325 F.3d 1306
United States Court of Appeals,
Federal Circuit.

MOBA, B.V., Staalkat, B.V., and FPS Food Processing Systems, Inc., Plaintiffs–Cross Appellants,
v.
DIAMOND AUTOMATION, INC., Defendant–Appellant.

Nos. 01–1063, 01–1083.
|
DECIDED: April 1, 2003.
|
Rehearing Denied April 25, 2003.

Competitor brought declaratory action against patent holder alleging that patents on high-speed egg processing machines were invalid and not infringed. Patent holder brought declaratory counterclaim alleging infringement. The United States District Court for the Eastern District of Pennsylvania, Bruce W. Kauffman, J., granted judgment of validity for patent holder and judgment of non-infringement for competitor, 2000 WL 1521621, and an appeal was taken. The Court of Appeals held that: (1) competitor infringed upon guiding steps limitation in patent; (2) patent holder did not waive its argument that elements in guiding steps limitation could be performed simultaneously; (3) phrase, "holding station," meant first location in space to which egg was moved, and at which egg could maintain position until egg was lifted simultaneously with egg at spaced-apart location, and phrase did not require that egg cease motion before it was lifted to overhead conveyor; (4) substantial evidence supported jury's finding that accused product's method did not satisfy "downwardly and away" limitation; (5) remand was warranted for further inquiry into whether competitor indirectly infringed particular claim; (6) substantial evidence supported jury's finding that particular claim was not invalid for lack of adequate written description; and (7) competitor failed to show that particular claim was invalid for lack of enablement.

Affirmed in part, reversed in part, and remanded.

Rader, Circuit Judge, filed a concurring opinion.

Bryson, Circuit Judge, filed a concurring opinion.

Attorneys and Law Firms

***1309** Jon A. Baughman, Pepper Hamilton LLP, of Philadelphia, PA, argued for plaintiffs-cross appellants. With him on the brief were Erik N. Videlock and Nicole D. Galli. Of counsel on the brief were Marvin Petry and Linda R. Poteate, Larson & Taylor, of Alexandria, VA.

Albert J. Breneisen, Kenyon & Kenyon, of New York, NY, argued for defendant-appellant. With him on the brief were John W. Bateman and Sheila Mortazavi.

Before RADER, SCHALL, and BRYSON, Circuit Judges.

Opinion

Opinion for the court filed PER CURIAM. Concurring opinion filed by Circuit Judges RADER, and BRYSON.

PER CURIAM.

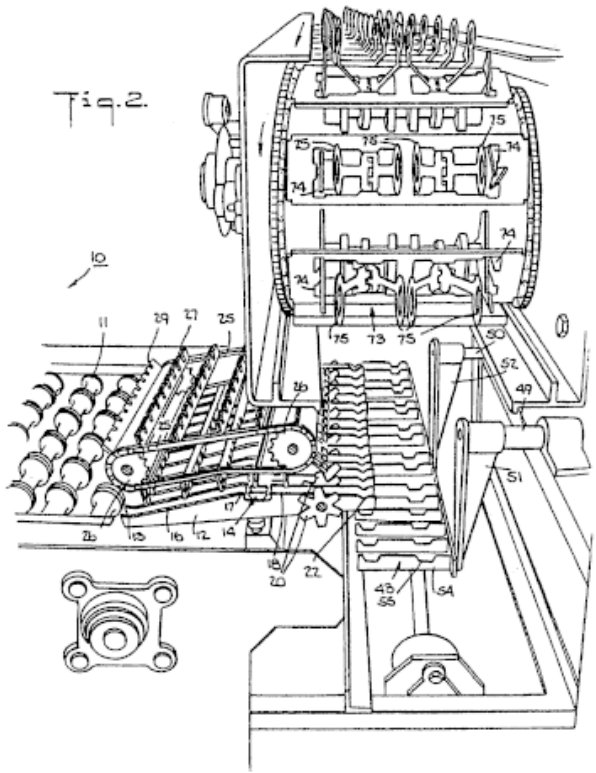
At trial, a jury in the United States District Court for the Eastern District of Pennsylvania found that Moba, B.V., Staalkat, B.V., and FPS Food Processing Systems, Inc. (collectively FPS) did not infringe patents assigned to Diamond Automation, Inc. (Diamond). *See Moba, B.V. v. Diamond Automation, Inc.*, No. 95–CV–2631, 2000 U.S. Dist. LEXIS 15483, at *43, 2000 WL 1521621 (E.D.Pa. Sept. 29, 2000). In response to a motion for judgment as a matter of law (JMOL), the district court correctly discerned that substantial evidence supports the jury's verdict that machines sold by FPS and used by its customers do not practice the method of United States Patent No. 4,519,494 ('494 patent). However, no reasonable jury could find that machines sold by FPS and used by its customers do not practice the method of United States Patent No. 4,519,505 ('505 patent). Thus, this court affirms-in-part, reverses-in-part, and remands for a determination of damages.

