

EON CORP. IP HOLDINGS LLC v. SILVER SPRING NETWORKS, INC., Appeal No. 2015-1237 (Fed. Cir. February 29, 2016). Before Prost, Bryson, and Hughes. Appealed from E.D. Tex. (Judge Love).

Background:

Eon sued Silver Spring for infringing claims of three of its patents related to a two-way interactive communication network system between local subscribers and a base station. Eon's claims require the subscriber unit to be either "portable" or "mobile." Silver Spring's accused products are electric utility meters attached to the exterior walls of buildings. During claim construction, Silver Spring proposed that the terms "portable" and "mobile" be construed as not covering fixed or stationary products that are only theoretically capable of being moved, whereas Eon argued that neither term needed construction and both terms should be given their plain and ordinary meaning. The district court agreed with Eon that the terms do not require construction beyond their plain and ordinary meaning which would be readily understandable to the jury. Nevertheless, during trial the parties' experts strongly disputed the plain meaning of the terms.

The jury found the asserted claims valid and infringed. On Silver Spring's motion for judgment as a matter of law, the district court reversed the jury verdict as to one of the three patents but upheld it as to the other two. Silver Spring appealed, raising challenges regarding claim construction, infringement, and damages.

Issues/Holdings:

1) Did the district court err in delegating the task of determining claim scope to the jury? Yes. 2) Did the district court err in denying Silver Spring's motion for judgment as a matter of law of non-infringement? Yes, reversed.

Discussion:

First, the Federal Circuit agreed with Silver Spring that the district court's decision not to construe the terms improperly delegated to the jury the task of determining claim scope. As explained by the Federal Circuit, by determining only that the terms should be given their "plain and ordinary meaning," the district court failed to provide the jury with a clear construction of the claim terms disputed by the parties. The Federal Circuit noted that, when a term has more than one "ordinary" meaning, a district court must clearly construe the term, rather than leaving the issue for the jury to decide.

Second, the Federal Circuit agreed with Silver Spring that no reasonable jury could have found infringement, as the plain and ordinary meaning of "portable" and "mobile," when read in the context of the patents, cannot encompass Silver Spring's meters. Eon argued that Silver Spring's meters *could* be moved, and thus they satisfied the claims' portability feature. The Federal Circuit noted that Silver Spring's meters were affixed to the exterior walls of buildings by being bolted down, and could not be reasonably interpreted as "portable" or "mobile" when construed within the context of the patents. Accordingly, the Federal Circuit found no infringement by Silver Spring.