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8 Attorneys for Defendant
COSTCO WHOLESALE CORPORATION

9
10 IN THE UNITED STATES DISTRICT COURT
11 FOR THE CENTRAL DISTRICT OF CALIFORNIA
12 SOUTHERN DIVISION

13 _____) Civil Action No.
14 CARAVAN CANOPY INT'L, INC.,) 8:19-cv-01072-PSG-ADSx
15 Plaintiff,) **COSTCO WHOLESALE**
16 v.) **CORPORATION'S FINAL**
17 COSTCO WHOLESALE) **INVALIDITY CONTENTIONS**
CORPORATION, et. al.) **AND ACCOMPANYING**
18 Defendants.) **DOCUMENT PRODUCTION**
19 _____)
20 AND RELATED COUNTERCLAIMS)
21 _____)

Hon. Philip S. Gutierrez

1 Defendant Costco Wholesale Corporation (“Defendant” or “Costco”)
2 hereby discloses its final invalidity contentions and accompanying document
3 production pursuant to the Court’s January 27, 2020 Scheduling Order and
4 Standing Patent Rule 4.2 with respect to the asserted claims identified by Plaintiff
5 Caravan Canopy Int’l, Inc. (“Plaintiff” or “Caravan”).

6 Caravan has served Costco with its disclosure of asserted claims and
7 infringement contentions that allege infringement of Claims 1-3 (“the Asserted
8 Claims”) of U.S. Patent No. 5,944,040 (“the Asserted Patent”).

9 Costco has prepared its invalidity contentions to the best of its present
10 ability. However, discovery and fact investigation is continuing, and Costco has
11 not completed its own investigation and discovery. In addition, these invalidity
12 contentions are based, in part, on Caravan’s interpretation of the Asserted Claims
13 in its infringement contentions. Accordingly, Costco’s contentions take into
14 account alternative and potentially inconsistent positions as to claim construction
15 and scope advanced by Caravan. Further, by including prior art that would
16 invalidate the Asserted Claims based on Caravan’s apparent claim construction
17 or any other particular claim construction, Costco is not adopting Caravan’s
18 apparent claim construction or admitting to the accuracy of any particular claim
19 construction apparent in Caravan’s infringement contentions. Costco reserves all
20 rights to amend or supplement these invalidity contentions, including if Caravan
21 attempts to modify, supplement, alter, and/or amend its infringement contentions.

22 With respect to disclosures relating to invalidity, Costco’s prior art search,
23 discovery, investigation, and analysis in connection with this lawsuit are
24 continuing and these disclosures are based on information obtained to date.
25 While Costco has been diligent in its efforts to locate prior art to the Asserted
26 Patent, Costco notes that further discovery may reveal additional prior art not
27 located thus far. Accordingly, Costco may identify additional prior art or
28 contentions that will add meaning to and/or increase the relevance of already

1 known prior art or contentions, or possibly lead to additions or changes to these
2 invalidity contentions. To the extent that Costco obtains additional information
3 relevant to these contentions, but without obligating itself to do so, Costco
4 expressly reserves the right to amend, modify, or supplement these contentions.

5 To be clear, Costco expressly reserves the right to modify, amend or
6 supplement these contentions in view of, without limitation: (i) information
7 provided by Caravan concerning its infringement allegations, theories,
8 contentions, or facts supporting them; (ii) information provided by Caravan
9 concerning the priority, conception, and reduction to practice dates for any of the
10 Asserted Claims; (iii) any additional information provided by Caravan; (iv)
11 additional prior art obtained through discovery, including without limitation
12 discovery from Caravan or from third parties; and/or (v) any other basis in law or
13 in fact.

