Nos. 15-2082, -2084

In the United States Court of Appeals for the Federal Circuit

INTERCONTINENTAL GREAT BRANDS LLC,

Plaintiff-Appellant,

v.

KEEBLER COMPANY, KEEBLER FOODS COMPANY, KELLOGG NORTH AMERICA COMPANY, KELLOGG SALES COMPANY, KELLOGG USA, INC.,

Defendants-Cross-Appellants.

Appeal from the United States District Court
for the Northern District of Illinois, Case No. 1:13-cv-00321.
The Honorable **Matthew F. Kennelly**, Judge Presiding.

CORRECTED BRIEF OF DEFENDANTS-CROSS-APPELLANTS

RICHARD D. HARRIS
JAMES J. LUKAS, JR.
MATTHEW J. LEVINSTEIN
GREENBERG TRAURIG LLP
77 West Wacker Drive, Suite 3100
Chicago, Illinois 60601
Telephone: (312) 465-8400
Facsimile: (312) 456-8435

Attorneys for Defendants-Cross-Appellants Keebler Company, Keebler Foods Company, Kellogg North America Company, Kellogg Sales Company, Kellogg USA, Inc.

Dated: May 25, 2017

CERTIFICATE OF INTEREST

Counsel for Appellees-Cross-Appellants Keebler Company, Keebler Foods Company, Kellogg North America Company, Kellogg Sales Company, and Kellogg USA, Inc. certifies the following:

1. The full name of every party of *amicus* represented by us is:

Keebler Company, Keebler Foods Company, Kellogg North America Company, Kellogg Sales Company, and Kellogg USA, Inc.

2. The names of the real party in interest represented by us is:

See Response to Question 3.

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:

Kellogg Co.

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:

Greenberg Traurig, LLP: Richard D. Harris, Francis A. Citera, James J. Lukas, Jr., Matthew J. Levinstein, Robbie Harmer

May 25, 2017

/s/ James J. Lukas, Jr.
Richard D. Harris
James J. Lukas, Jr.
Mathew J. Levinstein
GREENBERG TRAURIG, LLP
77 West Wacker Drive, Ste. 3100
Chicago, IL 60601
Telephone: (312) 456-8400
Facsimile: (312) 456-8435

TABLE OF CONTENTS

I. STATEMENT OF RELATED CASES 1

II. JURISDICTIONAL STATEMENT 1

III. STATEMENT OF THE ISSUES 1

IV. STATEMENT OF THE CASE 2

A. The '532 Patent And The Undisputed Simplicity Of The Alleged Invention Of The Claims. 3

B. The District Court's Summary Judgment Opinion 4

1. The District Court's Holding That The Claims Are Invalid As Obvious. 4

a. The District Court's Factual Findings Regarding The Level Of Ordinary Skill In The Art, The Scope And Content Of The Prior Art, And Any Differences Between The Prior Art And The Claims. 4

b. The District Court's Factual Findings Regarding The Motivation To Combine Machinery Update With The Graham Traditional Cookie Package. 8

c. The District Court's Factual Findings Regarding Secondary Considerations. 12

2. The District Court's Holdings Granting Kellogg's Motion For Summary Judgment Of No Literal Infringement And Denying Kellogg's Motion For Summary Judgment Of Non-Infringement Under The Doctrine Of Equivalents. 13

a. The District Court's Claim Construction Of "Sealing Layer." 13

b. Kellogg's Product 15

c. The District Court's Holding That Kellogg's Product Does Not Literally Infringe The Claims. 16

d. The District Court's Failure To Hold That Kellogg's Product Does Not Infringe The Claims Under the Doctrine of Equivalents. 17

3. The District Court's Holding Granting IGB's Motion For Summary Judgment That The '532 Patent Is Not Unenforceable Based On Inequitable Conduct. 17

V. SUMMARY OF ARGUMENT 18

VI. ARGUMENT 19

A. STANDARDS OF REVIEW 19

B. THE CLAIMS OF THE '532 PATENT ARE INVALID AS OBVIOUS UNDER 35 U.S.C. § 103. 20

1. The District Court's Factual Determinations Regarding The Level Of Ordinary Skill In The Art, The Scope And Content Of The Prior Art, And Any Differences Between The Prior Art And The Claims Are Correct And Not Disputed By IGB. 20

2. The District Court Correctly Concluded That A Motivation To Combine The Prior Art Existed. 23

a. IGB Does Not Contest The District Court's Correct Factual Determinations Regarding A Motivation To Combine The Prior Art Based On The Existence Of A Known Problem. 24

b. The District Court's Factual Determinations That It Was A Matter Of Common Sense To Combine The Prior Art Are Correct. 25

c. The District Court's Factual Determinations Rejecting IGB's And Its Expert's Arguments And Evidence Regarding A Motivation To Combine The Prior Art Are Correct. 31

3. The District Court Correctly Considered The Secondary Considerations Of Nonobviousness And Found That They Did Not Overcome Kellogg's Strong Prima Facie Case Of The Obviousness Of The Claims. 36

4. The District Court's Factual Findings That No Deference Was Owed To The PTO Was Correct Because *Machinery Update* Is New Evidence And Any Presumption Of Validity Was Greatly Diminished Or Dissipated. 39

C. KELLOG'S PRODUCT DOES NOT LITERALLY INFRINGE THE ASSERTED CLAIMS OF THE '532 PATENT. 42

1. The District Court Correctly Construed The Term "Sealing Layer." 42

2. The District Court Correctly Held That Kellogg's Product Does Not Have A "Sealing Layer." 45

3. Kellogg's Product Also Does Not Infringe The Claims Because It Does Not Meet The Sealing Layer, "Adhesively Sealed To Said Top" Or "Reclosable Against Said Top" Limitations. 47

D. THE DISTRICT COURT ERRED IN ITS GRANT OF IGB'S MOTION FOR SUMMARY JUDGMENT THAT THE '532 PATENT IS NOT UNENFORCEABLE BASED ON INEQUITABLE CONDUCT. 48

1. This Court's *Ohio Willow* Decision And Its Discussion Of The Summary Judgment Standard As Applied To Inequitable Conduct Demonstrates That The District Court Erred. 49

2. It Is Undisputed That The Patentee's Failure To Disclose The *Packaging News* Misprint, Deliberate Misrepresentations Regarding *Packaging News*, and Reliance On That Misprint Were Material To Patentability. 51

3. There Is At Least A Genuine Dispute Regarding Whether The Patentee And Its Counsel Intended To Deceive The PTO Regarding *Packaging News*. 55

4. The District Court Erroneously Resolved All Issues In Favor Of IGB To Conclude That The Patentee Did Not Commit Inequitable Conduct During The Original Prosecution Of The '532 Patent. 56

E. THE DISTRICT COURT'S CLEAR ERROR IN ITS DENIAL OF KELLOGG'S MOTION FOR SUMMARY JUDGMENT OF NON-INFRINGEMENT UNDER THE DOCTRINE OF EQUIVALENTS PROVIDES THIS COURT WITH AN ALTERNATE GROUND TO AFFIRM THE JUDGMENT IN KELLOGG'S FAVOR. 58

1. The Claimed "Sealing Layer" Is Entitled To An Especially Narrow Scope Of Equivalents. 58

2. The Alleged "Sealing Layer" Of Kellogg's Product Is Not Equivalent To The Claimed "Sealing Layer." 59

a. The District Court Correctly Found That There Is A "Material" Difference Between The Claimed "Sealing Layer" And The Alleged "Sealing Layer" Of Kellogg's Product. 59

b. The District Court Failed To Apply The All Elements Rule. 61

F. THIS COURT'S RESOLUTION OF THE PRIOR ART STATUS OF THE ANTICIPATORY FUJI PACKAGE PROVIDES AN ALTERNATE GROUND TO AFFIRM THE JUDGMENT IN KELLOGG'S FAVOR. 61

1. The Fuji Package Is Prior Art To The '532 Patent. 62

2. The District Court Found That *Machinery Update* Describes The Fuji Package And That It Is Undisputed That *Machinery Update* Discloses All Of The Limitations Of The Claims With The Exception Of The "Frame." 64

3. IGB Does Not Dispute That The Fuji Package Discloses A "Frame" Or Tray With Bottom And Sides. 65

4. The Fuji Package Discloses All Of The Limitations Of The Dependent Claims. 65

VII. CONCLUSION 66

TABLE OF AUTHORITIES

Page(s)

Federal Cases

Advanced Tech. Materials, Inc. v. Praxair, Inc.,
228 Fed. Appx. 983 (Fed. Cir. 2007).....34

American Hoist & Derrick Co. v. Sowa & Sons, Inc.,
725 F.2d 1350 (Fed. Cir. 1984) 41

Amhil Enter. Ltd. v. Wawa, Inc.,
81 F.3d 1554 (Fed. Cir. 1996) 19

Anderson's-Black Rock, Inc. v. Pavement Salvage Co.,
396 U.S. 57 (1969).....38

Anderson v. Liberty Lobby, Inc.,
477 U.S. 242 (1986).....49

Arthur A. Collins, Inc. v. N. Telecom Ltd.,
216 F.3d 1042 (Fed. Cir. 2000) 34

Ball Aerosol & Spec. Container v. Ltd. Brands,
555 F.3d 984 (Fed. Cir. 2009) 26, 27, 30

Baxter Int'l, Inc. v. COBE Labs., Inc.,
88 F.3d 1054 (Fed. Cir. 1996) 62

Centricut, LLC v. Esab Group, Inc.,
390 F.3d 1361 (Fed. Cir. 2004) 35

Cimline, Inc. v. Crafco, Inc.,
413 Fed. Appx. 240 (Fed. Cir. 2011).....27, 28, 35

Cross Medical Prods., Inc. v. Medtronic Sofamor Danek, Inc.,
424 F.3d 1293 (Fed. Cir. 2005). 30

Dow Jones & Co., Inc. v. Ablaise Ltd.,
606 F.3d 1338 (Fed. Cir. 2010) 19

Egbert v. Lippmann,
104 U.S. 333 (1881).....63, 64

Ethicon Endo–Surgery v. U.S. Surgical Corp.,
93 F.3d 1572 (Fed. Cir. 1996) 20, 58

Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushii Co., Ltd.,
535 U.S. 722 (2002).....60

Fresenius USA, Inc. v. Baxter Int'l, Inc.,
582 F.3d 1288 (Fed. Cir. 2009) 42

Glaxo Group v. TorPharm, Inc.,
153 F.3d 1366 (Fed. Cir. 1998) 20

Graham v. John Deere Co.,
383 U.S. 1 (1966).....4, 36

In re Cyclobenzaprine Hydrochloride Extended-Release Capsule Patent Litig.,
676 F.3d 1063 (Fed. Cir. 2012). 38, 39

Intercontinental Great Brands LLC v. Kellogg N. Am. Co.,
118 F.Supp.3d 1022 (N.D. Ill. 2015).....2

Jaffke v. Dunham,
352 U.S. 280 (1957).....20

Jajeh v. County of Cook,
678 F.3d 560 (7th Cir. 2012) 35

KSR Int'l Co. v. Teleflex Inc.,
550 U.S. 398 (2007).....*passim*

Kyocera Wireless Corp. v. Int'l Trade Comm'n,
545 F.3d 1340 (Fed. Cir. 2008) 62

Leapfrog Enter., Inc. v. Fisher-Price, Inc.,
485 F.3d 1157 (Fed. Cir. 2007) 38

Microsoft Corp. v. i4i Ltd. P'ship,
564 U.S. 91 (2011).....41

Moore U.S.A., Inc. v. Standard Register Co.,
229 F.3d 1091 (Fed. Cir. 2000) 58

Norgren Inc. v. Int'l Trade Comm'n,
699 F.3d 1317 (Fed. Cir. 2012) 24

Novosteel S.A. v. United States,
284 F.3d 1261 (Fed. Cir. 2002) 25

Ohio Willow Wood Co. v. Alps S., LLC,
735 F.3d 1333 (Fed. Cir. 2013) .....*passim*

Ormco Corp. v. Align Tech., Inc.,
463 F.3d 1299 (Fed. Cir. 2006) 62

Perfect Web Techs., Inc. v. InfoUSA, Inc.,
587 F.3d 1324 (Fed. Cir. 2009) 27, 30, 35, 38

Planet Bingo, LLC v. Gametech Int'l, Inc.,
472 F (Fed. Cir. 2006) 60

Plantronics, Inc. v. Aliph, Inc.,
724 F.3d 1343 (Fed. Cir. 2013). 38

Pronova Biopharma Norge AS v. Teva Pharm., Inc.,
549 Fed. Appx. 934 (Fed. Cir. 2013).....62

Radar Indus., Inc. v. Cleveland Die & Mfg. Co.,
424 Fed. Appx. 931 (Fed. Cir. 2011).....35

Sage Prods., Inc. v. Devon Indus., Inc.,
126 F.3d 1420 (Fed. Cir. 1997) 58, 60

Stone Strong, LLC v. Del Zotto Prods. of Florida, Inc.,
455 F. App'x 964 (Fed. Cir. 2011). 30

Teva Pharm. USA, Inc. v. Sandoz, Inc.,
135 S. Ct. 831 (2015).....19

Thomson Licensing SAS v. Int'l Trade Comm'n,
527 F. App'x 884 (Fed. Cir. 2013).....25

Tokai Corp. v. Easton Enterprises, Inc.,
632 F.3d 1358 (Fed. Cir. 2011) 19, 20, 24, 40

Warner Jenkinson Co., Inc. v. Hilton Davis Chem. Co.,
520 U.S. 17 (1997).....61

The Western Union Co. v. Moneygram Payment Sys., Inc.,
626 F.3d 1361 (2010).....28

Wojtas v. Capital Guardian Trust Co.,
477 F.3d 924 (7th Cir. 2007) 42

Wyers v. Master Lock Co.,
616 F.3d 1231 (Fed. Cir. 2010) 27, 36, 37, 38

Federal Statutes

28 U.S.C. § 1746.....35

35 U.S.C § 102(a) 62, 63, 64

35 U.S.C. § 103.....20, 26

I. STATEMENT OF RELATED CASES

Kellogg does not dispute IGB's statement. (*See* Appellant Intercontinental Great Brands LLC's Brief ("Brief") at 1.)

