturing Co. v. Linde Air Products Co.*, 339 U.S. 605, 609 (1950), "An important factor is whether persons reasonably skilled in the art would have known of the interchangeability of an ingredient not contained in the patent with one that was." A Saint-Gobain executive admitted that the 10%Y LYSO crystal is "interchangeable" with the patented LSO crystal. JA1071:9-25, and numerous Saint-Gobain internal documents were to the same effect. JA2546, JA2895, JA2893, JA3081, JA3152, JA2207. After testing Saint-Gobain's crystals, a Saint-Gobain consultant told Saint-Gobain's director of technology that "the LSO and LYSO are practically the same, at least for the user." JA2908, JA922:2-21. Internal Philips documents were to the same effect, stating that "LYSO is a close relative of LSO," and when "grown with only 5-10% yttrium, [it has] performance that is

almost identical to pure LSO,” JA3116, and that they are “[l]iterally identical from a system point of view.” JA3130, JA847:3-850:1; *see also* JA2221 & JA911:20-914:10; JA2543-4 & JA919:8-921:1. Saint-Gobain has not disputed the sufficiency and quality of Siemens’ evidence nor could it plausibly do so. App. 18a n.4; 42a.

Saint-Gobain’s principal defense—both to infringement and to willfulness—focused on its purchase of a license to a second patent, No. 6,624,420 (“the ’420 patent”), that claims LYSO crystals with yttrium substituted for 0.01 to 99.99% of the lutetium and that lists the ’080 patent among its “References Cited.” Saint-Gobain argued that the jury should regard the patent office’s decision to issue the ’420 patent as persuasive evidence of non-equivalence. *See, e.g.*, JA1746:4-20, JA1762:15-1764:3, JA1765:12-24, JA1787:19-1788:9, JA1788:19-1789:7. Saint-Gobain also presented the patent as evidence that its infringement was not willful. Nonetheless, Saint-Gobain’s witnesses—both attorneys and laymen—testified that they understood that Saint-Gobain could infringe Siemens’ patent despite its license to the ’420 patent. JA1332:1-15; JA1451:16-1452:10; JA1355:10-1356:14.

Saint-Gobain asked the trial court for two jury instructions: (1) a requirement that Siemens prove infringement by clear and convincing evidence instead of by a preponderance of the evidence, or alternatively (2) an instruction that the ’420 patent is presumed valid. The district court declined both requests, as Saint-Gobain could identify no case in

which any patentee had ever been required to show infringement by anything other than a preponderance of the evidence, and because patent validity was not an issue before the jury as there were no invalidity claims or defenses in the case.

Moreover, the jury had already been advised through the routinely-used Federal Judiciary Center patent law video shown with pretrial instructions, that “[t]o prove that a patent is invalid, the law requires a higher standard of proof, since the [patent office] is presumed to have done its job correctly.” JA652:4-6; App. 54a & n.9, 20a. And the district court gave an instruction to the jury specifically pointing out the ’420 patent and Saint-Gobain’s license as relevant evidence for the jury’s consideration:

[Y]ou have heard evidence that Saint-Gobain has a license under the [’420] patent to produce its 10% Y LYSO crystal. In connection with this evidence, I instruct you that a product that is covered by a subsequent patent may still infringe an earlier patent. Nonetheless, *in considering the issue of infringement under the doctrine of equivalents, you may consider that Saint-Gobain obtained the license under the [’420] patent, which may be some evidence that the differences between the 10% Y LYSO crystal and the claimed LSO crystal are substantial.* Such evidence may be considered along with other evidence of the similarities and

differences between the claimed LSO crystal and Saint-Gobain's 10% Y LYSO crystal. It is for you to decide the issue of whether Saint-Gobain's 10% Y LYSO crystal constitutes an equivalent to the claimed LSO crystal of the '080 patent.

App. 6a, 46a. (emphasis added). The jury found Saint-Gobain liable for infringement, and awarded damages.

In post-trial motions, Saint-Gobain argued that Siemens should have been required to prove infringement by clear and convincing evidence and the jury should have been instructed that the '420 patent was presumed valid. The district court found "defendant's position untenable and decline[d] to be the first (and only) court to depart from an extended history of patent infringement jurisprudence applying the preponderance of the evidence standard." App. 49a. The district court also concluded that it would not be appropriate or helpful to the jury to provide an additional instruction to the effect that all patents are presumed valid. App. 54a-55a. Saint-Gobain did not challenge the validity of Siemens' patent, and the validity of the second patent (the '420 patent) was also not at issue in the case. Moreover, the court noted, Saint-Gobain argued without contradiction that the '420 patent was presumed valid, and the jury was told, through the patent law video shown with pretrial instructions that "[t]o prove that a patent is invalid, the law requires a higher standard of proof, since the PTO is

presumed to have done its job correctly.” App. 54a (quoting JA65:4-6).<sup>1</sup>

The district court also rejected Saint-Gobain’s challenges to its evidentiary rulings, App. 51a-53a, 55a-58a, but agreed with one argument regarding damages, and reduced the jury’s award by approximately 14%. App. 65a-68a.

