FEDERAL CIRCUIT PATENT LAW CASE UPDATE

Lisle Corp. v. A.J. Mfg. Co., 04-1275 (Fed. Cir. Feb. 11, 2005) (Lourie, J.)

The court affirmed the claim construction for "retainer" in Lisle's patent for a tool to service inner tie rods in automobiles, leading it to affirm the summary judgment determination that A.J.'s tie rod tool infringed. In addition, sufficient evidence supported the jury's determination that an asserted public use did not invalidate the patent.

Lisle owns U.S. Pat. No. 5,287,776, directed to a tool used to service a component of automobile rack and pinion steering systems.

> The patented invention alleviates the need for automobile mechanics to completely dismantle steering control systems and keep multiple prior art tie rod tools for various inner tie rod designs.

The tool was a hollow metal tube with one end adopted to accept a "C-shaped" disc wrench. The disc had protrusions that locked it into place based on notches cut from the tube's end. The district court granted summary judgment of infringement, and submitted the public use invalidity defense to a jury, which found no invalidating public use.

A.J. competes with Lisle in the automotive tool market. Its tool was the target of the infringement suit.

On appeal, A.J. argued that the district court incorrectly construed the claim term "retainer."

> We affirm the district court's construction of the term "retainer." There is no basis for limiting the scope of the term "retainer" to the rotatably-affixed retainer ring shown in figure 7 of the '776 patent, as advocated by A.J. An object of the patented invention is to provide a single tool that can be used on many different tie rod configurations, . . . the retainer facilitates that objective by permitting the body of the tool to engage and disengage wrench discs . . . Tellingly, the patent does not place any significance on using a separately-affixed rotating-retainer component as shown in figure 7, but, instead, broadly states that the retainer's configuration and shape may be varied.

The retainer, on the tube part of the tool, also had to "detachably cooperate" with the tabs on the disc wrench. The court accepted in slightly altered form the district court's claim construction for this term.

A.J.'s invalidity argument arose from Lisle's prototype tool.

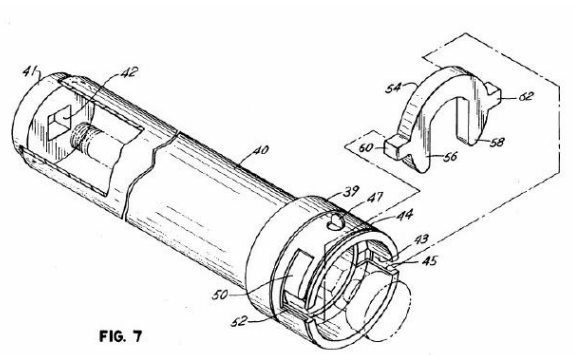

FIG. 7

> [O]n or about December 12, 1989, Lisle delivered the prototype tool to four different automobile repair shops in Omaha, Nebraska. Lisle did not receive any payment for those tools. Upon distributing the tool, Lisle also did not require any of the mechanics to enter into a formal confidentiality agreement. On June 26, 1992, over thirty months after the first prototype tool was delivered, Lisle filed the application leading to the '776 patent. . . .
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> A.J.'s primary argument for reversing the jury's verdict is that Lisle failed to demonstrate the requisite level of control over the work of the mechanics with the prototype tool to support an experimental use defense.

Based on the Lisle engineer's monitoring of the prototypes and working relationships with the users, the court agreed "with Lisle that the submitted testimony and reports do constitute substantial evidence from which a reasonable jury could find that Lisle rebutted the prima facie case of public use and thus A.J. failed to prove by facts supported by clear and convincing evidence that the '776 patent was invalid for public use."

Finally, A.J. was not entitled to a new trial on the public use invalidity issue due to slightly confusing statements about the shifting of burdens for invalidity and a public use. The misstatements were sufficiently slight such that any alleged error was harmless.

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