II. JURISDICTIONAL STATEMENT

Kellogg does not dispute IGB's statement. (*See* Brief at 1.)

III. STATEMENT OF THE ISSUES

1. Whether the District Court correctly held that asserted claims 1, 3, 4, 6, 26, 32, 33, 35, 36, 37, 39 and 42 ("Claims") of U.S. Patent No. 6,918,532 ("the '532 patent") are invalid based on obviousness where the District Court's factual determinations underlying its obviousness conclusion are not clearly erroneous.

2. Whether the District Court correctly construed the "sealing layer" term and correctly held that Kellogg's product did not literally infringe the Claims of the '532 patent.

3. Whether the District Court erred in its grant of IGB's motion for summary judgment that the '532 patent is not unenforceable based on inequitable conduct.

4. Whether the District Court's erroneous denial of Kellogg's motion for summary judgment of non-infringement under the doctrine of equivalents is an alternate ground for this Court to affirm the judgment in favor of Kellogg.

5. Whether the Fuji Package described in *Machinery Update* is prior art that anticipates the Claims of the '532 patent is an alternate ground for this Court to affirm the judgment in Kellogg's favor.

IV. STATEMENT OF THE CASE

This appeal relates to the simple re-sealable package that is claimed by the Claims of the '532 patent. (Brief at 3; A3, A16-A23.) IGB sued Kellogg for infringement of the '532 Patent on January 16, 2013. (A60.) The District Court issued its claim construction opinion on September 22, 2014. (A70, A39-50, A5.) Kellogg then moved for summary judgment of non-infringement and invalidity on the bases of anticipation and obviousness. (A72-A73, A2.) IGB moved for summary judgment of no inequitable conduct and on "various validity-related points." (A74-75, A2.) On August 3, 2015, the District Court issued its summary judgment opinion. *Intercontinental Great Brands LLC v. Kellogg N. Am. Co.*, 118 F.Supp.3d 1022 (N.D. Ill. 2015); *see also* A78, A2-A38.

The District Court held that all of the Claims are invalid for obviousness based on a combination of just two references—the *Machinery Update* article and the traditional cookie package disclosed in the Graham patent ("Graham"). (A2, A6-A30.) The District Court also held that Kellogg's accused product ("Product") does not literally infringe the Claims. (A32.) Notwithstanding the District Court's decision that Kellogg does not literally infringe the Claims, the District Court

erroneously concluded that a reasonable jury could still find that Kellogg's Product infringes under the doctrine of equivalents. (A34.) The District Court also committed error when it granted IGB's motion for summary judgment that the '532 patent is not unenforceable based on inequitable conduct. (A34-37.) The District Court entered judgment on August 25, 2015. (A1.)

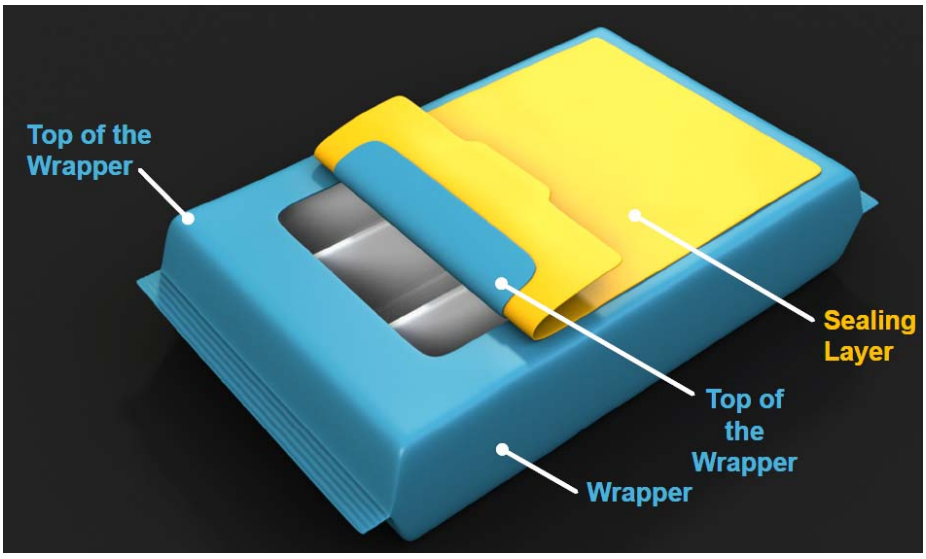
A. The '532 Patent And The Undisputed Simplicity Of The Alleged Invention Of The Claims.

Claim 1 recites only a Frame/Tray Limitation, a Wrapper Limitation, an Access Opening Limitation, and a Sealing Layer Limitation.[1,] (*See* A41, A4-A5.)

It is undisputed that the alleged invention of the Claims is simple. (A6620 ¶ 26 ("***[t]he package design shows simplicity*** with respect to the '532 patent.") (IGB's expert)[2]; A6620 ¶ 27 ("you know, this is a ***fairly simple structure, a fairly simple patent***"; "It's a very ***simple design***.") (Kellogg's expert).) Furthermore, the District Court found that "***the technology is relatively simple***." (A30; *see also id*. at A22.) In essence, the invention comprises an adhesive patch, or "sealing layer," for sealing an access hole in the top of the wrapper.

[1]*See* Brief at 7 ("Claim 1 of the '532 patent identifies four key parts of the invention: (1) a frame [tray with bottom and sides], (2) a wrapper, (3) an access opening in the top of the wrapper to allow hand access to substantially all of the contents, and (4) a sealing layer that releases to provide hand-access to the top opening and recloses to seal the top access opening by sealing against or overlapping with the top wrapper.")

[2]Unless otherwise noted, emphasis is added.



B. The District Court's Summary Judgment Opinion

1. The District Court's Holding That The Claims Are Invalid As Obvious.

The District Court granted Kellogg's motion for summary judgment of invalidity and held that all of the Claims are invalid as obvious in view of *Machinery Update* and Graham. (A2, A6-A30.) The District Court made numerous factual determinations regarding the *Graham* factors underlying its obviousness holding. *KSR*, 550 U.S. at 398, 406, 415 (citing *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966)).

a. *The District Court's Factual Findings Regarding The Level Of Ordinary Skill In The Art, The Scope And Content Of The Prior Art, And Any Differences Between The Prior Art And The Claims.*

The District Court found that "[t]he parties do not dispute the level of ordinary skill in the pertinent art." (A10.) The District Court also made numerous factual findings regarding the scope and content of the prior art and any differences

between the prior art and the Claims. (*See* A10-A17, A23-28.) At the outset, the District Court found that "IGB claims April 16, 2003, the day the patent application was filed, as the date of invention, so the Court considers the state of the prior art at that date." (A10.) Regarding the prior art used by the District Court in its obviousness analysis (*i.e.*, *Machinery Update* and Graham), the District Court found that "IGB concedes that '*Machinery Update* is legal prior art and may be considered by the jury for anticipation and obviousness.'" (A10-A11 (citing A4909); *see also* A10.) The District Court also found that the traditional cookie package of Graham (A1909, A1313), which is listed on the face of the '532 patent (*see* A84),[3] is prior art. (A15 ("Frames for discrete food items like cookies unquestionably existed in the prior art. For instance, the Graham stackable cookie package and tray, which was presented to the PTO during reexamination . . . .").)[4]

The District Court then found that all of the limitations of the Claims were present in the prior art, and that there were no differences between the Claims and the prior art:

[3]Graham is U.S. Patent No. 3,740,238, and it issued on June 19, 1973. (*See* A84, A1905.)

[4]*See also id.* n. 6 (citing A1906).

Independent Claims 1 and 34

- "All of the independent claim limitations existed in the prior art at the time of invention; traditional cookie trays meet the 'frame' limitation and *Machinery Update* discloses the other claim limitations." (A16.)

- "Because there is no genuine dispute that all of the elements of claims 1 and 34 are disclosed in the prior art . . . ." (A22.)

- "In this case, the prior art references teach all of the claim limitations—all of the elements could be found in existing food packaging technology. In fact, nearly all of the elements were found in one *Machinery Update* article, and the rest already existed in cookie packages." (A30.)

- "There is no genuine dispute that the *Machinery Update* articles disclose all of the limitations recited in claims 1 and 34, with the exception of the 'frame' limitation." (A11.)

- "In the images from *Machinery Update* that were provided to the Court—the images of the container holding sliced meat and sushi—both packages include facing perimeter portions that are parallel to the bottom. The image of the package containing meat, shown below, clearly depicts facing perimeter portions. Although the image of the sushi package is not clear, that package must have parallel perimeter portions on the top, because otherwise the sealing layer would have nothing to stick to." (A14-A15 (citing A4423 and A4708); *see also* A11 (citing A4423-24, A4708) (the District Court's additional factual holdings regarding the *Machinery Update* articles and their included photographs).)

- "Frames for discrete food items like cookies unquestionably existed in the prior art. For instance, the Graham stackable cookie package and tray, which was presented to the PTO during reexamination, discloses 'a cookie package including an open-topped cookie tray . . . [which] provides support ribs effectively for contacting cookies at spaced points[,], for so spacing the cookies, and for resiliently cushioning the cookies against shock and stacking loads.'" (A15 (citing A1313).)

- "Additionally, in its submissions to the PTO, IGB included images of the previous Oreos package . . . . Those images show a frame that extends to support the overwrap and protect the cookies, which also forms the shape of the polygonal container." (A16 (citing A812).)

- "But the [*Machinery Update*] article also states that the package can be used for sushi or canapés, which are unquestionably discrete food articles. As to the size of the opening, the 2001 [*Machinery Update*] article depicts sushi packaged in a Re-Seal It container with an access opening on the top that is clearly large enough for hand access to all of the sushi pieces. . . . Thus, although the aperture 'can' extend around the side, it does not necessarily extend around the side. In fact, the image of the package containing sliced meat has an opening only on the top." (A12.)

- "As the Court has discussed, the 2002 article simply states that 'the aperture ***can*** extend around the edge of the pack itself, allowing trays of product to be easily removed for serving.' [A4424] The Re-Seal It system does not require an opening that extends around the side of the container. In fact, the image of the Re-Seal It packaging containing stacked meat only includes a top opening. [A4423]. If a frame were included in that package, it would be impossible to unintentionally remove it through the top opening." (A14-15.)

Dependent Claims 3-4, 6, 26, 32-33, 35-37, 39, and 42

- "[The additional structural limitations recited by the dependent claims] simply recite features that were common in previous cookie packages or disclosed in *Machinery Update*." (A28.)

- "But as the Court has stated, cookie trays designed to protect cookies [as claimed in Claims 33 and 37] (like Graham) existed in the prior art . . . ." (A27-A28.)

b. ***The District Court's Factual Findings Regarding The Motivation To Combine Machinery Update With The Graham Traditional Cookie Package.***

The District Court found that the "parties primarily dispute whether one skilled in the art would be motivated to combine the prior art elements" (*see* A16), and then made numerous factual findings regarding a motivation to combine. The District Court also made numerous factual findings rejecting IGB's and its expert's arguments and evidence on the purported lack of a motivation to combine. (*See* A19-A22; *see also* Sec. VII(2)(C), *infra*.).

Regarding the motivation to combine the different features of the Re-Seal It system depicted and described in the *Machinery Update*, the District Court found:

- "The container for stacked meats was described ***on the same page*** as the container for sushi and canapés. [A4424] The purpose of the article, which was published in a packaging journal, was to introduce food packaging experts to the Re-Seal It system and its varied potential uses. Based on this undisputed evidence, no reasonable jury could conclude that a person skilled in the art would not think to combine the features of the Re-Seal It food package that were disclosed in the article—including the top opening of the meat container and the tray of the sushi container." (A17 (emphasis in original).)

- "But the [*Machinery Update*] article itself clearly suggests that the features of Re-Seal It packages can be combined, by stating that the same package shown with stacked meats can also 'be used for trays of high value prepared food such as sushi or canapés.' [A4424] No reasonable jury would believe that a food packaging expert reading that [*Machinery Update*] article would not think to combine the versions of the Re-Seal It system described." (A20 (quoting A4424).)

- "If a person skilled in the art were to read the 2002 *Machinery Update* article, it would require only a minimal amount of creativity for that person to think to mix and match the features described, as the Court has discussed." (A21.)

Regarding the motivation to combine Graham's frame with the resealable package described in *Machinery Update*, the District Court found that: (i) the alleged invention of the Claims was addressed to a known problem and all of the limitations of the Claims existed in the prior art (*see* A17-A18, A23-A28); and (ii) the combination of the traditional cookie package disclosed in Graham with the resealable package described in *Machinery Update* would have been predictable and grounded in common sense (*see* A18, A20-A22, A23-A28).

First, the District Court found that the alleged invention of the Claims was addressed to a known problem, and that all of the limitations of the Claims existed in the prior art:

- "Here, all of the limitations were present in the prior art, and the problem that the invention was designed to solve was known to those skilled in the art." (A17.)

- "In sum, there was a known problem in the cookie packaging industry, and all of the elements of the invention existed in the prior art." (A18.)

- "The invention [of the Claims] was created to remedy a problem with existing cookie containers, namely that they did not 'provide a convenient opening and reclosing arrangement.'" (A17-A18 (quoting A92 at 1:19-20).)