Saint-Gobain appealed, and Siemens cross-appealed with respect to damages.

### **C. Federal Circuit Proceedings**

On appeal, Saint-Gobain challenged the jury instructions, evidentiary rulings, and Siemens’ entitlement to a lost-profits measure of damages as opposed to a royalty measure.

The court of appeals affirmed the judgment of infringement, but granted Siemens partial relief on its cross-appeal and ordered a remand for the district court to correct an error in its reduction of the damages award. App. 30a-35a.

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<sup>1</sup> Saint-Gobain argued then—as it does in a footnote in its petition, Pet. 6 n.1—that Siemens “attacked” the validity of the ’420 patent. The district court rejected that argument, noting that Saint-Gobain held out its license to the ’420 patent as evidence of its good intentions in support of its contention that its infringement was not willful. App. 55a. Siemens was entitled to question Saint-Gobain’s witnesses to probe their beliefs regarding the ’420 patent, but, as the district court noted, “appropriately stopped short of directly challenging the validity of the ’420 patent.” App. 54a. The court of appeals agreed with that assessment. App. 19a-20a.

As had the district court, the court of appeals rejected Saint-Gobain's argument that dictum in a 2007 Federal Circuit case, *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 493 F.3d 1368 (*Festo XIII*), supported a heightened standard of proof of infringement. *Festo XIII* did not involve a separate patent, and did not reach the issue of infringement under the doctrine of equivalents. The *Festo XIII* dictum on which Saint-Gobain relied stood only for the proposition that evidence that an alleged equivalent may be separately patentable is relevant to the question of equivalence. And thus, as a practical matter, such relevant evidence may make equivalence "considerably more difficult to make out" when that evidence is weighed with other evidence in the case. App. 13a. Such evidence is not dispositive, however, nor does it require a heightened standard of proof. *Id.*

The court explained that the issue Saint-Gobain raised had been addressed in numerous cases over the prior century, and no authority supports Saint-Gobain's argument for a heightened standard of proof in this circumstance. As those cases explain, Saint-Gobain's position is inconsistent with the principle that a patent grants only the right to exclude. The court noted that in *Sanitary Refrigerator Co. v. Winters*, 280 U.S. 30 (1929), this Court upheld a finding of equivalence in the face of separate patentability without imposing a heightened evidentiary burden. App. 13a-14a. Moreover, "numerous cases" of the Federal Circuit were to the same effect—all consistently "reject[ing] arguments that separate patentability warrants anything more than consideration of [that] fact

together with all others weighing for and against equivalency.” *Id.* 14a; *see also id.* 14a-16a (discussing eight Federal Circuit cases from 1984 through 2007).

The court of appeals then rejected Saint-Gobain’s argument that the jury’s finding of equivalence “constructively invalidate[d]” the ’420 patent, *id.* 16a-18a, explaining that obviousness and infringement under the doctrine of equivalents are two different legal inquiries, making different comparisons, with different reference time frames, under different legal standards and different burdens of proof. *Id.* 16a-18a. Similarly, there was no need to instruct the jury on the presumptive validity of the ’420 patent because validity was not at issue in the case, and the jury had already been apprised of the fact that patents are presumed valid. *Id.* 19a-20a. The court thus affirmed the district court’s judgment of infringement. *Id.* 35a.

Judge Prost dissented, arguing that there is a “tension between the equivalence and nonobviousness inquiries presented in this appeal.” *Id.* 37a. The dissent did not contend that any court had ever imposed a heightened standard of proof for infringement or ever required the instructions for which Saint-Gobain argued. The dissent argued, however, there was sufficient conceptual similarity between the legal standards for obviousness and infringement under the doctrine of equivalents to warrant crafting a new rule along the lines Saint-Gobain proposed. *Id.* 37a-40a.

Saint-Gobain petitioned for rehearing en banc, raising arguments similar to the instant petition and

relying principally on dicta in the Federal Circuit's 2007 *Festo XIII* decision. En Banc Pet. at 1. The court of appeals denied the petition. App. 71a-73a. All eleven active judges were polled, and only three dissented, in an opinion by Judge Dyk. *Id.* 84a-89a.

Of the eight judges who did not dissent, six (a majority of the full court) joined one or more opinions concurring in denial of Saint-Gobain's petition.