I.

Diamond is a Michigan corporation that manufactures and sells high-speed egg processing machines to sort batches of eggs into different categories by weight and quality. Diamond developed these machines during the early 1980s with technology that significantly increased the processing speed for eggs. Diamond obtained various patents covering aspects of that technology, including the # 494 and #505 patents, and United States Patent Nos. 4,569,444 ('444 patent) and 4,505,373 ('373 patent). While Diamond asserted all of these patents at trial, only the #505 and #494 patents appear in this appeal. The #505 patent relates generally to "front end" processing of eggs, while the #494 patent relates generally to "back end" processing of eggs.

The "front end" process first washes the eggs, then introduces them into a candling station where a high intensity light source checks the eggs for defects such as blood spots or cracks. The process then weighs the eggs. A computer stores this information for use in sorting the eggs at a later point. Figure 2 of the #505 patent illustrates an embodiment of the invention designed to weigh eggs and to lift them to an overhead conveyor.

***1310** Fig. 2

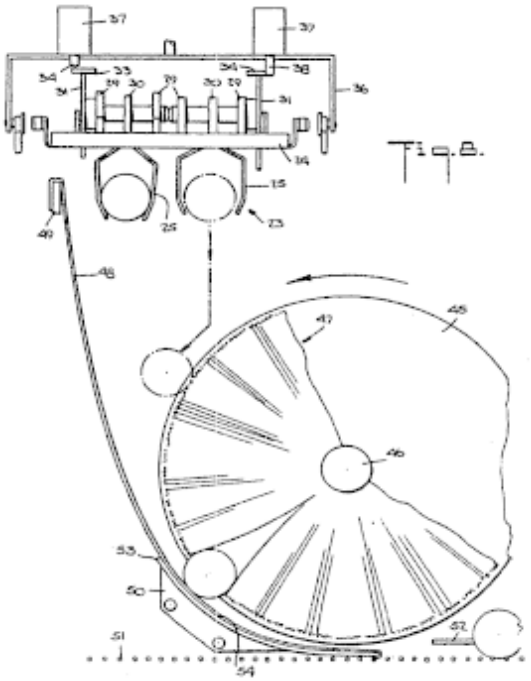


Claim 24 of the #505 patent corresponds generally to the subject matter of Fig. 2:

> 24. A method for advancing a plurality of rows of eggs from a candling station through a plurality of weighing stations in an egg grading apparatus, comprising,
>
> conveying eggs from said candling station to elongated guide means disposed adjacent to said candling station,
>
> continuously advancing said eggs on said guide means through said weighing stations,
>
> simultaneously with said step of advancing, weighing said eggs at said weighing stations,
>
> *guiding said eggs from said weighing stations first to a plurality of egg holding stations located downstream of said guide means and then to a plurality of locations longitudinally spaced-apart from and substantially horizontally co-planar with said holding stations,*
>
> *guiding further eggs to said plurality of holding stations,* and lifting said eggs simultaneously from said holding stations and said plurality of longitudinally spaced-apart locations.