- "[The patentee's] submissions to the PTO also show that the lack of a resealing function on cookie packages was a known problem." (A18 (quoting A737).)

- "Additionally, IGB presented consumer complaints about Oreos' previous packaging. [A812, A5289] (summary of the results of a June 2003 Kraft study, which revealed 'that consumers are somewhat dissatisfied with current snack food packaging,' because 'bags tear during initial opening and are hard to reseal, [i]t is difficult to place cookie/cracker trays back in the bag, [and s]nacks do not stay fresh')." (A18.)

- "Kellogg had also recognized the problems associated with traditional cookie packages '[i]n the early 2000's.'" (A18 (citing A3245, A6342).)

Second, the District Court made the following findings supporting that the combination of the traditional cookie package disclosed in Graham with the resealable package described in *Machinery Update* would have been predictable and grounded in common sense:

- "A packaging expert, with knowledge of existing food packaging technology, would have thought to combine a resealable container and a frame big enough to contain cookies. This combination 'would have been entirely predictable and grounded in common sense.'" (A18 (quotations and citations omitted).)

- "No reasonable jury could conclude that a person skilled in packaging design would not be motivated to combine [a resealable container and a frame big enough to contain cookies]." (A19.)

- "[T]here is no evidence from which a reasonable jury could conclude that it would be counterintuitive to combine a resealable container with an opening on the top and a cookie tray." (A20.)

- "As the Court has noted, when a technology is simple, the obviousness analysis 'may include recourse to logic, judgment, and common sense available to the person of ordinary skill that do not necessarily require explication in any reference or expert opinion.' . . . Because there is no genuine dispute that all elements of claims 1 and 34 are disclosed in the prior art and it would have been predictable for a person of skill in the art to combine those elements, ..." (A22 (quotations and citations omitted).)

- "For the reasons the Court has stated, it would have been predictable for a packaging expert to combine a cookie tray, like that used in the Graham package, with the resealing technology in *Machinery Update*." (A27.)

- "But as the Court has stated . . . it would have been predictable for one skilled in the art to combine existing cookie trays with resealable packaging technology described in *Machinery Update*." (A28.)

- "[The additional structural limitations recited by the dependent claims] simply recite features that were common in previous cookie packages or disclosed in *Machinery Update*. As the Court has explained, it is not genuinely disputed that it would have been predictable for one skilled in the art to combine these features." (A28.)

- "[T]he technology [of the Claims] is relatively simple." (A30.)

The District Court found that IGB's evidence of alleged consumer and competitor skepticism offered to show that it would have been counterintuitive to a person of ordinary skill to cut a hole in the top of the Graham traditional cookie container (and covering the hole with a sealing layer) "does not actually support that point." (A19 (citing A5324, A5297, A5364).) Instead, the District Court found IGB's evidence shows that "[f]ar from suggesting consumers received the idea of a resealable cookie container with skepticism, it appears that they embraced

it as a solution to an existing problem." (A19.)[5] The District Court concluded its reasoning by finding that "[a]lthough IGB cites evidence that supports the inference that its competitors were skeptical that packaging could drive consumption, there is no evidence from which a reasonable jury could conclude that it would be counterintuitive to combine a resealable container with an opening on the top and a cookie tray." (A20.)

Finally, the District Court made factual findings rejecting IGB's expert's conclusions that there was no motivation to combine *Machinery Update* with the Graham traditional cookie package, that there was no motivation to combine the Re-Seal It packages described and depicted in *Machinery Update*, and that *Machinery Update* taught away from a combination with Graham. (*See* A19-A22; *see also* Sec. VII (2)(C), *infra*.).

c. *The District Court's Factual Findings Regarding Secondary Considerations.*

After determining that Kellogg had made out a *prima facie* case of obviousness of all Claims (*see* A22-A23, A28), the District Court analyzed IGB's evidence of secondary considerations before concluding that all of the Claims were

[5]Regarding the one piece of IGB evidence suggesting consumer skepticism (*see* A6342 at 323), the District Court found that the Kellogg witness did not elaborate on the point and that "his earlier statement that Kellogg had been interested in a resealable cookie package for years contradicts the notion that consumers were skeptical about resealable containers." (A19-A20 (citing A6340-41 at 312-313, A6342 at 324).)

invalid as obvious (*see* A28-A30). Despite finding substantial evidence of secondary considerations and drawing all reasonable inferences in IGB's favor, the District Court found that:

> **This is a case in which the secondary considerations do not overcome Kellogg's extremely strong prima facie showing that the invention was obvious in light of *Machinery Update*. "[S]econdary considerations of nonobviousness . . . simply cannot overcome a strong prima facie case of obviousness." . . . In this case, the prior art references teach all of the claim limitations—all of the elements could be found in existing food packaging technology. In fact, nearly all of the elements were found in one *Machinery Update* article, and the rest already existed in cookie packages. Additionally, the technology is relatively simple. Based on these considerations, a person skilled in the art would have a reason to combine the elements to create the invention. In sum, the primary considerations lead to a conclusion that the invention was obvious in light of the prior art, and IGB's strong showing of secondary considerations does not outweigh this determination.**

(A29-A30 (quotations and citations omitted).)

2. The District Court's Holdings Granting Kellogg's Motion For Summary Judgment Of No Literal Infringement And Denying Kellogg's Motion For Summary Judgment Of Non-Infringement Under The Doctrine Of Equivalents.

a. *The District Court's Claim Construction Of "Sealing Layer."*

The only relevant claim construction issue concerns the District Court's construction of the "sealing layer" term and its effect on the District Court's holdings regarding Kellogg's motion for summary judgment of non-infringement. (*See* Brief at 3; *see also* A31.) Each of the only two independent Claims recites a "sealing layer" in the Sealing Layer Limitation. (A3-A4, A94, A100.) The Claims

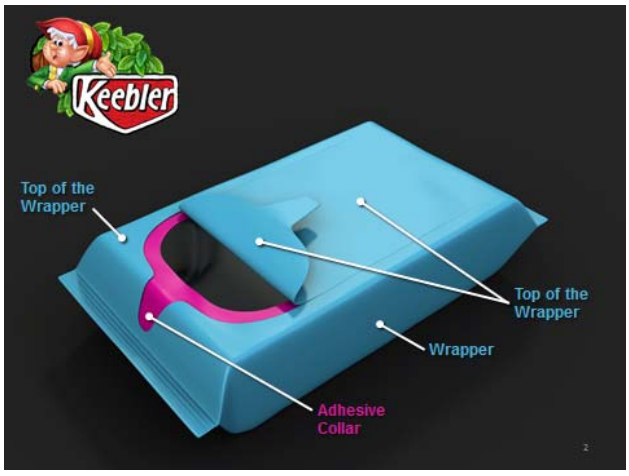
make clear that the wrapper forms the top of the container. (*See, e.g.,* A3-A4, A94 (Claim 1: "said wrapper forming the top, sides, and bottom of the container"), A100 (Claim 34: "the overwrap forming an overwrap top").) When the Claims refer to the "top of the container," it is the wrapper (Claim 1) or overwrap (Claim 34) structure that comprises the top of the container. (*Id.*) The District Court construed the claim term "sealing layer" as "***a distinct layer from the top of the container.***" (A44, A6622.) The District Court further held that "the clear language of the claims, which as discussed earlier make it clear that the ***sealing layer is not part of the top***; ***it is a distinct layer that seals to the top***." (A45, A6622.)

The District Court reasoned that "[t]he claim language expressly requires the sealing layer to be '***sealed to*** said top.' . . . The sealing layer cannot be ***sealed to*** the top of the container if it ***is*** part of the top." (A44, A6622.) The District Court also determined that "the patent specification differentiates the sealing layer from the component(s) of the container that form its top." (A45, A6623; *see also* A31 (citing A44-A45) ("The Court concluded that the 'sealing layer' as used in claims 1 and 34 must be a distinct layer from the top of the container, because 'the patent specification differentiates the sealing layer from the component(s) of the container that form its top.'").)[6]

[6]The District Court made certain statements during the claim construction hearing

b. *Kellogg's Product*

Kellogg implemented its own simple design that avoids the Claims by eliminating the claimed sealing layer. In lieu of a sealing layer, *i.e.*, a distinct layer from the top of the container that seals to the top, the Product affixes an adhesive collar to the underside of the wrapper, with no sealing layer at all sealed to the top of the container:



Accordingly, what IGB now asserts is the "sealing layer" of the Product is actually the top of the wrapper (*i.e.*, the top of the container). (A45, A4198-201, A7241-46, A7248; *see also* A32-34.)

---

that also demonstrate its reasoning that the claimed sealing layer must be distinct from the wrapper, because, as the claims require, the wrapper forms the top (*see* A3-A4, A94, A100) which further support that the District Court's conclusion regarding the construction of the "sealing layer" term is correct. (*See, e.g.,* A3392, A6623, A3405-06, A6623-24, A3422, A6624, A3392, A6624, A3393, A6625, A3395, A6625-26.)

c. *The District Court's Holding That Kellogg's Product Does Not Literally Infringe The Claims.*

The District Court held that "Defendants are entitled to summary judgment of non-infringement as to literal infringement based on the Court's construction of the claim term, 'sealing layer.'" (A30-A31.) In reaching its decision, the District Court repeated its claim construction of "sealing layer" from the District Court's claim construction opinion. (A32 (citing A43-A45).) Because the Product does not have a "sealing layer" that is distinct from the top of the container or wrapper, much less a "sealing layer" adhesively sealed to the top of the container, the District Court held that "Kellogg is therefore entitled to summary judgment of no literal infringement because, based on the undisputed facts, the accused products do not contain every limitation of the independent claims." (A32.)

The District Court made the following factual findings in support of its holding:

- "IGB does not dispute that the accused products' purported 'sealing layer' is part of the same piece of material as the top of the packaging; it is created by cutting a flap from the top of the wrapper." (A32.)
- "Because the top and the cut-out flap are not 'distinct layers' in the accused products—rather, they are part of the same layer—Kellogg does not literally infringe the sealing layer limitation." (A32.)
- "The parties do not dispute the structure of the accused products." (A33.)
- "Apart from the one material difference between the '532 patent and the accused product that Kellogg highlights—namely the different sealing layer structure . . . ." (A34.)

d. *The District Court's Failure To Hold That Kellogg's Product Does Not Infringe The Claims Under the Doctrine of Equivalents.*

The District Court found that the absence of a "sealing layer" in the Product was "one material difference between the '532 patent and the accused product" yet held that "[a] reasonable jury could find that the accused product performs the same function as the patented invention in the same way." (A34.)[7]

3. The District Court's Holding Granting IGB's Motion For Summary Judgment That The '532 Patent Is Not Unenforceable Based On Inequitable Conduct.

The District Court chastised patentee's counsel for failing to point out, and affirmatively relying on, a misprint in the *Packaging News* prior art reference during the reexamination of the '532 patent by noting that "[a]lthough IGB's attorney during the reexamination proceedings should have notified the Board that the *Machinery Update* [article] described the same packaging [as *Packaging News*] as including conventional wrapping, he merely restated the contents of the misprinted article." (A35-A36.) Nevertheless, the District Court rejected Kellogg's inequitable conduct claim on this basis because "[t]here is no evidence that the attorney knowingly failed to identify the inconsistency between the two articles." (A36.) The District Court also rejected Kellogg's inequitable conduct

[7] *See also id.* (The District Court stating "The doctrine of equivalents applies when the accused product does not contain every limitation but nonetheless provides the same function in the same way with the same results.") (citation omitted).

claim that the patentee withheld information about the Fuji Package during the prosecution of the '532 patent. (A36-37.)

V. SUMMARY OF ARGUMENT

This Court should affirm the District Court's holding that the Claims are invalid as obvious where the District Court made numerous factual determinations on the factual inquiries underlying its obviousness conclusion that are not clearly erroneous**.** This Court should also affirm that District Court's construction of "sealing layer" and the District Court's holding that the Kellogg Product does not literally infringe the Claims.

This Court should reverse the District Court's holding granting IGB's motion for summary judgment that the '532 patent is not unenforceable based on inequitable conduct.

This Court's reversal of the District Court's erroneous denial of Kellogg's motion for summary judgment that the Kellogg Product does not infringe under the doctrine of equivalents provides an alternate ground to affirm the District Court's judgment in Kellogg's favor. Similarly, this Court's determination that the anticipatory Fuji Package is prior art provides an alternate ground to affirm the District Court's judgment in Kellogg's favor.

VI. ARGUMENT

A. STANDARDS OF REVIEW

This Court reviews *de novo* the grant of Kellogg's motion for summary judgment of invalidity based on obviousness. *Dow Jones & Co., Inc. v. Ablaise Ltd.*, 606 F.3d 1338, 1344 (Fed. Cir. 2010). The factual determinations that underlie the District Court's obviousness decision are reviewed for clear error. *Tokai Corp. v. Easton Enterprises, Inc.*, 632 F.3d 1358, 1366 (Fed. Cir. 2011). Under the clear error standard, a reversal is permitted only when this Court is "left with the definite and firm conviction that a mistake has been committed." *Amhil Enter. Ltd. v. Wawa, Inc.*, 81 F.3d 1554, 1562 (Fed. Cir. 1996) (citations omitted).

This Court reviews the District Court's ultimate claim construction ruling *de novo*, but underlying factual findings relating to extrinsic evidence are reviewed for clear error. *Teva Pharm. USA, Inc. v. Sandoz, Inc.*, 135 S. Ct. 831, 841 (2015).

"Whether the properly construed claim in issue reads on the devices accused of infringing is a question of fact, which we review for clear error." *Amhil*, 81 F.3d at 1562.

