FEDERAL CIRCUIT PATENT LAW CASE UPDATE

FieldTurf Int'l, Inc. v. SprinTurf, Inc., 04-1553 (Fed. Cir. Jan. 5, 2006) (Newman, J.)

The court affirmed that SportsField did not infringe FieldTurf's patents for artificial turf, but reversed state law claims where SportsField prevailed against FieldTurf under intentional interference with economic advantage and unfair competition. SportsField won a bid to supply artificial turf where the specification originally recited FieldTurf's product, but was later amended to describe structural elements thereof, with the structure relating to FieldTurf's patents. As a result, FieldTurf alleged that SportsField's winning bid was an offer to sell the claimed invention. The court held otherwise because it was clear that SportsField bid its own product, which could not possibly infringe.

FieldTurf owns U.S. Pat. Nos. 5,958,527 and 6,338,885 related to its synthetic turf products.

The architect for a public school in California specified FieldTurf or its equal in a bid process. Sportsfield complained that the vendor preference did not comply with California law, so the architect revised the specification, incorporating some elements of FieldTurf's claimed turf. Sportsfield won the bid and FieldTurf sued, claiming that Sportsfield's bid was an offer to sell. Sprinturf, Inc. was not a party to the appeal.

> A bid to supply a product specified in a RFP is a traditional offer to sell. . . . [T]his court observed that the Supreme Court in Pfaff v. Wells Electronics, Inc., 525 U.S. 55 (1998) applied traditional contract law principles to the on-sale aspects of § 102(b), and reasoned that traditional contract law should also govern an offer of sale under § 271(a).

The district court determined there was no infringement because it was clear from the circumstances that Sportsfield only offered to sell its product, PerfecTurf, which was clearly not covered by FieldTurf's patents.

> We conclude that the district court did not err in law, in considering the nature of the SportFields product that was intended and understood to be the product that would be installed, in holding that the bid was not an offer to sell an infringing product. The School District representatives were aware that SportFields' product differed from that of FieldTurf — indeed, FieldTurf emphasized those differences in its communications to the School District. The district court was not required to ignore these and other facts that showed that SportFields intended to offer and to install its PerfecTurf product, which is conceded not to literally infringe FieldTurf's patent claims. It is also relevant that when FieldTurf complained to the School District that SportFields' bid was for the FieldTurf patented product, the School District withdrew the RFP entirely and rejected all bids, thus avoiding the accrual of damages for infringement.

SportsField prevailed below on the state law claims of intentional interference with prospective economic advantage and unfair business practices under the California Business and Professions Code.

> The district court found that FieldTurf had interfered with SportFields' economic relationship with the School District as established by SportFields' status as low bidder, in demanding that SportFields withdraw its bid and that the School District not accept SportFields' bid, on pain of suit for patent infringement.

The court reversed the district court on these state law claims. "Efforts of commercial entities to achieve specifications that favor their product are not illegal, absent fraud or deception." As to intentional interference with prospective economic advantage, FieldTurf's conduct was not "wrongful by some legal measure other than the fact of interference itself." Furthermore, it "is not unfair competition for a patentee to enforce its patent against a competitor, for the patentee has the right to exclude others." In addition, the court vacated the fee-shifting determination.

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