

BLUE GENTIAN, LLC v. TRISTAR PRODUCTS, INC., Appeal Nos. 2021-2316, 2021-2317 (Fed. Cir. June 9, 2023). Before Prost, Chen, and Stark. Appealed from D.N.J. (Judge Hillman).

Background:

Blue Gentian sued Tristar for infringement of its patents related to an expandable hose employing an elastic inner tube disposed inside an expandable outer tube. Blue Gentian's principal, Michael Berardi, was the sole inventor listed on the patents. Prior to filing the corresponding patent applications, Berardi had a meeting with Gary Ragner who sought investment funding from Berardi for his own expandable hose, MicroHose, for which Ragner also had patents that were ultimately licensed to Tristar. As a defense to the infringement suit, Tristar counterclaimed to correct inventorship of the Blue Gentian patents to include Ragner as a co-inventor. The district court held that Ragner should have been a named inventor on all of the asserted patents. Blue Gentian appealed.

Issue/Holding:

Did the district court err in ordering correction of inventorship? No, affirmed.

Discussion:

Ragner testified that, before the Berardi patent applications were filed, Berardi had seen a video demonstrating the MicroHose, viewed documents detailing the manufacturing process of the MicroHose, and had access to a MicroHose prototype. The prototype had a vinyl inner tube to accommodate water flow, and a wire coil spring for biasing. During the meeting, Berardi asked whether the wire spring could be replaced with elastic, and Ragner stated that it could. Within hours of the meeting, Berardi went to Home Depot to build his own prototype and filed his patent applications shortly thereafter.

The Federal Circuit applied the "rule of reason" test in determining that Ragner's testimony had been sufficiently corroborated by evidence. Blue Gentian alleged error in the district court's determinations related to Ragner's contribution to conception, corroboration of his testimony, and collaboration between Ragner and Berardi. But the Federal Circuit disagreed on all fronts.

As it related to contribution, in particular, the district court determined that Ragner contributed inner and outer tubes attached only at the ends, a fabric outer tube, and an elastic inner tube that can provide force to retract the hose without a metal spring. The Federal Circuit found that each of these elements appeared in the claims. The Federal Circuit further found that there was sufficient corroborating evidence that (1) the process document shown at the meeting labeled the inner tube as an elastomer, (2) the MicroHose prototype demonstrated at the meeting had an inner vinyl elastic tube that expanded when water flowed through it, and (3) Ragner told Berardi that he had his own prototype using elastic as a biasing force and that the elastic could replace the spring.

Therefore, the Federal Circuit affirmed the district court's order.