This Court reviews the District Court's grant of IGB's motion for summary judgment of no inequitable conduct *de novo*, drawing all reasonable inferences in favor of the non-moving party. *Ohio Willow Wood Co. v. Alps S., LLC*, 735 F.3d 1333, 1341-42 (Fed. Cir. 2013).

This Court "must affirm the decision of the district court if it is supported by any ground properly preserved on appeal." *See Ethicon Endo–Surgery v. U.S. Surgical Corp.,* 93 F.3d 1572, 1582 (Fed. Cir. 1996).[8]

B. THE CLAIMS OF THE '532 PATENT ARE INVALID AS OBVIOUS UNDER 35 U.S.C. § 103.

1. The District Court's Factual Determinations Regarding The Level Of Ordinary Skill In The Art, The Scope And Content Of The Prior Art, And Any Differences Between The Prior Art And The Claims Are Correct And Not Disputed By IGB.

The District Court's factual determinations regarding the level of ordinary skill in the art, the scope and content of the prior art, and any differences between the prior art and the Claims that underlie its conclusion that all Claims are invalid as obvious, are not clearly erroneous. *See Tokai*, 632 F.3d at 1366 (holding that factual determinations underlying a district court's obviousness decision are reviewed for clear error). Indeed, IGB contests ***only*** the District Court's conclusion that there was a motivation to combine the prior art, also arguing that the District Court failed to give proper consideration to IGB's evidence of

[8] *See also Jaffke v. Dunham,* 352 U.S. 280, 281 (1957) ("A successful party in the District Court may sustain its judgment on any ground that finds support in the record."); *Glaxo Group v. TorPharm, Inc.,* 153 F.3d 1366, 1371-72 (Fed. Cir. 1998) ("When a matter comes before an appellate court following a summary judgment, the appellate court is free to adopt a ground advanced by the appellee in seeking summary judgment but not adopted by the trial court.").

secondary considerations.[9] (*See* Brief at 2-3, 34-37; *see also id*. at 38-42 (addressing secondary considerations), at 42-55 (addressing motivation to combine).)

First, IGB does not dispute the District Court's factual determination that the parties do not dispute the level of ordinary skill in the art. (A10; *see also* Brief at 53.)

Second, IGB does not dispute the District Court's factual determinations regarding the scope and content of the prior art (*i.e*., *Machinery Update* and Graham) and any differences between the prior art and the Claims. Specifically, IGB does not the dispute the District Court's findings that:

(i) ***the invention date of the '532 patent is April 16, 2003***. (A10; Sec. V(B)(1)(a), *supra*; *see also generally* Brief.);

(ii) ***Machinery Update is prior art***. (A10-A11; Sec. V(B)(1)(a), *supra*; *see also* Brief at 24 ("Kellogg's summary judgment motion asserted obviousness based

[9]IGB also asserts that the District Court erred by giving no deference to the PTO. (*See id.* at 35-36, 56-60.) As discussed below, to the contrary, the District Court's factual determinations regarding whether deference should have been accorded are correct because *Machinery Update* was not before the PTO, *Packaging News* contained a misprint that the patentee never disclosed to the Board, and the Board relied on that misprint in reversing the examiner. (*See* Sec. VII (B)(4), *infra*.)

on any combination of five ***prior art references***: ***Machinery Update (2002)*** . . . .").)[10];

(iii) ***Graham is prior art.*** (A15, A15 n.6, A1909, A1905-06, A1313, A84 (showing Graham on the face of the '532 patent); Sec. V(B)(1)(a), *supra*; *see also* Brief at 4 ("The ***Graham prior art reference***").); and

(iv) ***Machinery Update and Graham disclose all of the limitations of the Claims and there are no differences between the Claims and the prior art.*** (A10-A12, A14-A18, A22-A28, A28, A30 (citations omitted); Sec. V(B)(1)(a), *supra*; *see also, e.g.*, Brief at 39 (IGB stating "Here, the district court found obviousness by ***locating the claims' various elements in prior art references***, and then invoked 'common sense' to combine them.").)[11]

Accordingly, the District Court correctly found—and IGB does not dispute on appeal (*see* Sec. VII (B) (1), *supra*)—that there is no issue of fact regarding the first three underlying factual inquiries of the obviousness analysis. (*See* A16 ("[the] parties primarily dispute whether one skilled in the art would be motivated to combine the prior art elements.").)

[10]IGB also does not dispute that *Machinery Update 2* (2001) is prior art. (*See* generally Brief; *see also id*. at 18-20.)

[11]*See* Brief at 17-18 (The Graham prior art reference, which discloses a cookie frame completely surrounded by flow-wrap . . . ."); *see also id.* at 19-22.

2. The District Court Correctly Concluded That A Motivation To Combine The Prior Art Existed.

IGB argues only that the District Court clearly erred in finding that a motivation to combine the prior art existed. IGB asserts that: (i) the invention of the Claims is not simple; (ii) the District Court did not sufficiently explain its reasoning that it was a matter of common sense to combine the prior art; and (iii) the District Court ignored IGB's alleged evidence that no motivation to combine existed. (*See* Brief at 44-49.) IGB's arguments are without merit.

At the very outset, the District Court's obviousness conclusion upon summary judgment is supported by the Supreme Court's teaching that, "[w]here . . . the content of the prior art, the scope of the patent claim, and the level of ordinary skill in the art are not in material dispute, and the obviousness of the claim is apparent in light of these factors, summary judgment is appropriate." *KSR*, 550 U.S. at 427.[12] The District Court's factual findings supporting that the alleged invention of the Claims was a solution to a known problem and a mere exercise of common sense to one of ordinary skill to combine the prior art, are not clearly erroneous and are supported by controlling law.

[12] *See also id.* at 417 ("when a patent 'simply arranges old elements with each performing the same function it had been known to perform' and yields no more than one would expect from such an arrangement, the combination is obvious") (citation omitted).

a. ***IGB Does Not Contest The District Court's Correct Factual Determinations Regarding A Motivation To Combine The Prior Art Based On The Existence Of A Known Problem.***

The District Court made explicit factual findings regarding a motivation to combine the traditional cookie package disclosed in Graham with the resealable package described in *Machinery Update*, and sufficiently articulated its reasoning that a combination of the prior art was merely an obvious solution to a known problem. (*See* Sec. V(B)(1)(b), *supra; see also* A17, A18.)

IGB does not contest the District Court's factual findings supporting that the alleged invention of the Claims was addressed to a known problem and that all of the limitations of the Claims existed in the prior art. (*See* Brief at 44-49; *see also* Sec. V(B)(1)(a and b), *supra*; Sec. VII (B) (1), *supra*; A17-A18, A23-28.) The Supreme Court has held that this is a separate and independent basis to show a motivation to combine and to conclude that a patent is obvious. *KSR*, 550 U.S. at 419-20 ("***One of the ways*** in which a patent's subject matter can be proved obvious is by noting that there existed at the time of invention ***a known problem for which there was an obvious solution encompassed by the patent's claims.***").[13]

[13]*See id.* at 420 ("Under the correct analysis, any need or problem known in the field of endeavor at the time of invention and addressed by the patent can provide a reason for combining the elements in the manner claimed."); *see also Norgren Inc. v. Int'l Trade Comm'n*, 699 F.3d 1317, 1327 (Fed. Cir. 2012) (holding that the ITC properly found the claims obvious based on evidence of known problems and an obvious solution); *Tokai*, 632 F.3d at 1371 ("the undisputed facts in this case—

Because IGB does not dispute the District Court's factual findings that the Claims were addressed to a known problem, and failed to argue that they were clearly erroneous, this Court should affirm the District Court's obviousness conclusion on this ground alone.[14]

b. *The District Court's Factual Determinations That It Was A Matter Of Common Sense To Combine The Prior Art Are Correct.*

The District Court also made numerous correct factual findings supporting its conclusion that the Claims are obvious because the combination of the traditional cookie package disclosed in Graham with the resealable package described in *Machinery Update* would have been readily predictable and grounded in common sense. (*See* Sec. V(B)(1)(b), *supra*; *see also* A18, A20-A22, A23-A28; Sec. V(B)(1) (a), *supra*.)

In *KSR*, the Supreme Court set forth an expansive and flexible approach to the obviousness determination which permits a district court "to take account of

---

including the state of the prior art, the simplicity and availability of the components making up the claimed invention, and an explicit need in the prior art for safer utility lighters—compel a conclusion of obviousness as to the subject matter of each of the asserted claims"); *Thomson Licensing SAS v. Int'l Trade Comm'n*, 527 F. App'x 884, 889 (Fed. Cir. 2013) (holding that there was a motivation to combine the prior art references because they both related to LCD panel manufacturing and the formation of spacers, and they both "share[d] the common goal of providing spacing elements that do not disturb the orientation or alignment of liquid crystal molecules.").

[14]A party's failure to address an issue in its opening appeal brief constitutes waiver. *Novosteel S.A. v. United States*, 284 F.3d 1261, 1274 (Fed. Cir. 2002).

'the inferences and creative steps,' or even routine steps, that "a person of ordinary skill in the art would employ." *Ball Aerosol & Spec. Container v. Ltd. Brands*, 555 F.3d 984, 993 (Fed. Cir. 2009) (quoting *KSR*, 550 U.S. at 418); *see also KSR*, 550 U.S. at 416 ("The combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results").[15]

When a district court takes these inferences and creative or routine steps into account, it is proper for the district court to conclude that the result of a "combination [of prior art] would have been entirely predictable and grounded in common sense." *Ball,* 55 F.3d at 993. In the following passage from *KSR*, the Supreme Court rejected a rigid test for obviousness, and confirmed that common sense can be a reason to combine prior art to achieve the claimed invention:

> When there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions, a person of ordinary skill has good reason to pursue the known options within his or her technical grasp. If this leads to the anticipated success, it is likely the product not of innovation but of ordinary skill and common sense.

(*KSR*, 550 U.S. at 421.)[16]

Accordingly, in reaching a conclusion of obviousness based on a combination of prior art references, *KSR* expanded the sources of information upon

[15]*See also id.* at 417 ("If a person of ordinary skill can implement a predictable variation, § 103 likely bars its patentability.").

[16]*See also KSR*, 550 U.S. at 421 ("Rigid preventative rules that deny factfinders recourse to common sense, however, are neither necessary under our case law nor consistent with it.").

which a district court may rely to include "the prior art references themselves, the knowledge of those of ordinary skill in the art, the nature of the problem to be solved, market forces, design incentives, the 'interrelated teachings of multiple patents,' 'any need or problem known in the field of endeavor at the time of the invention and addressed by the patent,' or the background knowledge, creativity, and common sense of the person of ordinary skill." *Cimline, Inc. v. Crafco, Inc*., 413 Fed. Appx. 240, 245 (Fed. Cir. 2011) (citing *KSR*, 550 U.S. at 418-21).[17]

Since *KSR*, this Court has issued several decisions holding that a district court may use common sense to determine that patent claims are obvious. *See, e.g., Ball*, 555 F.3d at 992-93 ("The combination of putting feet on the bottom of the candle holder and using the cover a base for the candle holder was a predictable variation. . . . The resulting, and desired, decreased transfer between the candle holder and the supporting surface from the combination would have been entirely predictable and grounded in common sense."); *Perfect Web Techs., Inc. v. InfoUSA, Inc.*, 587 F.3d 1324, 1329 (Fed. Cir. 2009) ("Common sense has long been recognized to inform the analysis of obviousness if explained with sufficient reasoning."); *Wyers v. Master Lock Co*., 616 F.3d 1231, 1239 (Fed. Cir. 2010) ("Thus, we conclude that it was a matter of common sense to combine the prior art

[17] *See also KSR*, 550 U.S. at 420 ("Common sense teaches, however, that familiar items may have obvious uses beyond their primary purposes, and in many cases a person of ordinary skill will be able to fit the teachings of multiple patents together like pieces of a puzzle.").

barbell locks with an external sealing mechanism in order to arrive at the claimed invention of the '649 patent."); *The Western Union Co. v. Moneygram Payment Sys., Inc*., 626 F.3d 1361, 1372 (2010) ("We similarly decide that each of the other asserted claims . . . adds only trivial improvements that would have been a matter of common sense to one of ordinary skill in the art."); *Cimline,* 413 Fed. Appx. at 246-47 ("We conclude that it is a matter of common sense to combine a prior art sealant melter with a powered conveyor to create the sealant melter claimed in the '375 patent.").[18]

Here it is undisputed that the prior art discloses all of the limitations of the Claims. (*See* Sec. VII (B) (1), *supra*.) It is also undisputed that the alleged invention of the Claims is simple. (*See* Sec. V (A), *supra*.) Based on the record evidence, the District Court found that "the technology is relatively simple." (A30; *see also* A18, A22.)[19]

Against the backdrop of those undisputed facts, the District Court made numerous factual determinations supporting that the combination of the prior art would have been predictable and grounded in common sense. (*See* Sec. V (B) (b),

[18]*See also id.* ("The teachings of 'common sense' in this case derive not only from the nature of the problem to be solved, but also from market forces themselves.").
[19]On the issue of the simplicity of the Claims, IGB cites only to its expert's report (*see* Brief at 42 (citing A5374-75)) which supports that the invention of the Claims is simple by stating "Consumer acceptance for a new package is tied to simplicity. Simplicity in a package design is dependent on the number of components used in creating a finished product or package."

supra; *see also* A18, A19, A20, A22, A27, A28, A30.)[20] IGB argues only that the District Court's determination that it was common sense to combine the prior art was "conclusory" and disputed by Kellogg's rejection of the combination of *Machinery Update* and Graham and IGB's expert's conclusions. (*See* Brief at 45-49; *see also id.* at 49.)