#505 patent, col. 13, ll. 33–54 (emphasis added).

The "back end" process receives eggs from "front end" processing and transfers them to an overhead conveyor. This conveyor carries the eggs in rows until dropping off each individual egg at a different receiving station based on the information ***1311** in the computer. At each station, the eggs are either packaged or discarded. Figure 8 of the #494 patent illustrates an embodiment of the invention designed to receive eggs from an overhead conveyor for transport to a packer:



Claim 28 of the #494 patent corresponds generally to the subject matter of Fig. 8:

> 28. A method of transferring eggs delivered in spaced-apart aligned relationship by a first conveyor means to a receiving station, comprising the steps of,
>
> delivering eggs to said receiving station in parallel spaced apart rows on said first conveyor means,
>
> releasing eggs from said first conveyor means at the receiving station in accordance with a predetermined requirement,
>
> positioning a receiving means below the first conveyor means so as to receive therein and deliver to a common member the eggs released from the parallel spaced-apart rows of the first conveyor means,
>
> receiving said eggs in the receiving means disposed at said receiving station whereby the released eggs from both said parallel spaced apart rows of eggs fall on and are received by said receiving means,
>
> *rotating the receiving means downwardly and away from said first conveyor means to urge the received eggs downwardly,*
>
> guiding said eggs received in said receiving means downwardly and away from said receiving means, and
>
> conveying said eggs away from said receiving means on second conveyor means,
>
> said step of releasing comprising releasing said eggs successively from said first conveyor means at said receiving station along the length of said receiving means, and said step of conveying comprising conveying said eggs individually ***1312** in rows away from said receiving means on said second conveyor means.

#F494 patent, col. 12, ll. 9–40 (emphasis added).

Moba, B.V., and Staalkat, B.V., are Dutch companies that also manufacture and sell high-speed egg processing machines, such as the Moba Omnia and the Staalkat Selecta. FPS Food Processing, a Pennsylvania corporation, sells Moba's and Staalkat's egg processing machines in the United States. In the United States market, FPS and Diamond are the only significant competitors in the manufacture and sale of high-speed egg processing machines.

In 1994, Diamond filed a patent infringement suit in the United States District Court for the Eastern District of Michigan against FPS. The district court dismissed that case for lack of personal jurisdiction. In 1995, FPS filed suit in the United States District Court for the Eastern District of Pennsylvania seeking a declaratory judgment that the #444, #494, #373, and # 505 patents are invalid and not infringed by the Moba Omnia and the Staalkat Selecta. Diamond filed a declaratory judgment counterclaim that the patents are valid and infringed. After discovery, the district court construed the patent claims. Then a jury heard the case from January 28, 2000 to February 25, 2000. On February 22, 2000, before the jury retired to consider its verdict, Diamond moved for entry of JMOL under Rule 50(a) of the Federal Rules of Civil Procedure that FPS infringed and induced infringement of the four patents. In its February 25, 2000 verdict, the jury found that those patents were not invalid and not infringed. On March 6, 2000, the district court denied Diamond's February 22, 2000 JMOL motion, and entered judgment in favor of Diamond on the validity issues and in favor of FPS on the infringement issues. Diamond renewed its motion for JMOL regarding infringement, which the district court again denied.

Diamond argues that claim 24 of the #505 patent and claim 28 of the # 494 patent cover methods used in both the Moba Omnia and the Staalkat Selecta. Diamond also contends that FPS has induced its customers to infringe those claims by selling them the Moba Omnia and the Staalkat Selecta and by training them to use those machines. Diamond appeals, therefore, the district court's denial of JMOL on these issues. FPS cross-appeals the jury's determination that claim 24 of the #505 patent and claim 28 of the #494 patent are not invalid. Because Diamond no longer pursues any claims arising from the #444 or #373 patents, or claim 34 of the #494 patent, this court need not address those questions. This court has jurisdiction over the present appeal under 28 U.S.C. § 1295(a)(1) (2000).

II.

