

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

HONEYWELL INTERNATIONAL, INC.)
and HONEYWELL INTELLECTUAL)
PROPERTIES, INC.,)

Plaintiffs,)

v.)

HAMILTON SUNDSTRAND CORP.,)

Defendant.)

Civil Action No. 03-1153 GMS

MEMORANDUM

The court will now address Hamilton Sunstrand’s motion *in limine* to preclude any argument that an invention must be commercially viable to constitute a reduction to practice. (D.I. 108.) In particular, Hamilton Sunstrand asks the court to order Honeywell to refrain from arguing to the jury that Hamilton Sunstrand’s “demonstration of an auxiliary power unit, or APU, to Boeing in May 1992 could not constitute a reduction to practice under 35 U.S.C. § 102(g) because the APU was not ‘commercially viable,’ not ‘ready to be installed on aircraft in revenue service,’ otherwise not ‘commercially ready,’ or similar argument.” (Id. at 1.) Hamilton Sunstrand points to two specific examples in the reports of Honeywell’s experts, David Stewart and Gerard Muller. In Stewart’s report, he disagrees with the conclusion of Hamilton Sunstrand’s expert, Mr. Goolkasian, that there was a reduction to practice at least by May 13-14, 1992:

This is incorrect for two reasons. First, although something was demonstrated on or about May 13-14, 1992, Mr. Goolkasian has neither related whatever was demonstrated to the claims of the ‘275 patent nor has Mr. Goolkasian established that whatever was demonstrated was a reduction to practice of the invention claimed in the ‘275 patent. Indeed, Michael Hanson testified on November 30, 2004, that the breadboard he worked on “would require further development, not just more testing,

before it could be placed on an aircraft in revenue service.”¹

(Id., Ex. B at 7.)

In Muller’s expert report, Hamilton Sunstrand alleges that Muller “dismissed HSC’s demonstration to Boeing because the APU was not at ‘a production stage.’” (D.I. 108 at 2.) Hamilton Sunstrand points the court to Exhibit C of its opening brief, however, presumably due to an oversight by counsel, the text of Exhibit C relates only to the doctrine of equivalents. Thus, the court was unable to read the objectionable material first hand. Nevertheless, since Honeywell does not dispute Hamilton Sunstrand’s characterization, the court assumes it to be relatively accurate.

Honeywell says it “intends to introduce evidence about the state of development of the APU that Sunstrand allegedly demonstrated to Boeing in 1992 to show that the demonstration did not accurately duplicate actual working conditions of a production APU on an aircraft and that the demonstration APU was not reduced to practice.” (D.I. 113 at 3.) Honeywell argues that “Sunstrand seeks to exclude this evidence because of extensive testimony from its witnesses that the demonstration APU was not even at the pre-production stage of development and that there was no way of determining whether the demonstration APU would work for its intended purpose.” (Id.) For example, Honeywell points to the deposition testimony of Hamilton Sunstrand’s 30(b)(6) witness, Michael Hanson, in which he said that the demonstration APU was in breadboard format, and that it required further development before it was ready for use on an aircraft. (Id. at 3-4.)

Honeywell argues that “in order to show reduction to practice of complex inventions like the start method claimed in Honeywell’s ‘626 patent, tests are required ‘that accurately duplicate actual working conditions in practical use.’” (Id. at 2.) Furthermore, Honeywell points to several

¹The ‘275 patent referred to in Stewart’s report is not the patent at issue in this case.

non-binding appellate decisions from the 1950's that Honeywell argues stand for the proposition that in cases relating to the aerospace industry, tests embracing the actual conditions which the invented devices would meet in actual service on an airplane are required before there can be a reduction to practice. *Gaiser v. Linder*, 253 F.2d 433 (C.C.P.A. 1958); *Radio Corp. of Am.*, 232 F.2d 726 (3d Cir. 1956); *Chandler v. Mock*, 202 F.2d 755 (C.C.P.A. 1953). Thus, according to Honeywell, “evidence that the Sunstrand ‘breadboard’ APU was not intended to be an actual product and could require extensive changes before it would work for its intended purpose is undoubtedly relevant to the issue of the reduction to practice of that APU.” (D.I. 113 at 4.)

Hamilton Sunstrand, on the other hand, contends that “Honeywell’s argument is contrary to well settled law, and would threaten to confuse or mislead the jury.” (D.I. 108 at 1.) For support, Hamilton Sunstrand points to more recent decisions from the Federal Circuit, which are said to stand for the proposition “that an invention need not be commercially ready or otherwise be a ‘commercial embodiment’ to constitute a reduction to practice.” *Taskett v. Dentlinger*, 344 F.3d 1337 (Fed. Cir. 2003); *DSL Dynamic Sciences, Ltd. v. Union Switch & Signal, Inc.*, 928 F.2d 1122 (Fed. Cir. 1991); *Barmag Barmer Maschinenfabrik AG v. Murata Machinery, Ltd.*, 731 F.2d 831 (Fed. Cir. 1984). Thus, it says, the evidence is inadmissible under Rules 402 and 403. (D.I. 108 at 1.)

The court finds the reasoning in *Taskett*, to be dispositive. In that case, the claim at issue was a method for automated purchase of prepaid telephone services, which required “obtaining financial authorization for said request by a central terminal.” 344 F.3d at 1339. The question under consideration was whether actual reduction to practice required “real money, from a real bank account at a third-party financial institution [to be] actually debited and actual telephone calls [to

be] made based on the printed receipts.” *Id.* The Federal Circuit held that it did not because: (1) the language of the claim limitation did not require on its face or when read in light of the specification that the “central terminal” be located at a third-party financial institution; and (2) a “viable commercial embodiment” was not required, as reduction to practice can be based on tests alone. *Id.* at 1340-42. The *Taskett* court also cited with approval its earlier case of *Scott v. Finney*, where the court explained that tests can be sufficient if they make “a reasonable showing that the invention will work to overcome the problem it addresses.” 34 F.3d 1058, 1063 (Fed. Cir. 1994). No actual use was required in *Scott*. *Id.*

In this case, the court agrees with Hamilton Sunstrand because Honeywell’s theory applies the incorrect legal standard. As in *Taskett*, nothing in the claim language of U.S. Patent No. 6,035,626 requires actual use in aircraft. In fact, a text search of the patent turns up no references to “plane” or “airplane” or “aircraft.” Therefore, the court will grant Hamilton Sunstrand’s motion to the extent that it seeks to preclude Honeywell from introducing evidence that the 1992 APU was not reduced to practice because it was not a commercial embodiment.

Dated: July 5, 2005

/s/ Gregory M. Sleet
UNITED STATES DISTRICT JUDGE

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ORDER

IT IS HEREBY ORDERED that:

1. Hamilton Sunstrand's Motion *In Limine* to preclude any argument that an invention must be commercially viable to constitute a reduction to practice (D.I. 108) be GRANTED.

Dated: July 5, 2005

/s/ Gregory M. Sleet

UNITED STATES DISTRICT JUDGE