

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

TI GROUP AUTOMOTIVE SYSTEMS, )  
(NORTH AMERICA), INC. )  
Plaintiff, )  
) C.A. No. 00-432-GMS  
v. )  
)  
VDO NORTH AMERICA L.L.C. *et al.* )  
Defendants. )

**MEMORANDUM AND ORDER**

**I. INTRODUCTION<sup>1</sup>**

This action began as a declaratory judgment action initiated by VDO North America, L.L.C., on April 25, 2000 against TI Group Automotive Systems, NA, Inc. (“TI”). The action concerned VDO’s alleged infringement of U.S. Patent No. 4,860,714 (“the ‘714 patent”), which relates to fuel pump assembly technology. The parties were realigned on March 7, 2001, thus making TI the plaintiff.

Following a jury trial, the jury returned a verdict finding that (1) VDO infringed each of Claims 2, 7, and 8, both literally and under the doctrine of equivalents; (2) Claims 2, 7, and 8 are not invalid; (3) VDO’s infringement was willful; (4) the accused Saturn LS-18 fuel pump assemblies are not covered by a license; (5) TI is not entitled to lost profits damages with respect to any of the three accused platforms; and (6) TI is entitled to compensatory damages in the form of a reasonable royalty of 5%, or a total of \$10,773,492. The court granted VDO’s renewed motion for judgment as a matter of law on the issue of infringement on September 4, 2002. Because it found that VDO’s accused device did not infringe the patents-in-suit, the court declined to reach VDO’s renewed

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<sup>1</sup>For a complete recitation of this action’s procedural history, please see *TI Group Automotive Systems (USA), L.L.C., v. VDO N.A., L.L.C. et al.*, 2002 U.S. Dist. LEXIS 17783 (D. Del. Sept. 4, 2002).

motion for judgment as a matter of law on its invalidity counterclaim. TI filed a timely appeal of this decision on September 18, 2002.

On May 16, 2003, the United States Court of Appeals for the Federal Circuit dismissed the appeal for lack of jurisdiction “because VDO’s invalidity counterclaim remains unresolved.” While the parties disagree over whether VDO has waived this issue, the court concludes that a fair reading of the Federal Circuit’s order mandates that, in the interest of efficiency, the court entertain VDO’s counterclaim at this time.

## **II. STANDARD OF REVIEW**

Under Rule 50 of the Federal Rules of Civil Procedure, a court should grant a motion for judgment as a matter of law only where “there is no legally sufficient basis for a jury to find for [the non-moving] party.” Fed. R. Civ. P. 50. Thus, in order to prevail on a renewed motion for JMOL following a jury trial, the moving party ““must show that the jury’s findings, presumed or express, are not supported by substantial evidence or, if they were, that the legal conclusions implied [by] the jury’s verdict cannot in law be supported by those findings.”” *Pannu v. Iolab Corp.*, 155 F.3d 1344, 1348 (Fed. Cir. 1998) (quoting *Perkin-Elmer Corp. v. Computervision Corp.*, 732 F.2d 888, 893 (Fed. Cir. 1984)). In order to determine whether a legally sufficient basis in fact exists, the trial court must consider all the evidence in a light most favorable to the non-movant, must draw reasonable inferences favorable to the non-movant, must not determine the credibility of witnesses, and must not substitute its choice for that of the jury. *See Odetics, Inc. v. Storage Tech. Corp.*, 185 F.3d 1259, 1269 (Fed. Cir. 1999) (citations omitted). If, after this analysis, substantial evidence exists to support the jury’s verdict, then the motion for JMOL must be denied. *See id.*

The essential question in deciding a motion for judgment as a matter of law is whether the

evidence the jury could have believed in reaching its verdict was substantial enough to support its findings. *See Orthokinetics, Inc. v. Safety Travel Chairs, Inc.*, 806 F.2d 1565, 1573 (Fed. Cir. 1986). Thus, the question is not what the court might have believed, but what the jury could have reasonably determined. *See Dawn Equip. Co. v. Kentucky Farms, Inc.*, 40 F.3d 1009, 1014 (Fed. Cir. 1998) (“the inquiry is whether a reasonable jury, given the record before it viewed as a whole, could have arrived at the conclusion it did.”).

### **III. DISCUSSION**

As VDO bore the burden of proof on its invalidity counterclaim, it is not entitled to judgment as a matter of law unless: (1) it established its case with evidence that no reasonable jury could disbelieve, and (2) the only reasonable conclusion is in VDO’s favor. *See e.g. LNP Eng’g Plastics, Inc. v. Miller Waste Mills, Inc.*, 77 F. Supp. 2d 514, 547 (D. Del. 1999) *aff’d in part, rev’d in part on other grounds*, 275 F.3d 1347 (Fed. Cir. 2001). For the following reasons, the court concludes that the jury’s verdict was reasonable.

During the trial, VDO suggested that the German ‘461 reference could be combined with the ‘156 patent to render the ‘714 patent claims obvious. In response, TI introduced evidence that the prior art actually teaches away from a combination of the ‘156 patent and the ‘461 patent. Specifically, TI presented testimony that, in the ‘156 patent, the jet pump must be located outside the reservoir in order to ensure a supply of fuel in the reservoir under all operating conditions of the helicopter. *See* Tr. 456-7. This design teaches away from any combination that would put the ‘156 jet pump closer to the reservoir, or inside it.

Additionally, TI adduced evidence that the technical board which decided against VDO during the European opposition concluded that:

- (1) the fuel system of the German '461 reference is "basically different" from that of the '714 patent;
- (2) "a person skilled in the art could not find in [U.S. Patent No. 4,503,885] a hint towards the claimed solution and [the German '461 reference] could not help either;"
- (3) "[the German '461 reference] only discloses the use of a simple return line for supplying fuel to the jet pump;" and
- (4) The '156 patent apparatus is also "basically different" from the '714 patent apparatus "as well as from the systems of [U.S. Patent No. 4,503,885] and [the German '461 reference]."

Decision of the Technical Board of Appeal (DX 327) at pg. 12-13.

In light of this evidence, the court concludes that a reasonable jury could have found against VDO on its invalidity claim.

#### **IV. CONCLUSION**

1. VDO's Renewed Motion for Judgment as a Matter of Law (D.I. 261) is DENIED as to invalidity.

Dated: June 6, 2003

Gregory M. Sleet  
UNITED STATES DISTRICT JUDGE