Judge Lourie's opinion, on behalf of all six concurring judges, explained that the dissent's arguments were inconsistent with the basic principle of patent law that a patent is not an affirmative right to practice an invention but *only* the right to exclude others. App. 75a (citing, *inter alia*, 35 U.S.C. § 154(a)(1)); *see also Continental Paper Bag Co. v. E. Paper Bag Co.*, 210 U.S. 405, 425 (1908). One may infringe multiple patents at once, and the patent office may issue a patent with claims that are partially or entirely within the scope of a preexisting patent. App. 75-76a. Moreover, given the facts and the evidence, this case "exemplifies the patent system working as it should to enforce a patentee's right to exclude—the only right embodied in the grant of a patent." *Id.*

Chief Judge Rader's concurring opinion added that the panel decision was consistent with one of the purposes served by the doctrine of equivalents, which is to protect inventors in some instances from infringement by after-arising technology. *Id.* 77a-79a. In 1997 this Court unanimously rejected an argument that the doctrine of equivalents "should not extend to after-arising equivalents." *Warner-Jenkinson*, 520 U.S. at 37. Chief Judge Rader's

opinion elaborated on that aspect of the doctrine of equivalents, highlighting it as an additional reason why the panel's decision should not be disturbed. App. 79a.

Judge Newman's concurring opinion further added that accepting the dissenters' argument would "discard United States precedent and readjust the balance between the inventor and copier," and would diminish the incentives underlying the patent system. *Id.* 80a. Judge Newman's opinion emphasized that "[t]he dissenters' position is not the law," and Congress has not shown any interest in changing the law as the dissent appeared to support. *Id.* 83a.

Saint-Gobain moved to stay the mandate pending filing and disposition of its petition for a writ of certiorari. The court of appeals denied the motion, and remand proceedings are ongoing in the district court.

### REASONS FOR DENYING THE WRIT

The decision below is consistent with this Court's precedent and represents, as a majority of the judges of the full court of appeals recognized, "the patent system working as it should to enforce a patentee's right to exclude—the only right embodied in the grant of a patent." App. 76a. In an effort to avoid a judgment against it, Saint-Gobain asks this Court to disregard basic principles of patent law, to reopen a debate that has been consistently settled for more than 100 years, and to weaken a doctrine that has served the patent system well for more than 150 years. Saint-Gobain's arguments are unsound on

their own terms, better addressed to Congress, and provide no basis for this Court's review.

**I. The Decision Below Was Correct and Consistent With Precedent**

Saint-Gobain's petition requests an unwarranted change in the law. Despite being challenged numerous times over the four years of this litigation, Saint-Gobain has never cited a single case in which any court has done what it asks here. And with good reason, as the result below is dictated by foundational principles of patent law and by more than a century of consistent precedent. There is no division within the Federal Circuit, which in 1984 rejected the same arguments that Saint-Gobain now makes, and which has done the same every subsequent time it has reached the issue. The Federal Circuit's unbroken line of precedent is consistent both with its predecessors and with the precedent of this Court. Infringement—both literal and by equivalents—has always been decided under the preponderance of the evidence standard. *Bene v. Jeantet*, 129 U.S. 683, 688 (1889); *AquaTex Indus. v. Techniche Solutions*, 479 F.3d 1320, 1328-29 (Fed. Cir. 2007); *Chisum on Patents* § 18.06 at 18-1184.2 & n.20 (2007). No court has ever altered that standard of proof for any reason, and Saint-Gobain's request for a new approach presents no occasion for this Court's review.

**A. There is No Division of Authority Within the Federal Circuit.**

In *Microsoft v. i4i*, this Court noted that for nearly 30 years, “the Federal Circuit ha[d] never

wavered in [its] interpretation of [35 U.S.C.] § 282,” 131 S. Ct. at 2243, and unanimously upheld that interpretation against Microsoft’s challenge. The Federal Circuit has likewise, throughout its existence, consistently “rejected arguments that separate patentability warrants anything more than consideration of [that] fact together with all others weighing for and against equivalency.” App. 14a (citing cases).

Saint-Gobain baldly asserts that there is “division within the Federal Circuit” on this issue based on the number of separate opinions at the rehearing stage, Pet. 12, but the fact that some judges gave more reasons than others for rejecting Saint-Gobain’s rehearing petition is not the sort of “division” that warrants this Court’s review. Nor is the mere existence of a dissenting opinion below—particularly where, as here, every decision of the court of appeals to address the issue Saint-Gobain presents has reached the same result. App. 14a-16a (discussing *Festo XIII*, *supra*, *Abraxis Biosci, Inc. v. Mayne Pharma (USA) Inc.*, 467 F.3d 1370, 1382 (Fed. Cir. 2006); *Glaxo Wellcome v. Andrx Pharms., Inc.*, 344 F.3d 1226, 1233 (Fed. Cir. 2003); *Fiskars, Inc. v. Hunt Mfg. Co.*, 221 F.3d 1318, 1324 (Fed. Cir. 2000); *Zygo Corp. v. Wyko Corp.*, 79 F.3d 1563, 1570 (Fed. Cir. 1996); *Hoechst Celanese Corp. v. BP Chems. Ltd.*, 78 F.3d 1575, 1582 (Fed. Cir. 1996); *National Presto Indus. v. West Bend Co.*, 76 F.3d 1185, 1192 (Fed. Cir. 1996); and *Atlas Powder Co. v. E.I. du Pont de Nemours & Co.*, 750 F.2d 1569, 1580-81 (Fed. Cir. 1984)).

