UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

VELOCITY PATENT LLC,)
Plaintiff, v.))) Case No. 13-cv-8413
MERCEDES-BENZ USA, LLC; MERCEDES-BENZ U.S. INTERNATIONAL, INC.,) Judge John W. Darrah))
Defendants.)
VELOCITY PATENT LLC,	-))
Plaintiff, v.)) Case No. 13-cv-8419)
FCA US LLC,) Judge John W. Darrah
Defendant.)

MEMORANDUM OPINION AND ORDER

Plaintiff Velocity Patent LLC filed Complaints against Defendants Mercedes-Benz USA, LLC, Mercedes-Benz U.S. International, Inc., and FCA US LLC¹ ("FCA") (collectively, the "Defendants"), each alleging one count of infringement of U.S. Patent No. 5,954,781 ("the '781 Patent"). Defendants filed joint Motions for Summary Judgment of Indefiniteness or Noninfringement [13-cv-8413, Dkt. 104; 13-cv-8419, Dkt. 80]. Plaintiff filed cross-Motions for Summary Judgment of Infringement [13-cv-8413, Dkt. 111; 13-cv-8419, Dkt. 87]. For the reasons set forth below, Defendants' Motions [13-cv-8413, Dkt. 104;

¹ FCA US LLC is the successor in interest to Chrysler Group, LLC, against whom the original Complaint was filed. An Amended Complaint was filed against FCA US LLC on October 27, 2015.

13-cv-8419, Dkt. 80] and Plaintiff's cross-Motions [13-cv-8413, Dkt. 111; 13-cv-8419, Dkt. 87] are denied.

LOCAL RULE 56.1

Local Rule 56.1(a)(3) requires the moving party to provide "a statement of material facts as to which the party contends there is no genuine issue for trial." Ammons v. Aramark Uniform Servs., 368 F.3d 809, 817 (7th Cir. 2004). Local Rule 56.1(b)(3) requires that "[a]ll material facts set forth in the statement required of the moving party will be deemed to be admitted unless controverted by the statement of the opposing party." Id. Local Rule 56.1(b)(3)(C) permits the nonmovant to submit "any additional facts that require the denial of summary judgment...." To overcome summary judgment, "the nonmoving party must file a response to each numbered paragraph in the moving party's statement." Schrott v. Bristol-Myers Squibb Co., 403 F.3d 940, 944 (7th Cir. 2005). In the case of any disagreement, the nonmoving party must reference affidavits, parts of the record, and other materials that support his stance. Id. A nonmovant's "mere disagreement with the movant's asserted facts is inadequate if made without reference to specific supporting material." Smith v. Lamz, 321 F.3d 680, 683 (7th Cir. 2003). Legal conclusions or otherwise unsupported statements, including those that rely upon inadmissible hearsay, will be disregarded. See First Commodity Traders, Inc. v. Heinold Commodities, Inc., 766 F.2d 1007, 1011 (7th Cir. 1985); see also Eisenstadt v. Centel Corp., 113 F.3d 738, 742 (7th Cir. 1997). If the nonmovant's response only provides extraneous or argumentative information, the response will fail to constitute a proper denial of the fact, and the fact will be admitted. See Graziano v. Vill. of Oak Park, 401 F. Supp. 2d 918, 936 (N.D. Ill. 2005).

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BACKGROUND

The following facts are taken from the parties' statements of undisputed material facts submitted in accordance with Local Rule 56.1.

Velocity is an Illinois limited-liability corporation with its principal business address in Atherton, California. (Dkt. 113, \P 1.) Mercedes-Benz USA, LLC is a Delaware limited-liability corporation with its principal place of business in Dunwoody, Georgia. (*Id.* \P 5.) Mercedes-Benz U.S. International, Inc. is an Alabama corporation with its principal place of business in Vance, Alabama. (*Id.*) FCA is a Delaware corporation with its principal place of business in Auburn Hills, Michigan. (*Id.* \P 6.)