However, to the extent IGB's contention that Kellogg rejected the combination of the prior art is relevant, the citations offered by IGB as support do not support IGB's argument. (*See* Brief at 45 (citing A6328, A6366, A6367, A6368, A6369, A6329, A6347, A4166, A4640).) Instead, they merely show that the Fuji Package (described and depicted in *Machinery Update*) was prior art, was obtained at an Interpak show that Kellogg (and IGB) employees attended, was designated confidential by Kellogg, and that Kellogg did not end up doing business with the company that made the Fuji Package at that time. (*See id*.) IGB's arguments relating to its expert's conclusions were addressed by the District Court in the numerous factual findings that are discussed below. (*See* Sec. VII (B)(2)(c), *infra*.)

Contrary to IGB's argument that the District Court did not support and articulate its factual findings supporting that a combination of the prior art would

[20] *See also* Sec. V (B)(1)(a)-(b), *supra* (listing the District Court's explicit factual findings regarding the scope and content of the prior art and any differences and that the alleged invention of the Claims was addressed to a known problem).

have been entirely predictable and grounded in common sense (*see* Brief at 43-44), the District Court made explicit and well-reasoned factual findings explaining why it was a matter of common sense to combine the traditional cookie package disclosed in Graham with the resealable package described in *Machinery Update*. (*See* Sec. V(B)(1)(c), *supra*; *see also* A18, A20-A22, A23-A28.) IGB fails to show the District Court's factual determinations that it was a matter of common sense to combine the prior art are clearly erroneous.[21]

[21]IGB also argues that the District Court justified its decision with inapplicable case law (*see* Brief at 52-55), but *Perfect Web*, *Ball Aerosol*, and *Stone Strong, LLC v. Del Zotto Prods. of Florida, Inc.* support the District Court's obviousness conclusion. In *Perfect Web*, the plaintiff conceded that prior art references disclosed three of the four steps in the claimed method, the claimed method was directed to a known problem, and the relevant technology was not "complex." 587 F.3d at 1330-31. This Court noted that the fourth step simply recited repetition of a known procedure until success was achieved, and held that the district court did not err in basing its obviousness decision on "common sense." *Id*. Similarly, in *Ball Aerosol*, this Court held that common sense supported a finding of obviousness where it was undisputed that the prior art disclosed all the limitations of the claims, that the problem that the claimed invention sought to address was known and had been addressed by others, and that the claimed invention was "simple and easily understandable." 555 F.3d at 991-93. Likewise, in *Stone Strong*, this Court held that the asserted claims were obvious as a matter of common sense where all of the relevant elements of the claimed invention existed in the prior art, the claimed invention addressed a known problem, and the claimed invention was a "simple mechanical invention." 455 F. App'x 964, 969-71 (Fed. Cir. 2011). Here, as in *Perfect Web*, *Ball Aerosol* and *Stone Strong*, it is undisputed that the prior art discloses all limitations, the Claims address a known problem, and the alleged invention of the Claims is simple. (*See* Sec. VII (B)(1); Sec. VII (B)(2)(a); Sec. V(A), *supra*.) The holding in *Cross Medical Prods., Inc. v. Medtronic Sofamor Danek, Inc.*, is readily distinguishable because that case was decided before *KSR*. 424 F.3d 1293 (Fed. Cir. 2005). In any case, the principle that the District Court cited *Cross Medical* for still stands. *See, e.g., KSR*, 550 U.S. at

c. *The District Court's Factual Determinations Rejecting IGB's And Its Expert's Arguments And Evidence Regarding A Motivation To Combine The Prior Art Are Correct.*

IGB also faults the District Court for rejecting its expert's conclusions and testimony to find that it was a matter of common sense to combine the prior art. (*See* Brief at 46-52.) Once again, IGB's arguments fail and IGB is unable to show that the District Court's factual findings were clearly erroneous.

First, most of the evidence IGB cites to is merely IGB's expert's conclusions and the patentee's statements about the combination of Graham and *Packaging News*, along with the Board of Patent Appeals and Interference's (the "Board") conclusion regarding that same combination. (*See* Brief at 46-47 (citing A6135, A1914-15, A1769, A1771, A1773, A1774-75); *see also id.* at 50-51.) But, all of this evidence is irrelevant and does not create a genuine issue of fact because it relies on *Packaging News*, and the District Court found that *Packaging News* is ***materially different*** from *Machinery Update* because *Packaging News* included a misprint that: (i) the patentee used to argue validity during the reexamination; (ii) the Board expressly relied upon to conclude that the Claims (and additional claims) were not invalid because *Packaging News* taught away from the prior art

420 ("Common sense teaches, however, that familiar items may have obvious uses beyond their primary purposes, and in many cases a person of ordinary skill will be able to fit the teachings of multiple patents together like pieces of a puzzle.").

combination; and (iii) the patentee should have disclosed to the Board. (*See* A7-A9; A15 n. 6; A36.)

Second, IGB argues that its expert's conclusions regarding *Machinery Update*, the combination of the different Re-Seal It System packages disclosed therein, and *Machinery Update* teaching away from the prior art combination used by the District Court should have precluded the District Court's obviousness conclusion at summary judgment. (*See* Brief at 48 (citing A6146-53, A6166-67); *see also id*. at 49-51.)[22] However, all of IGB's expert's conclusions were specifically addressed by the District Court, and the District Court found that IGB's expert's opinion that the Claims are not obvious in view of *Machinery Update* "does not create a genuine issue of material fact." (A20; *see also* A22.)

Regarding IGB's expert's conclusion that the different features of the Re-Seal It system depicted and described in *Machinery Update* would not have been combined (*see* A6166; Brief at 48), the District Court found that:

> the [*Machinery Update*] article ***itself*** clearly suggests that the features of Re-Seal It packages can be combined, by stating that the same

[22]IGB also argues that the District Court impermissibly modified the tray or frame of Graham based on common sense to find that the combination of *Machinery Update* and Graham met Claims 34, 35, and 42 (*see* Brief at 42-43, 50-51), and that the District Court erred in its consideration of certain dependent claims because IGB's expert concluded that certain limitations were missing (*see id*. at 51-52). Both arguments are contradicted by the District Court's correct factual determinations and do not show that the District Court committed clear error in those findings. (*See* Sec. V(B)(1)(a and b), *supra*; *see also* A12, A14-A15, A28, A22, A23, A24, A25, A26, A27, A28.)

> package shown with stacked meats can also 'be used for trays of high value prepared food such as sushi or canapés.' [A4424] No reasonable jury would believe that a food packaging expert reading that [*Machinery Update*] article would not think to combine the versions of the Re-Seal It system described.

(A20 (quoting A4424).)[23]

The District Court also dismissed IGB's expert's conclusion that *Machinery Update* teaches away from the alleged inventions of the Claims because sushi is not a type of food that is consumed over a period of time like cookies. (*See* A21 (citing A6167); *see also* Brief at 48.) The District Court stated that IGB's expert's conclusion rests on "the implication that a person skilled in the art would not see the sushi tray and think to use the same type of package with food items consumed over a period of time, like cookies"—which, the District Court found, "contradicts the Supreme Court's direction that '[a] person of ordinary skill is also a person of ordinary creativity, not an automaton." (A21 (quoting *KSR*, 550 U.S. at 421).)[24]

---

[23]Contrary to IGB's claim, the District Court did make specific factual findings regarding the Re-Seal It system packages disclosed in *Machinery Update* that included an opening in the top (*see* Brief at 49). (*See* Sec. V (B) (1) (b), *supra*; A17.) The District Court also made other explicit factual findings regarding a motivation to combine the different features of the Re-Seal It system depicted and described in *Machinery Update*. (*See* Sec. V(B)(1)(b and c), *supra*; *see also* A12, A14-A15, A17, A20, A21.)

[24]The District Court rejected IGB's expert's conclusion that because the patentee "distinguished prior art packages for storing sliced food items," the alleged invention of the Claims is distinct from the prior art packages disclosed and described in *Machinery Update* (*see* A6167-67) by finding that "the obviousness analysis does not focus on what the inventor said or did, but what a person skilled in the art would have known. *Machinery Update* states that the Re-Seal It systems

The District Court also rejected IGB's expert's conclusion that *Machinery Update* teaches away from a wrapper or overwrap tray that prevents unintentional removal because it purportedly describes an opening that extends around the side of the package. (A21.)[25] The District Court found that *Machinery Update* "suggests the various features of the Re-Seal It package can be combined, and thus does the opposite of teaching away from a combination. . . . Far from 'suggest[ing] that the line of development flowing from the reference's disclosure is unlikely to be productive of the result sought by the applicant,' . . . the article encourages the use of Re-Seal It system for different types of foods." (A21-A22 (citations omitted).)[26, 27]

---

is not limited to sliced food items but can also be used for discrete food items. Thus, the representations to the PTO do not create a triable issue." (A20-A21.)

[25]*See* Sec. V(B)(1)(b); A12; *see also* A14-15 ("As the Court has discussed, the 2002 article simply states that 'the aperture ***can*** extend around the edge of the pack itself, allowing trays of product to be easily removed for serving.' [A4424] The Re-Seal It system does not require an opening that extends around the side of the container. In fact, the image of the Re-Seal It packaging containing stacked meat only includes a top opening. [A4423]. If a frame were included in that package, it would be impossible to unintentionally remove it through the top opening.").

[26]*See* A22 ("Conclusory expert statements do not preclude a determination of obviousness where, as here, the underlying factual issues are not genuinely disputed."); *see also*, *e.g., Advanced Tech. Materials, Inc. v. Praxair, Inc*., 228 Fed. Appx. 983, 985 (Fed. Cir. 2007) (affirming summary judgment of invalidity and holding that plaintiff's conclusory expert report that disputed the clear teachings of the prior art did not create a genuine issue of material fact because it lacked substance or relevance); *Arthur A. Collins, Inc. v. N. Telecom Ltd*., 216 F.3d 1042, 1046 (Fed. Cir. 2000) ("A party may not avoid the rule [that an expert's unsupported conclusion on the ultimate issue of infringement is insufficient to raise a genuine issue of material fact] by simply framing the expert's conclusion that a

Finally, IGB's argument that the District Court erred by failing to rely on expert testimony to support its obviousness conclusion is also without merit. Consistent with this Court's decisions holding that a district court may use common sense to determine that patent claims are obvious, this Court has also held that a district court need not rely on expert testimony to reach a conclusion that patent claims are invalid as obvious. *See, e.g., Perfect Web*, 587 F.3d at 1329 ("Nor are expert opinions always a prerequisite, for '[i]in many patent cases expert testimony will not be necessary because the technology will be easily understandable without the need for expert testimony.'") (quoting *Centricut, LLC v. Esab Group, Inc*., 390 F.3d 1361, 1369 (Fed. Cir. 2004)); *Cimline*, 413 Fed. Appx. at 246 ("by extension, expert reports—even credible expert reports—are not required when the underlying factual considerations are resolved by resort to common sense. Here, the technology is easily understandable, even without the

---

particular critical claim limitation is found in the accused device"); *KSR*, 550 U.S. at 426-27 (same).

[27]Although not addressed by the District Court, IGB's expert's report does not include a statement that it is sworn to under oath or subscribed under penalty of perjury according to 28 U.S.C. § 1746, and was therefore inadmissible to oppose summary judgment. *See Jajeh v. County of Cook*, 678 F.3d 560, 568 n. 4 (7th Cir. 2012) ("District courts addressing the issue have continued to require that unsworn declarations comply with Sec. 1746 in order to be used to support or oppose a motion for summary judgment"); *Radar Indus., Inc. v. Cleveland Die & Mfg. Co*., 424 Fed. Appx. 931, 935 (Fed. Cir. 2011) (a declaration made under penalty of perjury can support or oppose a motion for summary judgment).

assistance of expert opinion.") (citation omitted); *Wyers*, 616 F.3d at 1240 ("We furthermore concluded that no expert opinion was required to support the obviousness determination because the technology was 'easily understandable.'"). Here, there is no dispute that the alleged invention of the Claims is simple. (*See* Sec. V(A), *supra*.) Accordingly, the District Court's obviousness conclusion need not be supported by expert testimony and is correct.

3. The District Court Correctly Considered The Secondary Considerations Of Nonobviousness And Found That They Did Not Overcome Kellogg's Strong Prima Facie Case Of The Obviousness Of The Claims.

IGB also argues that the District Court's failed to properly consider the secondary considerations of nonobviousness. (*See* Brief at 38-41.) IGB is wrong. Just like the other three undisputed factual determinations underlying the District Court's obviousness conclusion, the District Court considered IGB's secondary considerations before determining that the Claims were invalid as obvious.

The District Court's recitation of the law regarding obviousness demonstrates the District Court's awareness that it must evaluate secondary considerations before reaching an obviousness conclusion and that an analysis of the first three factors can lead to a *prima facie* case of obviousness. (*See* A6 ("The Court must consider four factors to determine whether claims are invalid as obvious" (quoting *Graham*, 389 U.S. at 17-18)); A6-A7 ("Even if the prior art combines to support a prima facie case of obviousness, the Court must also

consider objective evidence of non-obviousness—'secondary considerations,' as they are called.") (quotation omitted)).