Saint-Gobain argues that those cases hold *only* that a finding of infringement under the doctrine of equivalents is not barred outright when there is evidence that the accused device is covered by a second patent. Pet. 18. But not even the dissenting judges below read those cases that narrowly. The Federal Circuit has consistently rejected Saint-Gobain's further argument that the second patent gives rise to a presumption of non-infringement that can only be overcome by clear and convincing evidence. That much is clear from even a cursory review.

Twenty-seven years ago, in *Atlas Powder*, the Federal Circuit rejected the defendant's argument that "the grant of a patent to an accused infringer constitutes a prima facie determination of non-equivalence and, accordingly, of non-infringement." 750 F.2d at 1580. *Atlas Powder* held that the defendant's argument was inconsistent with basic principles of patent law and drew on precedent from this Court and from predecessor courts of appeals. *Id.* at 1580-81. Similarly, fifteen years ago, in *Hoechst Celanese*, the Federal Circuit squarely held that "[t]he fact of separate patentability presents *no legal or evidentiary presumption of noninfringement*." 78 F.3d at 1582 (emphasis added). Yet, that is exactly what Saint-Gobain seeks—a presumption of non-infringement "and the corresponding standard of proof." Pet. 14. Likewise, *National Presto* held, in language closely resembling the jury instructions here, that evidence of separate patentability "when present warrants consideration by the trier of fact, along with the other evidence of the differences and similarities of the patented and accused devices." 76

F.3d at 1192.<sup>2</sup> And more recent cases are to the same effect.

Far from there being any great division, there is an unbroken chain of Federal Circuit cases (which, in turn, rely on century-old precedent) consistently rejecting the position Saint-Gobain advocates here.

**B. The Decision Below is Consistent with Precedent of This Court and Others.**

The Federal Circuit's precedent on this issue is consistent with its predecessors, which also rejected a presumption of non-infringement and the corresponding heightened standard of proof. *Herman v. Youngstown Car Mfg. Co.*, 191 F. 579 (6th Cir. 1911), in particular, addressed the arguments

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<sup>2</sup> The only Federal Circuit cases Saint-Gobain cites in support of its petition are either nonbinding or make statements in dicta that Saint-Gobain stretches to support its argument. At pages 12 and 13 of its petition, Saint-Gobain cites four decisions: (1) a concurring opinion by the late Judge Nies, (2) a dissenting opinion by Judge Plager stating generally that the doctrine of equivalents is "important," without addressing the issue Saint-Gobain presents here, (3) *Festo XIII*, and (4) *Lewmar Marine, Inc. v. Barient, Inc.*, 827 F.2d 744 (Fed. Cir. 1987). *Lewmar* did not involve a separate patent, infringement or obviousness. In discussing *anticipation* under 35 U.S.C. § 102(b), the panel remarked in passing on the superficial resemblance between obviousness and infringement under the doctrine of equivalents. 827 F.2d at 747-48. That remark, which Saint-Gobain quotes, Pet. 12, does not reflect "division within the Federal Circuit," and does not support the new rule for which Saint-Gobain advocates. As explained by both lower courts here, *Festo XIII* did not involve a separate patent, nor did it address equivalence, nor did it adopt Saint-Gobain's argument. App. 12a-14a, 49a-50a.

Saint-Gobain presents here, noting that “[a]nother reason sometimes advanced for supposing that the structure of the second does not infringe the claim of the first patent is that the Patent Office has declared that a patentable difference exists.” *Id.* at 585. The court in *Herman* went on to explain that the argument was inconsistent with basic principles of patent law, such as that a patent grants only the right to exclude and that the same device may be within the scope of multiple patents. *Id.* at 585-86. Other decisions of the courts of appeals are to the same effect, specifically rejecting a presumption of non-infringement, and Saint-Gobain has cited no precedent to the contrary. *See, e.g., Freeman v. Altwater*, 66 F.2d 506, 512 (8th Cir. 1933) (“we think that the correct rule is that the issuance of the patent to [the accused infringer] merely raised a presumption of the existence of patentable difference, *and not a presumption of noninfringement.*”) (emphasis added); *Sure Plus Mfg. Co. v. Kobrin*, 719 F.2d 1114, 1117 (11th Cir. 1983) (“[The defendant] is correct that his patent is entitled to this presumption of validity, but *the validity of his patent was not an issue* in the contempt proceeding,” which concerned infringement.) (emphasis added, citing *Herman* and *Freeman*).