14 In addition to these invalidity contentions and prior art identified herein,
15 Costco hereby incorporates by reference in their entirety and expressly reserves
16 the right to rely upon any invalidity contentions, including any prior art cited
17 therein, and any prior art identified in any exhibit list served in any prior or
18 ongoing actions or proceedings, including any proceeding in front of the United
19 States Patent and Trademark Office (“USPTO”), involving the Asserted Patent.
20 Costco expressly incorporates by reference Walmart Inc.’s Preliminary Invalidity
21 Contentions (COST0000313-0000465), served on March 16, 2020, in connection
22 with Civil Action No. 2:19-cv-06978-PSG-ADS, also pending in the Central
23 District of California, as well as any final or amended invalidity contentions
24 served by parties in the various actions consolidated with case. Costco also
25 expressly incorporates by reference any prior art and prior art combinations
26 identified or cited in the *inter partes* review proceeding initiated by Walmart Inc.,
27 IPR2020-01026, regarding the Asserted Patent. In addition, the identification of
28 exemplary disclosures in the prior art that teach or render obvious a particular

1 claim element should in no way be construed as an admission that the claim
2 element satisfies the requirements of 35 U.S.C. § 112. In those instances where
3 Costco contends that the Asserted Claims are invalid under 35 USC § 112, Costco
4 has applied the prior art in view of Caravan's infringement contentions.
5 However, Costco's invalidity contentions do not represent Costco's agreement as
6 to the meaning, definiteness, written description support for, or enablement of
7 any claim contained therein.

8 Based on discovery to date, Costco contends that the Asserted Claims of
9 the Asserted Patent are entitled to a priority date of no earlier than May 23, 1997.

10 **I. PRIOR ART**

11 Costco identifies the following items of prior art that anticipate each
12 asserted claim or render it obvious. Further, Costco identifies and incorporates
13 herein by reference: (1) all prior art references identified during prosecution of
14 the Asserted Patent including the references cited on the face of the Asserted
15 Patent; (2) the admitted prior art references in the Asserted Patent's specification;
16 (3) references cited during prosecution of the Asserted Patent; (4) references cited
17 in any proceeding before the USPTO regarding the Asserted Patent; and (5)
18 references cited in any invalidity contentions submitted in any current or prior
19 action or proceeding involving the Asserted Patent.

20 **A. Patents and Patent Publications**

21 U.S. Patent No. 1,449,894 ("Dial"), which issued on March 27, 1923.

22 U.S. Patent No. 1,502,898 ("Berg"), which issued on July 29, 1924.

23 U.S. Patent No. 4,779,635 ("Lynch"), which issued on October 25, 1988.

24 U.S. Patent No. 5,511,572 ("Carter"), which issued on April 30, 1996.

25 U.S. Patent No. 5,638,853 ("Tsai"), which issued on June 17, 1997.

26 U.S. Patent No. 5,701,923 ("Losi"), which issued on December 30, 1997.

27 German Patent No. DE29703246U1 ("Tsai 2"), which published on April
28 24, 1997.

1 Japanese Unexamined Utility Model Application Publication No.
2 H1-61370 (“Yang”), which published on April 19, 1989.

3 The prior art references may disclose or otherwise include the elements of
4 the Asserted Claims of the Asserted Patent, either explicitly, inherently, or via an
5 obvious modification or combination of the prior art references, and may also be
6 relied upon to show the state of the art during the relevant timeframes.

7 Additionally, to the extent they qualify as prior art, Costco reserves the
8 right to rely upon: (1) foreign counterparts (patents and/or published patent
9 applications) of the U.S. patents and/or publications identified in these
10 contentions; (2) U.S. counterparts (patents and/or published patent applications)
11 of foreign patents and/or foreign patent publications identified in these
12 contentions; (3) prior art activities discussed in, or related to, patents and/or
13 publications identified in these contentions; (4) activities or other work
14 performed by the named inventor(s), author(s), or assignee(s) of the patents
15 and/or publications identified in these contentions; and (5) U.S. and foreign
16 patents and published patent applications corresponding to products and
17 publications identified in these contentions.

18 **B. Sales or Offers for Sale**

19 Upon information and belief, there may have been one or more sales or
20 offers for sale, of a product embodying the alleged inventions, more than one year
21 before the priority date of the Asserted Patent. For example, upon information
22 and belief, a company called Variflex, Inc. sold or offered for sale instant
23 canopies embodying the alleged inventions more than one year before the priority
24 date of the Asserted Patent. *See, e.g.*, COST0000143-0000146.

25 In addition, Costco identifies the sale and public use of an E-AN canopy
26 product as prior art under 35 U.S.C. § 102(b) because it was on sale and publicly
27 available more than one year before the effective filing date of the Asserted
28 Patent. In February of 1997, E-AN Trading Co., LTD publicly displayed an E-AN

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