Then, even before the District Court analyzed the secondary considerations, and reached its obviousness conclusion, the District Court ***again*** recognized that it must evaluate secondary considerations before determining that the Claims are obvious by stating: "Although Kellogg has made a strong prima facie showing of obviousness based on the primary considerations, the Court ***must*** also analyze secondary considerations of non-obviousness . . . ." (A28 (citing *KSR*, 550 U.S. at 406; *Wyers*, 616 F.3d at 1245).) Contrary to IGB's argument (*see* Brief at 38-41), it was only ***after*** analyzing IGB's secondary considerations, that the District Court concluded that the "secondary considerations do not overcome Kellogg's extremely strong prima facie case showing that the invention was obvious in light of *Machinery Update* . . . [and the] asserted claims are invalid as obvious." (A30.)[28]

The District Court's analysis is consistent with the Supreme Court's and this Court's teachings that: (i) secondary considerations are evaluated after a prima facie case of obviousness is made; and (ii) "secondary considerations of

[28]Likewise, IGB's assertion that the "District Court repeatedly notes its finding of obviousness before considering the objective indicia" is simply incorrect. (*See* Brief at 41.) At most, the District Court was quoting caselaw or stating that, after evaluating the first three underlying factual inquiries, Kellogg had made out a prima facie case of obviousness. (*See id.* (citing A18, A19, A22, A23, A27, A28, A30).)

nonobviousness . . . simply cannot ***overcome a strong prima facie case of obviousness***." *See, e.g., KSR*, 550 U.S. at 426 ("[F]inally, we conclude Teleflex has shown no secondary factors to ***dislodge*** the determination that claim 4 is obvious."); *Perfect Web*, 587 F.3d at 1333 ("Moreover, as we have often held, evidence of secondary considerations does not always ***overcome a strong prima facie showing of obviousness***"); *Wyers*, 616 F.3d at 1537 (collecting cases and holding "secondary considerations of nonobviousness . . . simply cannot ***overcome a strong prima facie case of obviousness***."); *Leapfrog Enter., Inc. v. Fisher-Price, Inc.*, 485 F.3d 1157, 1162 (Fed. Cir. 2007) ("[G]iven the strength of the prima facie obviousness showing, the evidence of secondary considerations was inadequate ***to overcome a final conclusion*** that claim 25 would have been obvious."); *Anderson's-Black Rock, Inc. v. Pavement Salvage Co*., 396 U.S. 57, 61 (1969) ("[Secondary considerations] without invention will not make patentability.") (quotations omitted).[29,]

[29]IGB cites two primary cases regarding secondary considerations that are easily distinguishable. (*See* Brief at 51-53.) In *Plantronics, Inc. v. Aliph, Inc.*, this Court reversed the district court's obviousness determination because it was conclusory and devoid of any meaningful analysis. 724 F.3d 1343, 1354-57 (Fed. Cir. 2013). Here, however, the District Court's summary judgment opinion contains many pages of analysis on motivation to combine and numerous explicit factual findings (*see,e.g.,* A16-23) and the District Court found that IGB had shown substantial evidence of secondary considerations that did not overcome the strong *prima facie* case of obviousness (*see* A28). In *In re Cyclobenzaprine Hydrochloride Extended-Release Capsule Patent Litig.*, this Court reversed the district court's obviousness determination because the district court impermissibly focused on objective

4. The District Court's Factual Findings That No Deference Was Owed To The PTO Was Correct Because *Machinery Update* Is New Evidence And Any Presumption Of Validity Was Greatly Diminished Or Dissipated.

IGB argues that the District Court failed to conclude that deference was owed to the PTO and that Kellogg shouldered an enhanced burden with respect to the prior art combination of *Machinery Update* and Graham. (*See* Brief at 56-59; *see also id*. at 29-30.) In support of its argument, IGB asserts that the District Court made two erroneous factual determinations: (1) *Packaging News* contained a misprint; and (2) the Board relied on the misprint and its misunderstanding in its decision. (*See* Brief at 57-58.)

IGB's argument fails because the District Court correctly found that: (i) the Board never concluded that the Claims were patentable based on *Machinery Update*; it never even considered *Machinery Update*; (ii) *Machinery Update* is materially different from the *Packaging News* article that was before the Board because of the misprint in *Packaging News*; and (iii) the Board expressly (and

---

evidence that supported its obviousness determination while ignoring other evidence that favored the plaintiff, and impermissibly shifted the burden to the plaintiff to disprove the district court's initial obviousness finding. 676 F.3d 1063, 1080 (Fed. Cir. 2012). Here, the District Court weighed all of IGB's evidence of secondary considerations in favor of IGB and IGB has provided no evidence that the District Court impermissibly shifted the burden to IGB. As discussed above, that the District Court's analysis of secondary considerations comes after it finds a strong *prima facie* showing of obviousness is consistent with this Court's teachings. *In re Cyclobenzaprine* is also distinguishable because it involved patents related to various treatments for muscle spasms, not a simple invention.

repeatedly) relied upon the misprint and the patentee's associated misrepresentations to conclude that *Packaging News* taught away from any combination with Graham. (*See* A8-A11.)[30]

Specifically, the District Court correctly found that *Packaging News* contained a misprint and that no deference was owed to the PTO because "*Packaging News* and *Machinery Update* are not substantially the same" (A8) and because "[I]t is undisputed that the Board, in its opinion reversing the examiner's finding of obviousness, did not consider *Machinery Update*." (A9 (citing A1905-1907).)[31]

The District Court also made numerous additional factual determinations regarding the misprint in *Packaging News* and the Board's failure to consider *Machinery Update* (*see* A8 (comparing A4713 with A4424), A8 (citing A4936), A8-A9)), along with the effect that the *Packaging News* misprint had on the Board's decision holding that *Packaging News* taught away from any combination with Graham (*see* A8-A11, A9 (citing A1912-1915), A9 (citing A1912-1916), A15-16 (citing A1915), A35-A36)). IGB is unable to show that any of those

[30]In the reexamination of the '532 patent, the Board allowed the Claims over the combination of *Packaging News* and Graham—not *Machinery Update* and Graham. (*See* Brief at 57 ("Although the Board did not review (because the Examiner did not issue) an express rejection based on Machinery Update (2002).)

[31]*See Tokai*, 632 F.3d at 1367 ("An added burden of deference to the PTO is not required, however, with respect to invalidity arguments based on evidence that the PTO did not consider.")

determinations were clearly erroneous and their impact is further discussed below. (*See* Sec. D, *infra*.)

The District Court's conclusion that no deference is owed the PTO because *Machinery Update* was not before the Board and constituted new evidence, is correct. Moreover, the District Court could have concluded that any presumption that the PTO approved the claims as valid is greatly diminished or dissipated. *See, e.g., KSR*, 550 U.S. at 427 ("We need not reach the question whether the failure to disclose Asano during prosecution of [the patent-in-suit] voids the presumption of validity given to issued patents, for claim 4 is obvious despite the presumption. We nevertheless think it appropriate to note that the rationale underlying the presumption—that the PTO, in its expertise, has approved the claim—***seems much diminished here***."); *Microsoft Corp. v. i4i Ltd. P'ship*, 564 U.S. 91, 111 (2011) ("When new evidence touching the validity of the patent not considered by the PTO is relied on, the tribunal considering it is not faced with having to disagree with the PTO or with deferring to its judgment or with taking its expertise into account.") (quoting *American Hoist & Derrick Co. v. Sowa & Sons, Inc*., 725 F.2d 1350, 1360 (Fed. Cir. 1984)).[32]

[32]In addition, Kellogg moved for summary judgment that all of the dependent Claims are obvious (*see* A4189-91), and IGB failed to oppose Kellogg's motion on that ground (*see* A4926 ("The Asserted Independent Claims Are Not Obvious")). IGB's failure to address those grounds indicates the absence of any genuine issue, and constitutes a waiver of IGB's argument on the nonobviousness of the

C. KELLOGG'S PRODUCT DOES NOT LITERALLY INFRINGE THE ASSERTED CLAIMS OF THE '532 PATENT.

The District Court correctly held that the Product does not literally infringe the Claims based on its proper construction of "***sealing layer***" and the undisputed factual findings that the Product does not have the claimed "sealing layer."

1. The District Court Correctly Construed The Term "Sealing Layer."

The District Court correctly construed the term "sealing layer" to mean "a distinct layer from the top of the container." (*See* A44; *see also* A45 ("the clear language of the claims, which as discussed earlier make it clear that the sealing layer is not part of the top; it is a distinct layer that seals to the top.").) At claim construction, IGB argued that "the sealing layer is part of the top of the container, not a distinct layer." (*See* A44; *see also* A3253.) But the District Court correctly noted that "[t]he claim language expressly requires the sealing layer to be "***sealed to*** said top." (*See* A44; *see also* A3-A4, A94, A100.) Thus, the District Court reasoned that the "sealing layer cannot be ***sealed to*** the top of the container if it ***is*** part of the top." (A44.) The District Court also correctly noted that, in accordance with the claim language, "the patent specification differentiates the sealing layer

---

dependent Claims. *See Fresenius USA, Inc. v. Baxter Int'l, Inc.*, 582 F.3d 1288, 1296 (Fed. Cir. 2009) ("If a party fails to raise an argument before the trial court . . . we may deem that argument waived on appeal"); *Wojtas v. Capital Guardian Trust Co.*, 477 F.3d 924, 926 (7th Cir. 2007) (holding that non-movant's failure to offer any opposition to an argument in support of movant's motion for judgment on the pleadings constituted a waiver).

from the component(s) of the container that form its top." (A45, A6623; *see also* A31 (citing A44-A45) ("The Court concluded that the 'sealing layer' as used in claims 1 and 34 must be a distinct layer from the top of the container, because 'the patent specification differentiates the sealing layer from the component(s) of the container that form its top.'").)

IGB does not dispute the District Court's construction of "sealing layer." (Brief at 62 ("The district court's original construction . . . is also acceptable").) Rather, IGB argues (incorrectly) that "the court changed its construction to require that the sealing layer be a 'separate piece of material' from the top of the container." (*Id*. at 61.) IGB's assertion that the District Court "changed" its construction of "sealing layer" is without merit and is based on only the following line in the District Court's opinion: "In other words, the sealing layer must be a separate piece of material, although it can be made of the same ***type*** of material as the rest of the top." (A32.)[33] IGB argues that "[t]o the extent the court believed that a sealing layer that is made of the same material as the top cannot also 'seal[] to said top' … that was error." (*See* Brief at 62.) But the District Court clearly

[33]*See also id.* ("Kellogg says that sealing layer means 'a layer of material distinct from the top of the wrapper having adhesive thereon for sealing to the upper surface of the top of the wrapper.' . . . The Court agrees with Kellogg that the claim language requires the sealing layer to be a distinct layer from the top of the container.").

stated that the "sealing layer" ***can*** be made of the same ***type*** of material as the top. (A32.)

The District Court's claim construction order stated that its construction of the term "sealing layer" "does not mean, however, that the sealing layer must be ***physically separated*** from the top of the container or, more specifically, from the wrapper that forms the top of the container as described in claim 1." (A45.) IGB fails to show how the District Court's statement that "the sealing layer must be a separate piece of material" is in any way inconsistent with the District Court's claim construction, namely, that the "sealing layer" must be a distinct layer from the top. Clearly, the "sealing layer" and the top are not ***distinct*** layers if they are the same layer or piece of material.

The consistency in the District Court's statements is clear from the laminated layers example provided in the District Court's claim construction order. The District Court explained that two layers of material (*i.e.* the sealing layer and a layer of the top of the wrapper) that are laminated together, while not "physically separated," are no less distinct layers. (A45 ("In particular, the requirement of a distinct layer does not preclude the sealing layer from being laminated to another layer or layers of the wrapper. One layer of material that is laminated to another is no less a distinct layer.").) In the District Court's example, however, the sealing layer and the layer of the wrapper must still be "separate pieces of material" (*i.e.*

separate laminated layers) in order to be distinct layers. Thus, there is no real dispute that the District Court correctly construed the term "sealing layer."

Claim 2 confirms that the District Court's "sealing layer" construction is correct. Claim 2, which depends from Claim 1, claims a package where a "flap" ***is*** part of the top and is affixed to the claimed "sealing layer." (A94 ("said top of said wrapper comprises a flap hav[ing] substantially the same dimensions as said opening and affixed to said sealing layer").) Claim 2 confirms what the District Court (and Kellogg) have said all along: the sealing layer is distinct from the top. IGB's claim differentiation argument with respect to Claim 2 is based on its misreading of the Court's claim construction ruling and is irrelevant. (*See* Brief at 64-65.)

2. The District Court Correctly Held That Kellogg's Product Does Not Have A "Sealing Layer."

There is no dispute that all of the Claims require a "sealing layer." (A94, A100, A6612-19 ¶¶ 11-23.) Moreover, all of the Claims require that the wrapper form the top of the container. (*See, e.g.,* A3-A4, A94 (Claim 1: "said wrapper forming the top, sides, and bottom of the container"), A100 (Claim 34: "the overwrap forming an overwrap top").)

The District Court correctly found that there is no dispute that the structure of the Product that Plaintiff believes satisfies the "sealing layer" limitation ***is the top of the Product wrapper***. (A32 ("IGB does not dispute that the accused

products' purported 'sealing laying' is part of the same piece of material as the top of the packaging; it is created by cutting a flap from the top of the wrapper."), A33 ("The parties do not dispute the structure of the accused products.").) The District Court's finding is undisputed. (*See, e.g.,* A4326, A4362-63, A4385-93 ¶¶ 79-83, 95-98, 114-117, A6621-22 ¶¶ 29, 31, A6628-30 ¶¶ 52, 53.)

The District Court's claim construction does ***not*** permit the same structure to be both the top of the container ***and*** the "sealing layer." (A44.) Thus, the District Court correctly found that Kellogg's Product cannot literally infringe the "sealing layer" limitation. (A32 ("Because the top and the cut-out flap are not 'distinct layers' in the accused products—rather, they are part of the same layer—Kellogg does not literally infringe the sealing layer limitation.").) Simply put, there is no genuine dispute that the Product does not have a "sealing layer."