Having no precedent for the rule it proposes, Saint-Gobain criticizes the court of appeals’ reading of *Sanitary Refrigerator Co. v. Winters*, 280 U.S. 30 (1929), Pet. 17-18. But *Sanitary Refrigerator* did not discuss the applicable standard of proof, and made no suggestion that the time-honored preponderance standard should be discarded whenever there is evidence that the accused product is covered by a

separate patent. Instead, confronted with similar facts to the instant case, the Court examined the evidence of the differences between the accused products and the patent-in-suit, 280 U.S. at 40-43, including the separate patent allegedly covering the accused device, *id.* at 40-41. The Court ultimately concluded, much as the jury did here, that the differences were “plainly insufficient to avoid the infringement.” *Id.* at 42-43. The Court’s discussion in *Sanitary Refrigerator* treats the separate patent merely as an additional piece of evidence. It rejects any suggestion that the separate patent alters the legal analysis: “Nor is the infringement avoided, under the controlling weight of the undisputed facts, by *any* presumptive validity that *may* attach to the Schrader patent by reason of its issuance after the Winters and Crampton patent.” *Id.* at 43 (emphasis added). The Court’s use of the phrase “presumptive validity” in describing the facts before it was not a tacit endorsement of Saint-Gobain’s arguments here, and in the 82 years since *Sanitary Refrigerator*’s issuance, no court has read it the way Saint-Gobain’s petition does. As the court of appeals correctly concluded, *Sanitary Refrigerator* “found equivalence in the face of separate patentability without imposing a heightened evidentiary burden.” App. 14a. Saint-Gobain’s efforts to twist the words of that decision into implicit support for its petition are unsound.

*Microsoft Corp. v. i4i*, which Saint-Gobain cites, Pet. 14-15, 17, merely supplies additional reasons to deny review. *i4i* rejected arguments for recalibrating the standard of proof for invalidity, finding that the statutory presumption of validity in 35 U.S.C. § 282

did not depart from the longstanding common law rule that *invalidity* is subject to the clear and convincing standard of proof. 131 S. Ct. at 2250. *i4i* did not address infringement at all, nor did it suggest that the time-honored standard of proof of infringement should be altered. To the contrary, the Court unanimously admonished that if longstanding standards of proof are to be “re-calibrat[ed],” that is for Congress, not the courts. 131 S. Ct. at 2252. Indeed, the Court in *i4i* rejected Microsoft’s proposal for a standard of proof that would—like Saint-Gobain’s—“rise and fall with the facts of each case.” *Id.* “[H]ad Congress intended to ... take the unusual and impractical step of enacting a variable standard of proof that must itself be adjudicated in each case,” the Court unanimously held, “we assume that it would have said so expressly.” *Id.* at 2250. Saint-Gobain’s argument for taking “such an unusual and impractical step” in the context of the doctrine of equivalents is much like Microsoft’s argument, but weaker in that it attempts to extract a variable standard of proof for *infringement* from a statute explicitly directed to *validity*.

Justice Breyer’s concurring opinion in *i4i* adds yet another reason why this Court should not go down that path. Writing for himself and Justices Scalia and Alito, Justice Breyer cautioned that courts should take care to “keep the application of [the] ‘clear and convincing’ standard *within its proper legal bounds* by separating factual and legal aspects of an *invalidity claim*.” *Id.* at 2253 (emphasis added). “By isolating the facts,” Justice Breyer noted, courts can “prevent[] the ‘clear and convincing’ standard from roaming outside its fact-related

reservation.” *Id.* Saint-Gobain’s petition would allow the ‘clear and convincing’ standard of proof to roam far outside its reservation of the factual aspects of invalidity claims, and onto the foreign continent of *infringement claims*, which have always been evaluated under the preponderance standard. There is no basis in law or logic for such a result, and as this Court appropriately cautioned in *idi*, such an unusual undertaking would be the prerogative of Congress. *Id.* at 2252 (opinion of the Court).

**C. Saint-Gobain’s Arguments are  
Contrary to Basic Principles of  
Patent Law.**

Ultimately, Saint-Gobain’s arguments for a heightened standard of proof, or for a repeated instruction that a patent is presumed valid—*when the validity of that patent is not at issue*—rest on the argument that the jury’s finding of infringement somehow “nullif[ied] the statutory presumption of validity” of the ’420 patent. Pet. 3. In its own words, Saint-Gobain contends that the finding of infringement “constructively invalidated” the second patent. Saint-Gobain Opening Fed. Cir. Br. at 21, 32-33. Yet, the Federal Circuit conclusively and correctly rejected that syllogism and held that the proceedings in this case had no bearing on the validity of the second patent. App. 16a. There is no finding of invalidity, *de facto* or otherwise. That should be the end of the matter.

In any event, Saint-Gobain’s argument fails on its own terms. It contends that if Saint-Gobain’s 10%Y LYSO crystals are within the scope of a claim of the ’420 patent, and Siemens’ ’080 patent was cited to

the patent office during prosecution of the '420 patent, then the jury's finding of infringement of the '080 patent somehow served to constructively invalidate the '420 patent as obvious under 35 U.S.C. § 103. Pet § I. This is because, in Saint-Gobain's view, the patent office's decision to grant the '420 patent rested on "essentially the same inquiry" as the jury's finding of infringement under the doctrine of equivalents. Pet. 16. Not so.