[1] This court reviews claim construction without deference. *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1454, 46 USPQ2d 1169, 1172 (Fed.Cir.1998) (*en banc*). This court accords substantial deference to a jury's factual application of a claim construction to the accused device in an infringement determination. *Embrex, Inc. v. Serv. Eng'g Corp.*, 216 F.3d 1343, 1348–49, 55 USPQ2d 1161, 1164 (Fed.Cir.2000).

This court reviews a district court's denial of JMOL without deference, reversing only if substantial evidence does not support a jury's factual findings or if the law cannot support the legal conclusions underpinning the jury's factual findings. *Cybor Corp.*, 138 F.3d at 1454. "A district court may overturn a jury's verdict only if upon the record before the jury, reasonable jurors could not have reached that verdict." *LNP Eng'g Plastics, Inc. v. Miller* ***1313** *Waste Mills, Inc.*, 275 F.3d 1347, 1353, 61 USPQ2d 1193, 1197 (Fed.Cir.2001).

Claim language defines claim scope. *SRI Int'l v. Matsushita Elec. Corp.*, 775 F.2d 1107, 1121, 227 USPQ 577, 586 (Fed.Cir.1985) (*en banc*). As a general rule, claim language is given the ordinary meaning of the words in the normal usage of the field of the invention. *Toro Co. v. White Consol. Indus.*, 199 F.3d 1295, 1299, 53 USPQ2d 1065, 1067 (Fed.Cir.1999). Nevertheless, the inventor may act as his own lexicographer and use the specification to supply new meanings for terms either explicitly or by implication. *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 979, 34 USPQ2d 1321, 1330 (Fed.Cir.1995) (*en banc*), *aff'd*, 517 U.S. 370, 116 S.Ct. 1384, 134 L.Ed.2d 577, 38 USPQ2d 1461 (1996). Thus, to help determine the proper construction of a patent claim, a construing court consults the written description, and, if in evidence, the prosecution history. *Id.* at 979–80.

[2] After claim construction, the fact finder compares the properly construed claim with the allegedly infringing devices. *Kemco Sales, Inc. v. Control Papers Co.*, 208 F.3d 1352, 1360, 54 USPQ2d 1308, 1312 (Fed.Cir.2000). Infringement requires the patentee to show that the accused device contains or performs each limitation of the asserted claim, *Mas–Hamilton Group v. LaGard, Inc.*, 156 F.3d 1206, 1211, 48 USPQ2d 1010, 1014–15 (Fed.Cir.1998), or an equivalent of each limitation not satisfied literally, *Warner–Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17, 117 S.Ct. 1040, 137 L.Ed.2d 146 (1997). The sale or manufacture of equipment to perform a claimed method is not direct infringement within the meaning of 35 U.S.C. § 271(a). *Mendenhall v. Cedarapids, Inc.*, 5 F.3d 1557, 1579, 28 USPQ2d 1081, 1100 (Fed.Cir.1993).

In this case, the record shows that FPS's customers use the method of the Moba Omnia to process eggs in the United States. Hence, to show infringement Diamond needs only to prove that the Moba Omnia performs the method of claim 24 when it processes eggs.

"*guiding steps*"

[3] [4] Based upon its claim construction, the district court instructed the jury, in relevant part, that the guiding steps of claim 24 "are defined as follows: (1) Carrying eggs to holding stations; (2) Carrying eggs from the holding stations to the spaced apart location; and (3) Carrying more eggs to the holding stations." At trial, Diamond did not object to either the district court's construction of "guiding steps" or to the jury instructions about that term. Following the jury verdict of non-infringement, the district court denied Diamond's JMOL motion. In its denial, the district court acknowledged that its interpretation of guiding steps left undetermined whether the claim requires sequential performance of the steps. Then the trial court reasoned that the jury reasonably could have determined from the testimony presented that sequential performance is a necessary characteristic of the

"guiding steps." The district court's instructions to the jury did not require sequential performance. In essence, the district court allowed the jury to add an additional limitation to the district court's construction of "guiding steps." In this, the district court erred. Claim construction is a question of law and is not the province of the jury. *Markman,* 52 F.3d at 979.