The claims are clear: (i) the wrapper forms the top of the container and (ii) the top of the container and the sealing layer must be distinct. (A3-A4, A94, A100, A43-46; *see also* A32 (citing A43-A45), A7249-55.) Thus, the portion of the wrapper that forms the top of the container cannot also be the claimed "sealing layer."[34] (*See* Sec. V (B) (2) (b), *supra*.) Accordingly, the District Court correctly held that the Product does not literally infringe the Claims.

[34]IGB relies on its technical expert to identify the purported "sealing layer" of the accused products. (Brief at 62.) But Dr. Singh' *ipse dixit* does not render the accused "sealing layer" distinct from the top of the accused products. For

3. Kellogg's Product Also Does Not Infringe The Claims Because It Does Not Meet The Sealing Layer, "Adhesively Sealed To Said Top" Or "Reclosable Against Said Top" Limitations.

The Product also does not literally infringe the Claims because the alleged "sealing layer" does not adhesively seal to the top and is not reclosable against the top, as required by the Claims. (A3-A4, A94, A100.) Rather, what IGB argues meets the "sealing layer" element, *i.e.*, the top of the container, is adhesively sealed to and reclosable against only an adhesive collar affixed underneath the wrapper that is not part of the wrapper—and hence not part of the top of the container. (A4344-49, A4371-410 ¶¶ 84-91, 99-104, 118-23, A6627-31 ¶¶ 49, 54, 56.)[35]

This Court would need to adopt a logical contradiction in order to find that the alleged "sealing layer" adhesively seals to the top and is reclosable against the top. On one hand, IGB argues that the portion of the wrapper of the Product that ***forms*** the top is ***not*** the top to meet the District Court's construction of "sealing layer." On the other hand, IGB argues that the adhesive collar that is ***affixed*** to the

---

example, IGB's technical expert opined that the purported "sealing layer" in the Product starts out as the ***top*** of the wrapper, *i.e.*, the top of the container, but ***transforms*** into the claimed "sealing layer" by cutting the top of the wrapper and adding an adhesive collar to the underneath of the wrapper. (A4826-27 at ¶¶ 57-60.) Of course, cutting a flap in the top of the wrapper does not make it any less the top of the wrapper. Simply put, cutting the top of the wrapper does not cause the top to become a separate layer distinct from the top of the wrapper that seals to the top. (*See also*, *e.g.*, A7241-46, A7248.)

[35]IGB adopted Kellogg's exact reasoning when it asserted that simply because a tamper-evident sticker is "applied" to the top of a package does not mean that the sticker is "part of" the top of that package. (A4665.)

wrapper top ***is*** the wrapper top to meet the "adhesively sealed to said top" and "reclosable against said top" limitations. IGB's infringement position violates not only the plain language of the Claims and the District Court's claim construction, it violates the internal logic of IGB's own arguments.

D. THE DISTRICT COURT ERRED IN ITS GRANT OF IGB'S MOTION FOR SUMMARY JUDGMENT THAT THE '532 PATENT IS NOT UNENFORCEABLE BASED ON INEQUITABLE CONDUCT.

To resolve Kellogg's unenforceability counterclaim on summary judgment, the District Court made several factual findings based on improperly drawn inferences in IGB's favor, and further made credibility determinations that are inappropriate for summary judgment.

Contrary to the District Court's decision, during the prosecution and reexamination of the '532 patent, the patentee engaged in inequitable conduct by knowingly mischaracterizing the teachings of *Packaging News* and by withholding material information showing that *Packaging News* discloses the limitations of the Claims. The patentee also deliberately withheld its own knowledge of anticipating prior art from the PTO. The summary judgment record considered in a light favorable to Kellogg, along with this Court's *Ohio Willow* decision, compels reversal because the patentee's conduct necessitates a finding of inequitable conduct. At a minimum, there are genuine issues of material fact that prevent the entry of summary judgment.

1. This Court's *Ohio Willow* Decision And Its Discussion Of The Summary Judgment Standard As Applied To Inequitable Conduct Demonstrates That The District Court Erred.

"Summary judgment is only proper when there are no disputed issues of material fact, even after viewing all reasonable inferences drawn from the record in the light most favorable to the non-movant." *Ohio Willow*, 735 F.3d at 1341-42. "Credibility determinations, the weighing of the evidence, and the drawing of legitimate inferences from the facts are jury functions, not those of a judge, whether he is ruling on a motion for summary judgment or for a directed verdict." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 255 (1986).

In the context of inequitable conduct, materiality must be established by a preponderance of the evidence. *Ohio Willow*, 735 F.3d at 1345. "Typically, an allegation of inequitable conduct before the PTO requires proof that the patentee withheld or misrepresented information that, in the absence of the withholding or misrepresentation, would have prevented a patent claim from issuing." *Id*. (citations omitted). Materiality is presumed when the patentee commits an affirmative act of egregious misconduct. *Id*. "Smoking gun" evidence of an intent to deceive is not required. *See id*. at 1351 ("The specific intent to commit inequitable conduct may be inferred from indirect and circumstantial evidence.") A genuine issue of material fact exists regarding intent to deceive where a

misrepresentation is "directly refuted by credible evidence that [the patentee] did not otherwise disclose." *Id*.

The *Ohio Willow* case is instructive. There, this Court reversed the district court's grant of summary judgment of no inequitable conduct and remanded that issue for trial. *Ohio Willow*, 735 F.3d at 1341. The claim of inequitable conduct in *Ohio Willow* related to whether the patentee withheld evidence that corroborated a witness' testimony and misrepresented whether, and to what extent, the witness had an interest in the outcome of the dispute to encourage the Board to disregard that testimony (and therefore uphold the validity of the patent). *Id*. at 1345-47. Viewing the evidence in a light most favorable to the alleged infringer and nonmovant, this Court concluded that the weight of the withheld evidence lended credibility to the witness' testimony. *Id*. at 1349. This Court also concluded that the patentee's misrepresentations to the Board regarding the witness' interest in the outcome of the dispute were "tantamount to the filing of an unmistakably false affidavit." *Id*. at 1350-51. On these grounds, the *Ohio Willow* Court held that genuine disputes of material facts existed regarding materiality and intent to deceive that prevented the entry of summary judgment in the patentee's favor. *Id*. at 1347-1352.

2. It Is Undisputed That The Patentee's Failure To Disclose The *Packaging News* Misprint, Deliberate Misrepresentations Regarding *Packaging News*, And Reliance On That Misprint Were Material To Patentability.

As in *Ohio Willow*, here the patentee withheld and misrepresented critical information that, if disclosed, would have prevented the '532 patent from surviving reexamination. The reexamination petition asserted that the claims were invalid as either anticipated and/or obvious in view of *Machinery Update* and *Packaging News*. (A6940 (citing A669-A672).) While *Machinery Update* and *Packaging News* both relate to the Fuji Package (*see* A8), there is one crucial difference: *Packaging News* contains a misprint that becomes evident when it is compared to *Machinery Update*. *Machinery Update* clearly states that "[t]he Re-Seal-It system operates ***with*** conventional wrapping film" (A4828 (citing A4424)), while *Packaging News* states that "[t]he [Reseal-It] system operates ***without*** conventional wrapping film" (A6940 (citing A4713)).

The PTO granted the reexamination. (A6940 (citing A669-A672.) But, not realizing the misprint in *Packaging News*, the PTO found that *Machinery Update* was "substantially equivalent to the disclosure of Packaging News" and failed to consider *Machinery Update*. (A6940-A6941 (citing A672-A675.) Thus, during the Reexamination, the PTO relied on the misprint in *Packaging News* that disclosed the ***exact opposite*** of that disclosed in *Machinery Update*. Although the patentee knew of the differences between *Machinery Update* and *Packaging News*,

including the misprint in *Packaging News* (A6941-A6944 (citing A6888, A6906-A6915, A6918-A6919, A6879, A6900-A6902), A6951 (citing A6907 and A6909)), the patentee withheld this crucial difference. Indeed, rather than disclose it, as required by the duty of candor, the patentee expressly and repeatedly ***relied*** on the misprint as evidence of the alleged patentability of the '532 patent and emphasized its supposed relevance, stating:

- "Indeed, the Packaging News article ***teaches away*** from the proposed combination by its depiction of a tray that is performing a protection function, its statement that it 'operates ***without*** conventional wrapping film' …" and "One passage in the Packaging News Article that leads the reader away from flow wrapping a tray is as follows: '[t]he system operates without conventional wrapping film.'" (A6945 (citing A871).)

- "Packaging News specifically touts cost advantages through the elimination of unnecessary materials. For example, Packaging News states that '[t]he system operates ***without*** conventional wrapping film.'" (A6945-A6946 (citing A897-A898, A903-A909).)[36]

To cap the patentee's repeated, deliberate mischaracterization of *Packaging News*, during oral argument before the Board, the patentee's counsel was twice explicitly asked whether certain portions of *Packaging News* disclosed flow wrapped goods and a wrapper surrounding a tray. On each of those occasions, the patentee's counsel stated that *Packaging News* did ***not*** disclose flow wrapped

[36] *See also* A6945 (citing A731).

goods and a wrapper. As the District Court noted, the following exchanges occurred:

- Q "In looking at this photograph that's reproduced in this 'Packaging News' document, it appears that there is something on the—below the tray, meaning a wrap of some sort, that goes underneath the tray. Is that a correct characterization?"
  A "***No, Your Honor. There's no evidence that there is any sort of surrounding wrapper***."

(A36 (citing A2928).)

- [Referring to the *Packaging News* article] Q "Allows flow wraps to be shown mounted on a Fuji flow wrapper reseal. It allows flow wraps of bacon, sliced cooked meat, cheese and similar food to be opened and then resealed. What is that talking about there? They're talking about flow wraps."

  A "***We understand that to***--they're talking about the types of foods that would have normally been flow wrapped; now they're using this new technology. And if I could direct your attention to the bottom paragraph in the left, it says '***The system operates without conventional wrapping film***. . . .'"

(A36 (citing A2932).)

The referenced picture and passage from *Packaging News* clearly show and discuss conventional flow-wrapping film and a wrapper surrounding a tray. Indeed, several of IGB's own witnesses, including its own expert, confirmed that *Packaging News* discloses both conventional flowrap film and a wrapper surrounding a tray. (A6948-A6949 (citing A6810, A6811, A6804); A4832 (citing A4487, A4706-A4713, A4488).)

The Board reversed the examiner's rejections, finding all claims of the '532 patent to be patentable. (A6949 (citing A1902-A1916).) In doing so, the Board unknowingly ***expressly cited*** the misprint in *Packaging News* as support for its decision, finding that "the Examiner's articulated rationale does not appear to account for the fact that Packaging News teaches to ***not*** utilize conventional wrapping film… This teaching by Packaging News which specifically '***operates without conventional wrapping film***' … would lead a person of ordinary skill in the art away from using a wrapper surrounding a frame, that is, in 'a direction divergent from the path that was taken by the applicant.'" (A6949-A6950 (citing A1912).)

The District Court found that "based primarily on the conclusion that a wrapperless version of the Re-Seal It package taught away from combining the elements, the Board declared the patent valid as non-obvious." (A9 (citing A1912-1916).) Because the Claims would not have issued had the patentee informed the Board of the *Packaging News* misprint and not made material misrepresentations to the Board regarding *Packaging News*, the misprint and the patentee's misrepresentations are highly material to the patentability of the '532 patent. Moreover, the patentee and its counsel's misrepresentations to the Board regarding *Packaging News* and the Re-Seal It technology described and depicted in *Packaging News* are tantamount to filing an unmistakably false affidavit that

constitutes affirmative acts of egregious misconduct such that materiality is presumed. *Ohio Willow,* 735 F.3d at 1345.

The District Court's rebuke highlights counsel's wrongdoing and its error: "Although IGB's attorney during the reexamination proceedings ***should have notified*** the Board that the *Machinery [Update] Article* described the same packaging as ***including conventional wrapping***, he merely restated the contents of the misprinted article." (A36.) At a minimum, these facts present a genuine dispute regarding whether the patentee's and its counsel's withholding and misrepresentations are material to the patentability of the '532 patent.

3. There Is At Least A Genuine Dispute Regarding Whether The Patentee And Its Counsel Intended To Deceive The PTO Regarding *Packaging News*.

All that Kellogg must show to overcome summary judgment is that the patentee's and its counsel's misrepresentations are "directly refuted by credible evidence that [the patentee] did not otherwise disclose." *Ohio Willow*, 735 F.3d at 1351. It is undisputed that the patentee and its counsel knew that *Packaging News* contained a misprint. (*See* A6941-6944 (¶¶ 37-48), A6951 (¶¶ 66-68).) As the District Court found, *Packaging News* included both a picture and text suggesting that it contained a misprint. (*See* A8 (citing A4713).) The patentee's in-house patent prosecution counsel and outside reexamination counsel admitted to reading and understanding the *Machinery Update* and *Packaging News* articles during the

reexamination of the '532 patent. (A6942 (¶¶ 41-43), 6943-6944 (¶¶ 46-48).) The patentee's outside reexamination counsel admitted that his firm conducted legal research regarding "vague and ambiguous prior art references" and that such language referred to *Packaging News*. (A6941-6943 (¶¶ 38-40, 44).) Yet, the patentee and its counsel repeatedly cited to and relied upon the *Packaging News* misprint to support its claim for patentability, never disclosed the existence of the misprint to the PTO, and made misrepresentations regarding *Packaging News*. (*See* A6945-6948 (¶¶ 50-57).) The ***only*** reasonable inference, viewing this evidence in a light favorable to non-moving party Kellogg, is that the patentee and its counsel knowingly withheld and relied on the *Packaging News* misprint to deceive the PTO. The District Court either ignored this evidence or considered it in a light favorable to IGB, the movant, to incorrectly conclude that "[t]here is no evidence that the attorney knowingly failed to identify the inconsistency between the two articles." (A36.)