Despite a superficial resemblance between the inquiry under the doctrine of equivalents and the law of obviousness, courts have explained that they are fundamentally different doctrines. They have evolved separately since the beginning of patent law, and involve different factual inquiries conducted under different legal frameworks, and to conflate them as Saint-Gobain proposes would run counter to foundational principles of patent law.

This Court and the courts of appeals have consistently explained for more than 100 years that evidence that an alleged equivalent may be separately patentable is *a relevant fact* to the question of infringement under the doctrine of equivalents, but is not dispositive and does not alter the standard of proof. Rather, it is evidence to be weighed by the trier of fact along with other evidence of similarities and differences between the patent claims and the accused device. And the evidence here overwhelmingly supported the infringement verdict.

The leading case rejecting Saint-Gobain's line of argument is the 1911 decision in *Herman v. Youngstown Car*, 191 F. 579. The Federal Circuit

adopted that analysis and quoted at length from it in the second year of its existence, in *Atlas Powder*, 750 F.2d 1569, affirming a judgment of infringement under the doctrine of equivalents and rejecting the argument that “the grant of a patent to an accused infringer constitutes a prima facie determination of non-equivalence and, accordingly, of non-infringement.” *Id.* at 1580. The reasoning of those cases and others applies equally here.

*First*, it is well-settled that a product may be covered by a multitude of patents. See *Cochrane v. Deener*, 94 U.S. 780, 787 (1877). Products are frequently covered by numerous patents, either literally or equivalently, and many of those patents cite each other or other patents that also cover the same product. As *Herman*, *Atlas Powder*, and a litany of cases explain, that is because a patent grants only the right to exclude. It is hornbook patent law that activity licensed under one patent may still infringe other patents:

A patent is not the grant of a right to make or use or sell. It does not, directly or indirectly, imply any such right. It grants only the right to exclude others.

*Herman*, 191 F. at 584-85 (quoted in *Atlas Powder*, 750 F.2d at 1580-81). Accordingly, “the existence of one’s own patent does not constitute a defense to infringement of someone else’s patent.” *Bio-Tech. Gen. Corp. v. Genentech, Inc.*, 80 F.3d 1553, 1569 (Fed. Cir. 1996) (quoting *Vaupel Textilmaschinen KG v. Meccanica Euro Italia S.P.A.*, 944 F.2d 870, 879 n.4 (Fed. Cir. 1991)); *id.* (“It is elementary that a patent grants only the right to exclude others and

confers no right on its holder to make, use, or sell.”) (emphasis modified); *see also Continental Paper Bag Co. v. E. Paper Bag Co.*, 210 U.S. 405, 425 (1908); *Bloomer v. McQuewan*, 55 U.S. (14 How.) 539, 549 (1853). Saint-Gobain’s license to the ’420 patent thus did not, directly or indirectly, imply any right to infringe Siemens’ patent.

*Second*, the jury’s analysis of infringement under the doctrine of equivalents is fundamentally different from the patent office’s decision to issue the second patent. The latter decision is *in no way* a determination that all activity that falls within any claim of the second patent should be presumptively or definitively immune from infringing the first patent:

Another reason sometimes advanced for supposing that the structure of the second does not infringe the claim of the first patent is that the Patent Office has declared that a patentable difference exists. The premise is sound, but not the conclusion. *In examining the second application, the Patent Office has no concern with the scope of the claim of the first, and does not and must not pay any attention thereto. It is concerned only with the early disclosure by the specification and drawings. Patentable difference does not of itself tend to negative infringement.* It may just as well be based upon infringement, plus improvement; and improvement may lie in addition, simplification, or variance.

*Herman*, 191 F. at 585 (emphasis added, quoted in *Atlas Powder*, 750 F.2d at 1581). In other words, the patent office and the jury make two different comparisons: the patent office compares (a) the disclosure of the first patent with (b) the claims of the second patent, while the jury compares (x) the claims of the first patent with (y) the accused device.

As the court below observed, Saint-Gobain's argument ignores that distinction, App. 17a-18a, and in part because of the distinction there is no tension between the patent office's decision to issue the '420 patent and the jury's finding that Siemens proved that Saint-Gobain's 10%Y LYSO crystals were equivalent to Siemens' patented LSO crystal. Contrary to hornbook patent law, Saint-Gobain explicitly conflates patent claims with accused products, making the nonsensical statement in its petition that an accused "*product* ... is presumed to be nonobvious" under the Patent Act. Pet. at 19 n.6.<sup>3</sup>

As the court also noted, App. 17a, the jury examines equivalence "at the time of infringement," *Warner-Jenkinson*, 520 U.S. at 37, while the patent office examines obviousness "at the time the invention was made." 35 U.S.C. § 103(a). Saint-Gobain concedes the truth of that observation, Pet. 20, but nonetheless argues that the distinction is "irrelevant," *id.*, without even attempting to explain why. Instead, it veers off into a discussion of where

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<sup>3</sup> Moreover, the jury did not constructively invalidate even *part* of the '420 patent. See Pet n.3. The court of appeals merely noted out the distinction between the claims of that patent and the accused device to underscore the point that the patent office and the jury conducted two fundamentally different inquiries.

it believes the “novelty of the invention” lies, *id.*, a point neither raised nor addressed below.