This error takes on significance in this appeal because the jury found that the Moba Omnia does not infringe. The record before us discloses no alternative basis upon which a reasonable jury could find ***1314** that the Moba Omnia does not infringe, other than that the Moba Omnia does not satisfy the guiding steps limitation. Thus, by allowing the jury to import an additional limitation into the claims, the district court fundamentally altered the verdict.

[5] **[6]** Because Diamond did not object to the district court's claim construction or instructions to the jury, FPS contends that Diamond has waived its right to argue the interpretation of "guiding steps" on appeal. The doctrine of waiver as applied to claim construction prevents a party from offering a new claim construction on appeal. *Interactive Gift Express v. Compuserve Inc.,* 256 F.3d 1323, 1346, 59 USPQ2d 1401, 1418 (Fed.Cir.2001). Moreover, a party's objection to a jury instruction is waived unless that party objects to the instruction before the jury retires to consider the verdict. Fed.R.Civ.P. 51. In this case, however, waiver does not bar Diamond's argument. Diamond does not now contest the district court's instruction to the jury on the meaning of "guiding steps." Essentially Diamond does not wish to alter the district court's claim construction on appeal, but seeks enforcement of the trial court's claim construction.

Diamond has argued consistently, in its JMOL motions and in its argument on appeal here, that "[n]either the language of the claim itself nor the Court's order defining this language requires that the 'guiding steps' occur separately." Thus, Diamond has consistently protested the error that this court currently reviews on appeal. Thus, this court will not apply waiver to prevent Diamond from protecting the original breadth of the binding claim construction presented by the district court to the jury from *post facto* imposition of an additional limitation. *Interactive Gift Express,* 256 F.3d at 1346. Application of waiver in this case would essentially render unreviewable the district court's error. In sum, Diamond has not waived its argument that the guiding steps may be performed simultaneously.

Nowhere does the plain language of claim 24 require separate and consecutive performance of the various guiding steps. Rather, such a construction is contrary to the teachings of the #505 patent. For example, the specification explicitly describes simultaneous performance of guiding steps two and three. #505 patent, col. 5, l. 54 to col. 6, l. 3. Moreover, simultaneous performance of the guiding steps is consistent with operating at a significant rate of speed, a stated object of the invention. #505 patent, col. 2, ll. 3–7. The prosecution history is also consistent with this claim construction. Hence, this court, like the district court as well, construes the guiding steps to include simultaneous performance.

FPS argues that, irrespective of whether claim 24 allows simultaneity, the method practiced by the Moba Omnia cannot infringe literally because it does not perform entirely at least one of the required guiding steps. This argument simply repackages FPS's argument for sequential performance of the guiding steps. FPS's argument focuses on distinctions between the Moba Omnia and the patentee's preferred embodiment for the claim 24 method. This court has discredited an infringement analysis for method claims that examines distinctions between implementing apparatuses. *Amstar Corp. v. Envirotech Corp.,* 730 F.2d 1476, 1482, 221 USPQ 649, 653 (Fed.Cir.1984) ("[T]he law recognizes the irrelevance of apparatus distinctions in determining infringement of process claims.").

Like the device of Fig. 2, the Moba Omnia lifts eggs to an overhead conveyor for transport. To position the eggs for lifting, the Moba Omnia employs a continuously moving transport conveyor that slows without stopping as each egg passes under the overhead conveyor. In these ***1315** actions, the Moba Omnia practices all three guiding steps. With a focus on the movement of the eggs (the subject matter of the method claim) in the Moba Omnia, rather than the movement of the Moba Omnia itself, each of these steps is evident. As required by the first guiding step of claim 24, the Moba Omnia moves a first egg to a holding station. The Moba Omnia then moves the first egg to a spaced-apart location, the second guiding step. Simultaneously, the Moba Omnia moves a second egg to the holding station to perform the third guiding step.

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