The '781 Patent is titled "METHOD AND APPARATUS FOR OPTIMIZING VEHICLE OPERATION" and was issued on September 21, 1999. (*Id.* ¶ 9.) Velocity asserts Claims 1, 7, 13, 17, 18-20, 33-34, 40, 42, 46, 53, 56, 58, 60, 64,66, 69, 75, and 76 of the '781 Patent against Defendants Mercedes. (*Id.* ¶ 16.) Velocity asserts Claims 1, 7, 13, 17-20, 28, 33-34, 40, 41, 42, 46, 53, 56, 58, 60, 64, 66, 69, 75-76, and 88 of the '781 Patent against Defendant FCA. (*Id.* ¶ 46.) Claims 1, 7, 13, 17, 28, 60, 69, and 76 are independent claims that include a "fuel overinjection notification circuit" limitation. (*Id.*, ¶¶ 16, 47). That limitation requires a "fuel overinjection notification circuit . . . said fuel overinjection notification circuit issuing a notification that excessive fuel is being supplied to said engine of said vehicle." (*Id.* ¶ 48.)

LEGAL STANDARD

Summary judgment will be granted where "the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56. Courts are required to view all facts and make reasonable inferences "in the light most favorable to" the nonmoving party. *Scott v. Harris*, 550 U.S. 372, 378 (2007). A

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genuine dispute of material facts exists where "the evidence is such that a reasonable jury could return a verdict for the nonmoving party." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). The moving party has the initial burden of establishing that there is no genuine dispute as to any material fact. *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). To overcome a motion for summary judgment, "[t]he nonmoving party must point to specific facts showing that there is a genuine issue for trial." *Stephens v. Erickson*, 569 F.3d 779, 786 (7th Cir. 2009). The nonmovant must show "that a reasonable jury could return a verdict for the nonmoving party." *Pugh v. City of Attica, Ind.*, 259 F.3d 619, 625 (7th Cir. 2001) (quoting *Anderson*, 477 U.S. at 248).

ANALYSIS

Indefiniteness

Defendants claim that the '781 Patent is invalid because it is indefinite, referencing the arguments in their claim construction response brief. Specifically, Defendants argue that the term "fuel overinjection notification circuit" is indefinite. A patent must "conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as [the] invention." 35 U.S.C. § 112, ¶ 2. A lack of definiteness renders the patent or any claim in suit invalid. 35 U.S.C. § 282, ¶ 2(3).1. "[A] patent is invalid for indefiniteness if its claims, read in light of the specification delineating the patent, and the prosecution history, fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention." *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120, 2124 (2014). "[T]he burden of proving indefiniteness remains on the party challenging [the patent's] validity and . . . they must establish it by clear and convincing evidence." *Dow Chem. Co. v.*

Nova Chemicals Corp. (Canada), 809 F.3d 1223, 1227 (Fed. Cir. 2015). As discussed in the claim construction Memorandum Opinion and Order, the term "fuel overinjection notification circuit" is not indefinite.

Infringement

"To prove literal infringement, a plaintiff must show that the accused device contains each and every limitation of the asserted claims." *Presidio Components, Inc. v. Am. Tech. Ceramics Corp.*, 702 F.3d 1351, 1358 (Fed. Cir. 2012) (citing *Uniloc USA, Inc. v. Microsoft Corp.*, 632 F.3d 1292, 1301 (Fed. Cir. 2011)). In infringement cases, the court interprets the claims to determine their scope and meaning; then the fact-finder compares the properly construed claims to the allegedly infringing device. *Id.* (citing *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1454 (Fed. Cir. 1998)). If any claim is missing from the accused device, there is no literal infringement as a matter of law. *Bayer AG v. Elan Pharm. Research Corp.*, 212 F.3d 1241, 1247 (Fed. Cir. 2000).

The term "fuel overinjection notification circuit" was construed as: "A circuit that notifies a driver that more fuel is being supplied to the engine than is necessary." The term "a notification" was construed as: "An act or instance of notifying, making known or giving notice to the operator of the vehicle." The term "processor subsystem" was construed to be governed by 35 U.S.C. § 112(f). The claim language states that the processor subsystem "determines" whether to activate a notification circuit. Because the claim does not provide sufficient structure for performing the functions recited in the claims, *i.e.*, determining whether to activate the notification circuit, § 112(f) applies and an algorithm is required.

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