Saint-Gobain has no answer for these fundamental, time-tested differences between the obviousness inquiry and assessing infringement under the doctrine of equivalents, and thus asks this Court to ignore them. Yet, the doctrines remain distinct, highly fact-intensive inquiries that have evolved separately since the beginning of patent law. App. 16a-17a; *Graver Tank*, 339 U.S. at 609-610. (“A finding of equivalence is a determination of fact,” and “[l]ike any other issue of fact, final determination requires a balancing of credibility, persuasiveness and weight of evidence.”). Indeed, no court has ever seen fit to dismiss the differences between the doctrine of equivalents and obviousness in pursuit of the grand unification theory that Saint-Gobain proposes here. There is no basis for this Court to abandon at least 100 years of precedent governing these different doctrines and now take up the issue.

## **II. Saint-Gobain’s Policy Arguments Provide No Basis for Review.**

Saint-Gobain attempts to inflate the petition’s significance by airing a generalized list of complaints about the doctrine of equivalents and noting that courts and commentators have occasionally remarked on the general importance of the doctrine of equivalents. This Court has specifically rejected Saint-Gobain’s policy arguments for revising the doctrine of equivalents in its decisions in *Warner-Jenkinson* and *Festo VIII*, noting that such concerns with the doctrine of equivalents are “not new,” the doctrine of equivalents is “settled law,” and

“responsibility for changing [it] rests with Congress.” *Festo VIII*, 535 U.S. at 739 (quoting *Warner-Jenkinson*).

Saint-Gobain’s unsupported assertions of “reasonable reliance,” moreover, are belied by its own conduct in this case, and its proposal for a change in the law would introduce waste and uncertainty, while undermining the incentives of the patent system.

**A. The Doctrine of Equivalents is Settled Law.**

This Court has recognized the doctrine of equivalents since at least 1854, in *Winans v. Denmead*, 56 U.S. 330. This Court has repeatedly applied the doctrine and reaffirmed its vitality and importance, *see, e.g., Graver Tank; Warner-Jenkinson*, noting that is essential for “ensuring the appropriate incentives for innovation,” *Festo VIII*, 535 U.S. at 732, and that without it a patent would be a “hollow and useless thing.” *Graver Tank*, 339 U.S. at 607.

The doctrine of equivalents allows patentees to assert infringement where another has circumvented the literal scope of the claims by making minor changes. It is not, however, an equitable remedy for reforming patent claims, but instead a way of construing them to determine their proper scope and meaning. *See, e.g., Hobbs v. Beach*, 180 U.S. 383, 400 (1901) (“[A]nother construction, which would limit these words to the exact mechanism described in the patent, would be so obviously unjust that no court could be expected to adopt it.”). The “essential

inquiry” under the doctrine of equivalents is whether “the accused product or process contains elements identical or equivalent to each claimed element of the patented invention.” *Warner-Jenkinson*, 520 U.S. at 40. To preserve the public notice function of the patent claims, the doctrine of equivalents must be applied “to individual elements of the [patent] claim,” as was done here, and “not to the invention as a whole.” *Id.* at 29.

In *Warner-Jenkinson*, the petitioners asked this Court to eliminate the doctrine of equivalents entirely, or to limit its reach, arguing that the doctrine of equivalents did not survive the 1952 revision of the Patent Act, and raising numerous policy arguments against it. 520 U.S. at 25-26. This Court unanimously rejected those arguments, noting that in 1950 it had rejected similar policy arguments against the doctrine of equivalents and similar arguments that it did not survive the 1870 revision of the Patent Act. 520 U.S. at 26 & n.3 (citing *Graver Tank*). The Court concluded that “the lengthy history of the doctrine of equivalents strongly supports adherence to our refusal in *Graver Tank* to find that the Patent Act conflicts with that doctrine.” *Id.* at 28. Moreover, the court noted, “Congress can legislate the doctrine of equivalents out of existence any time it chooses,” and “the various policy arguments now made by both sides are best addressed to Congress, not this Court.” *Id.*

Saint-Gobain quotes this Court’s statement in *Warner-Jenkinson* that “the doctrine of equivalents, when applied broadly, conflicts with the definitional and public-notice functions of the statutory claiming

requirement,” Pet. at 23, and goes on to express concerns about “uncertainty about the scope of existing patents” arising from the doctrine of equivalents. *Id.* Saint-Gobain ignores, however, that this Court addressed those very concerns in *Warner-Jenkinson* by restating and reaffirming limiting principles found in its prior precedent. 520 U.S. at 29 (doctrine of equivalents applies on an element-by-element basis); 30-31, 34 (prosecution history estoppel), 35-36 (intent is not an element or defense).