4. The District Court Erroneously Resolved All Issues In Favor Of IGB To Conclude That The Patentee Did Not Commit Inequitable Conduct During The Original Prosecution Of The '532 Patent.

Kellogg's second basis for inequitable conduct, namely, the patentee's failure to disclose the Fuji Package during the prosecution of the '532 patent, should also survive summary judgment. The District Court focused almost exclusively on the actions of Mr. Ron Exner. (A37.) The District Court found that

Mr. Exner received an email about the Fuji Package and that one of the inventors of the '532 patent contacted Mr. Exner to ask about prior art in 2003. (A37.) Yet, the District Court incorrectly resolved all issues in IGB's favor by finding that Mr. Exner was merely copied, did not acknowledge receipt of the Fuji Package email, and that there are many reasonable inferences that can be drawn regarding the Fuji Package email that was sent to Mr. Exner. (A37.)

The patentee's failure to disclose the existence of the Fuji Package to the PTO was committed with the intent to deceive the PTO and was material to the patentability of the '532 patent. The ***only*** reasonable inference to take from the patentee's failure to disclose the Fuji Package is that the patentee had an intent to deceive and that the PTO would not have issued the '532 patent but for the omissions of information regarding the Fuji Package. (*See* Sec. V(C), *supra*.; *see* A4924-4926.) At a minimum, there are genuine issues of material fact relating to materiality and intent to deceive elements of inequitable conduct, concerning the patentee's withholding of the Fuji Package from the PTO.

E. THE DISTRICT COURT'S CLEAR ERROR IN ITS DENIAL OF KELLOGG'S MOTION FOR SUMMARY JUDGMENT OF NON-INFRINGEMENT UNDER THE DOCTRINE OF EQUIVALENTS PROVIDES THIS COURT WITH AN ALTERNATE GROUND TO AFFIRM THE JUDGMENT IN KELLOGG'S FAVOR.[37]

1. The Claimed "Sealing Layer" Is Entitled To An Especially Narrow Scope Of Equivalents.

The nature of an invention controls the scope of permissible equivalents. *See, e.g., Moore U.S.A., Inc. v. Standard Register Co.,* 229 F.3d 1091, 1106 (Fed. Cir. 2000). Where an invention is structurally simple, and claimed in specific terms, the range of permissible equivalents is narrow. *See, e.g., Sage Prods., Inc. v. Devon Indus., Inc.*, 126 F.3d 1420, 1425 (Fed. Cir. 1997). Here, as in *Sage,* the claimed invention is entitled to a narrow range of equivalents because it is undisputed that the Claims of the '532 patent are directed to a simple, resealable container. (*See* Sec. V(A), *supra*.) Indeed, the District Court found that the claimed technology is "simple." (A16-17, 22.) Thus, under the *Sage* Court's approach, the claimed "sealing layer" is entitled only to a narrow range of equivalents.

[37] The Court "must affirm the decision of the district court if it is supported by any ground properly preserved on appeal." *See Ethicon Endo–Surgery,* 93 F.3d at 1582.

2. The Alleged "Sealing Layer" Of Kellogg's Product Is Not Equivalent To The Claimed "Sealing Layer."

The District Court compared the claimed "sealing layer" to the structure of the Product that allegedly meets that limitation, and correctly found that there was a "material" difference between the two structures. (A34.) The District Court erred, however, by ignoring that material difference and by holding that "a reasonable jury could find that the [Product] is identical in structure to the patented invention." (A34.) The District Court's holding violates the all elements rule and requires reversal.

a. *The District Court Correctly Found That There Is A "Material" Difference Between The Claimed "Sealing Layer" And The Alleged "Sealing Layer" Of Kellogg's Product.*

The District Court's claim construction order requires that the claimed "sealing layer" be ***distinct*** from the top of the container. (A44.) The District Court found that "the top and the cut-out flap [*i.e.*, the alleged sealing layer] are not 'distinct layers' in the accused products—rather, they are part of the same layer…." (A32.) The District Court also found that IGB does not dispute that fact. (A32.) Given these factual findings, the District Court concluded that the Claims claim a "different sealing layer structure" than the Product—a difference that the District Court characterized as "material." (A34.)

The District Court's finding that there is a "material" difference between the claimed and alleged "sealing layer" is well founded. No reasonable jury could conclude that the difference between the claimed "sealing layer" and the alleged "sealing layer" of the Product is trivial or insubstantial. A structure that ***is*** the top cannot be equivalent to a structure that is ***distinct from*** the top. The District Court accurately characterized this difference as "material." (A34); *See Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushii Co., Ltd.*, 535 U.S. 722, 733 (2002) (holding that the doctrine of equivalents "allows the patentee to claim those insubstantial alterations that were not captured in drafting the original patent claim but which could be created through trivial changes."); *Sage,* 126 F.3d at 1424 ("The doctrine of equivalents prevents an accused infringer from avoiding infringement by changing only minor or insubstantial details of a claimed invention while retaining their essential functionality."). From a different perspective, the difference between the claimed "sealing layer" and the alleged "sealing layer" of the Product is material because a structure cannot simultaneously "be" the top (or part of it) and be "distinct from" the top—they are antithetical concepts, which cannot be equivalent. *See, e.g., Planet Bingo, LLC v. Gametech Int'l, Inc.*, 472 F,3d 1338, 1345 (Fed. Cir. 2006).

b. *The District Court Failed To Apply The All Elements Rule.*

Under the all elements rule, IGB must prove ***on an element-by-element basis*** that the differences between the claimed invention and the Product are "insubstantial." *Warner Jenkinson Co., Inc. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 40 (1997) ("The determination of equivalence should be applied as an objective inquiry on an element-by-element basis."). Here, the District Court correctly found that there is no genuine dispute that the claimed "sealing layer" is materially different from the allegedly equivalent structure of the Product, *i.e.*, the top. (A34.) In view of this material difference, the all elements rule confirms that the Product cannot infringe any of the Claims under the doctrine of equivalents. Indeed, IGB's own expert concedes this conclusion. (A4827 (¶ 61) (citing A4310 (239:10-18)).)

F. THIS COURT'S RESOLUTION OF THE PRIOR ART STATUS OF THE ANTICIPATORY FUJI PACKAGE PROVIDES AN ALTERNATE GROUND TO AFFIRM THE JUDGMENT IN KELLOGG'S FAVOR.

This Court can also uphold the District Court's judgment that the Claims of the '532 patent are invalid on the basis that they are anticipated by or rendered obvious by the Fuji Package because the Fuji Package (or a version of the Re-Seal It System) is prior art and it is undisputed that it meets all of the limitations of the Claims.

1. The Fuji Package Is Prior Art To The '532 Patent.

The Fuji Package is prior art to the '532 patent under 35 U.S.C § 102(a) because it was known or used in the United States prior to the claimed invention of the '532 patent. To be known or used in the United States means that such knowledge or use was, at most, available to the public without "affirmative steps to conceal." *Ormco Corp.*, 463 F.3d at 1305-06. In this context, the "public" means those skilled in the art. *Kyocera Wireless Corp. v. Int'l Trade Comm'n*, 545 F.3d 1340, 1350 (Fed. Cir. 2008). Thus, prior art status under 102(a) requires only that the art in question be known to or used by persons other than the inventor that have no limitation, restriction or obligation of secrecy to the inventor of the art. *See Baxter Int'l, Inc. v. COBE Labs., Inc*., 88 F.3d 1054, 1058 (Fed. Cir. 1996). "The inquiry is ***not*** whether the third person to whom an invention is disclosed makes an open and obvious use of it, but whether the inventor himself has made a use of his invention which is 'public' because it was ***given to a member of the public without restriction***." *Pronova Biopharma Norge AS v. Teva Pharm., Inc*., 549 Fed. Appx. 934, 940 (Fed. Cir. 2013).

The Fuji Package constitutes prior art because it was known in the United States to Kellogg, who had no limitations, restrictions or obligations of secrecy to the inventor of the Fuji Package—Macfarlane Sweden AB—with respect to its disclosure or dissemination. According to Supreme Court precedent, unrestricted

use by only one member of the public is sufficient to invalidate a patent under section 102(a) for prior public use. *See Egbert v. Lippmann*, 104 U.S. 333, 336 (1881) ("If an inventor, having made his device, gives or sells it to another, to be used by the donee or vendee, without limitation or restriction, or injunction of secrecy, and it is so used, such use is public, even though the use and knowledge of the use may be confined to one person.").

Here, the District Court found that Kellogg had unrestricted access to the Fuji Package in the United States prior to the date of the claimed invention of the '532 patent. (A31 at n. 7.) Whether Kellogg kept their knowledge of the Fuji Package to themselves is irrelevant. *See Egbert*, 104 U.S. at 336. Thus, the Fuji Package constitutes prior art under 35 U.S.C. § 102(a).

The parties' submissions to the District Court confirm that Kellogg had unrestricted access to the Fuji Package in the United States prior to the date of the claimed invention of the '532 patent. It is undisputed that Defendants' employees from the United States received a sample of the Fuji Package at the April 2002 Interpack trade show, brought the sample back to the United States, photographed it, and described it in a document it circulated to its packaging engineers, titled Interpack Packaging Brief. (*See* A6745-54 ¶¶ 233-240; *see also* A4697-700; A4702-04; A4803; A4332; A4903-04, 07-09; A7069-70, 72.) Kellogg prepared the Interpack Packaging Brief shortly after the Interpack show concluded on April

30, 2002. (*Id*.) The Interpack Packaging Brief contains the photographs of the Fuji Package brought back from Germany that Kellogg's employees took in the United States, and further describes the Fuji Package as of its last modification date on May 10, 2002. (*Id*.) Kellogg circulated the Fuji Package to its other packaging design employees in the United States at that time. (*Id*.) Accordingly, under the Supreme Court's ruling in *Egbert*, the Fuji Package was known to the Kellogg in the United States prior to the date of the claimed invention of the '532 patent, and constitutes prior art under 35 U.S.C. § 102(a).

2. The District Court Found That *Machinery Update* Describes The Fuji Package And That It Is Undisputed That *Machinery Update* Discloses All Of The Limitations Of The Claims With The Exception Of The "Frame."

The District Court found that *Machinery Update* depicts and discloses the Fuji Package. (*See* A8 ("[*Packaging News* and *Machinery Update*] describe a resealable food package called the Re-Seal It system (also known as the Fuji Package)."); *see also* A10 n. 3 ("The parties dispute whether one reference, the sample of the Re-Seal It technology (also referred to as the Fuji Package)."); A10 ("The [*Machinery Update*] articles describe and depict variations of the Re-Seal It system."); A6648-56, 6717-19 ¶¶ 92, 94, 97-99, 213, 214; A4490-91; A4501-03;

A4520-21.)[38] The District Court also found that there is no genuine dispute that *Machinery Update* discloses all of the structural limitations recited in the Claims with the exception of the "frame" limitation.[39] (A11-15, 23-28.)

3. IGB Does Not Dispute That The Fuji Package Discloses A "Frame" Or Tray With Bottom And Sides.

IGB does not dispute that the Fuji Package itself discloses a "frame." (A7170, A6706-17, 41-45 ¶¶ 202-205, 208-12, 230, 232; A4679-80; A4686-87; A4496-500; A4692-93; A4317; A4647, 53-54; A4663, 70.)

4. The Fuji Package Discloses All Of The Limitations Of The Dependent Claims.

The Fuji Package also discloses the limitations of the dependent Claims. (*See, e.g.,* A4857-62 ¶¶ 188-90, 192-96; A6693-703, 05-17, 41-45 ¶¶ 188-190, 192-97, 200-205, 208-12, 230, 232; A4679-80; A4686-87; A4496-500; A4692-93; A4317; A4646-49, 51-58; A4663-65, 67-73; A23-27.)

[38]Plaintiff does not dispute that "*Machinery Update* is legal prior art and may be considered by the jury for anticipation and obviousness." (*See* A10-11; *see also* A4909.)

[39]The District Court noted that it is unclear from the picture in *Machinery Update* whether the tray depicted in that picture possessed sides. (A12.)

VII. CONCLUSION

For the foregoing reasons, Kellogg respectfully requests that this Court enter an order affirming the judgment of the District Court.

May 25, 2017

Respectfully submitted,

/s/ James J. Lukas, Jr.
Richard D. Harris
James J. Lukas, Jr.
Mathew J. Levinstein
GREENBERG TRAURIG, LLP
77 West Wacker Drive, Ste. 3100
Chicago, IL 60601
Telephone: (312) 456-8400
Facsimile: (312) 456-8435

Attorneys for Appellees-Cross-Appellants Keebler Company, Keebler Foods Company, Kellogg North America Company, Kellogg Sales Company, and Kellogg USA, Inc.

CERTIFICATE OF COMPLIANCE

This brief complies with the type-volume limitation of Federal Rule of Appellate Procedure 37(a)(7). The brief contains 16,444 words, excluding parts exempted by Federal Rule of Appellate Procedure 32(a)(7)(B)(iii). This brief complies with the typeface requirements of Federal Rule of Appellate Procedure 32(a)(5) and the type style requirements of Federal Rule of Appellate Procedure 32(a)(6). The brief has been prepared in proportionally spaced typeface using Microsoft Office Word 2010 with 14 point Times New Roman type style.

May 25, 2017.

/s/ James J. Lukas, Jr.
James J. Lukas, Jr.

CERTIFICATE OF SERVICE

I hereby certify that, on this 25th day of May, 2017, I filed the foregoing Corrected Cross-Appellants' Opening and Response Brief with the Clerk of the United States Court of Appeals for the Federal Circuit via the CM/ECF system, which will send notice of such filing to all registered CM/ECF users.

/s/ James J. Lukas, Jr.
James J. Lukas, Jr.

Counsel for Appellees and Cross-Appellants