The Court concluded in *Warner-Jenkinson* that, “[s]o long as the doctrine of equivalents does not encroach beyond” those limiting principles, “the doctrine will not vitiate the central functions of the patent claims themselves.” *Id.* at 29-30. Yet, Saint-Gobain’s petition asks the Court to invent new and further limits on the doctrine of equivalents, based only on its complaints about “uncertainty about the scope of existing patents.” Pet. 23. This Court rejected no fewer than three such proposals for bright-line limits on the doctrine of equivalents in *Warner-Jenkinson* and reversed the Federal Circuit five years later in *Festo VIII* for inventing such a rule. In *Festo VIII* the Court emphasized that, throughout its history, it had repeatedly rejected such “uncertainty”-based arguments to eliminate or narrow the doctrine of equivalents:

These concerns with the doctrine of equivalents, however, are not new. Each time the Court has considered the doctrine, it has acknowledged this uncertainty as the price of ensuring the

appropriate incentives for innovation,  
and it has affirmed the doctrine over  
dissents that urged a more certain rule.

535 U.S. at 732. In the face of similar arguments to those in Saint-Gobain’s petition, this Court reaffirmed that the doctrine of equivalents is settled law, and that policy arguments for changing it or eliminating it are best addressed to Congress. *Id.* at 733 (quoting *Warner-Jenkinson*, 520 U.S. at 28).

#### **B. Saint-Gobain’s Policy Arguments are Unsound.**

Saint-Gobain argues, without any support, that “patentees and their licensees can and do rely on the scope of the prior art that was before the PTO when it granted the subsequent patent” and regard that as an “assurance [of] protection from equivalents-based infringement claims by the owners of prior art patents.” Pet. 3-4; *see also id.* at 24-25. That assertion is incredible on its face and belied by Saint-Gobain’s own actions here. As noted above, Saint-Gobain’s witnesses—attorneys and laymen—testified that they understood that *the ’420 patent did not immunize Saint-Gobain* from liability for infringing Siemens’ patent. JA1332:1-15; JA1451:16-1452:10; JA1355:10-1356:14. As also noted above, both Saint-Gobain and Philips knew that they faced liability for infringing Siemens’ patent, and entered into contracts in contemplation of the precise result that obtained here. Philips would not buy Saint-Gobain’s 10%Y LYSO unless Saint-Gobain agreed to indemnify Philips from a lawsuit by Siemens on the patent at issue in this case: the contract indemnity clause specifically refers to that patent—and only

that patent—by *number*. JA2616¶ 15.1.3; JA1059:18-1060:12. GE, moreover, chose not to buy Saint-Gobain’s crystals at all during the term of Siemens’ patent. JA1014:15-22; JA1030:10-23.

In any event, it is Saint-Gobain’s approach, not the consistent approach of the federal courts, that would result in greater “uncertainty about the scope of existing patents.” Pet. 23. Under Saint-Gobain’s proposed approach, the scope of equivalents protected by a patent would shrink, as a matter of law, each time it is cited in a later patent. That would diminish the certainty about the scope of the initial patent, and would also undermine the incentives of the patent system, turning on its head the longstanding principle that broad, pioneering patents—those most likely to be cited by later patents—are entitled to a broader range of equivalents. See, e.g., *Morley Sewing Mach. Co. v. Lancaster*, 129 U.S. 263, 273 (1889); *Continental Paper Bag*, 210 U.S. at 414-15. Such broad, pioneering patents would be devalued and subordinated to minor, incremental changes embodied in later patents.

Moreover, defendants would gain an incentive to interpose patents of dubious relevance into every proceeding involving the doctrine of equivalents in hopes of putting the plaintiff to a heightened standard of proof, as Saint-Gobain attempts to do here. And if that is permitted, then there is no reason not to permit the introduction of pending patent applications that cite the patent in suit and have not been definitively rejected. Given the recent rise of patent pool licenses, many defendants—

particularly in the electronics industry—would have little difficulty finding patents for that purpose. And if there is any substantial question whether the claims of separate patents actually cover the defendant’s accused products, so much the better for defendants, as they can raise litigation costs and sow confusion by pressing for collateral proceedings to interpret the claims of these unasserted patents and parade a litany of otherwise marginally relevant patents before a jury. In short, there is no limiting principle to Saint-Gobain’s arguments, which ask this Court to enact radical changes in the doctrine of equivalents. Saint-Gobain’s proposal is unsound, and is better addressed to Congress.

### CONCLUSION

Saint-Gobain’s petition should be denied.

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