

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
MARSHALL DIVISION**

ESTECH SYSTEMS IP, LLC,

*Plaintiff,*

v.

MITEL NETWORKS, INC.,

*Defendant.*

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CIVIL ACTION NO. 2:21-cv-00473-JRG-RSP  
(Lead Case)

**REPORT AND RECOMMENDATION**

Before the Court are three motions for summary judgment: one by Plaintiff Estech Systems IP, LLC (**Dkt. No. 392**);<sup>1</sup> and two by Defendant Mitel Networks, Inc. (**Dkt. Nos. 385, 386**). For the following reasons, the motions should be **DENIED**.

**I. BACKGROUND**

On December 30, 2021, Estech filed suit against Defendants<sup>2</sup> alleging infringement of U.S. Patent Nos. 7,068,684 (the “’684 Patent”) and 7,123,699 (the “’699 Patent”) (collectively, the “Asserted Patents”).<sup>3</sup> The Asserted Patents relate to “information processing systems, and in particular, to the use of Voice over IP technology to transmit voice conversations.” ’699 Patent at 1:10–12; ’684 Patent at 1:6–8. The ’684 Patent is titled “Quality of Service in a Voice Over IP

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<sup>1</sup> Citations to docket and page number correspond to those assigned via ECF.

<sup>2</sup> The initial allegations included claims of infringement against additional defendants that are no longer in the case. *See e.g.*, Order Dismissing BMW, Dkt. No. 115; Order Dismissing Petco Defendants, Dkt. No. 163; Order Dismissing Charles Schwab Defendants, Dkt. No. 173; Order Dismissing SoFi Technologies, Dkt. No. 268; Order Dismissing Remaining SoFi Defendants, Dkt. No. 325; Order Dismissing Primoris Defendants, Dkt. No. 340; Order Dismissing Republic of Title and First American Financial, Dkt. No. 365; Order Granting Joint Motion to Stay and Notice of Settlement as to Abbott Labs, Fiserv Defendants, Marriott, and Randstad Defendants (Dkt. No. 382).

<sup>3</sup> Estech’s initial complaint also asserted U.S. Patent Nos. 8,391,298 (the “’298 Patent”) and 6,067,349 (the “’349 Patent”), and this set of consolidated cases has been stayed as to the ’298 Patent and the ’349 Patent because the PTAB has issued final written decisions invalidating all of the claims asserted in these cases. *See* Order, Dkt. No. 258 at 1–2.

Telephone System,” and the ’699 Patent is titled “Voice Mail in a Voice Over IP Telephone System.” ’699 Patent, Dkt. No 385-1 at cover; ’684 Patent, Dkt. No. 385-2 at cover.

#### **A. The ’684 Patent**

Estech asserts claims 1-3, 29–34, 36, 37, and 47 of the ’684 Patent against Mitel. Joint Pretrial Order, Dkt. No. 441 at 3. The ’684 Patent issued from U.S. App. No. 09/775,018 (the “’018 Application”), which was filed on February 1, 2001. The primary disputes in the motions regarding the ’684 Patent concern independent claim 47, which has been reproduced below with added limitation labels 47[a]–47[c] for ease of reference:

47. An IP telephony device comprising:

47[a]: an input data port for receiving data, wherein the data is addressed for transmission to a location other than the IP telephony device;

47[b]: circuitry for communicating information to and from the IP telephony device;

47[c]: circuitry for sufficiently throttling the data so that the communication of the information can be performed in real-time, wherein the IP telephony device communicates the information using an IP protocol, wherein the throttling circuitry further comprises circuitry for sending a congestion message from a data output port when the amount of the information being received by the IP telephony device falls below a predetermined level.

*Id.* at 20:52–65.

#### **B. The ’699 Patent**

Estech asserts claims 1, 2, and 4 of the ’699 Patent against Mitel. Joint Pretrial Order, Dkt. No. 441 at 3. The ’699 Patent issued from U.S. App. No. 10/210902, which is a continuation-in-part of and claims priority to the ’018 Application, which issued as the ’684 Patent. *Id.* at 2. Independent claim 1 has been reproduced below with added limitation labels 1[a]–1[k] for ease of reference:

1. In a telecommunications system, a method comprising the steps of:
  - 1[a]: storing a voice mail message in a voice mail box in a voice mail system within a first LAN;
  - 1[b]: coupling a second LAN to the first LAN over a WAN, wherein the first LAN, the second LAN, and the WAN operate under a routable network protocol;
  - 1[c]: providing a sensory indication on a telecommunications device within the second LAN that the voice message is stored in the voice mail box within the first LAN; and
  - 1[d]: the telecommunications device accessing the voice mail system within the first LAN to listen to the voice message stored in the voice mail box,
  - 1[e]: wherein the step of the telecommunications device accessing the voice mail system within the first LAN to listen to the voice message stored in the voice mail box further comprises the steps of:
    - 1[f]: establishing a channel between the first and second LANs over the WAN;
    - 1[g]: coupling an audio path over the channel between the telecommunications device and the voice mail box; and
    - 1[h]: streaming voice data containing the voice message from the voice mail box to the telecommunications device over the audio path, wherein the establishing step further comprises the steps of:
      - 1[i]: in response to an input at the telecommunications device, sending a user mail box connection message from the second LAN to the first LAN requesting a channel, wherein the user mail box connection message includes an extension associated with the telecommunications device and an identification of the voice mail box;
      - 1[j]: assigning the channel by the first LAN;
      - 1[k]: and sending a connection established message from the first LAN to the second LAN.

'699 Patent, Dkt. No. 385-2 at 12:52–13:21.

## II. LAW

### A. Summary Judgment

A court “shall grant summary judgment if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” FED. R. CIV. P. 56(a). A dispute of material fact is genuine if the evidence is such that a reasonable jury could return a verdict for the nonmoving party. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). We consider “all evidence in the light most favorable to the party resisting the motion.” *Seacor Holdings, Inc. v. Commonwealth Ins. Co.*, 635 F.3d 680 (5th Cir. 2011)

(internal citations omitted). It is important to note that the standard for summary judgment is two-fold: (1) there is no genuine dispute as to any material fact, and (2) the movant is entitled to judgment as a matter of law.

The movant has the burden of pointing to evidence proving there is no genuine dispute as to any material fact, or the absence of evidence supporting the nonmoving party's case. The burden shifts to the nonmoving party to come forward with evidence which demonstrates the essential elements of his claim. *Liberty Lobby*, 477 U.S. at 250. The nonmoving party must establish the existence of a genuine dispute of material fact for trial by showing the evidence, when viewed in the light most favorable to him, is sufficient to enable a reasonable jury to render a verdict in his favor. *Celotex Corp. v. Catrett*, 477 U.S. 317, 325 (1986); *Duffy v. Leading Edge Products, Inc.*, 44 F.3d 308, 312 (5th Cir. 1995). A party whose claims are challenged by a motion for summary judgment may not rest on the allegations of the complaint and must articulate specific facts which meet his burden of proof. *Id.* “Conclusory allegations unsupported by concrete and particular facts will not prevent an award of summary judgment.” *Duffy*, 44 F.2d at 312 (citing *Liberty Lobby*, 477 U.S. at 247).

## **B. Infringement**

Determining whether a product or method infringes a patent is a two-step process. *Duncan Parking Techs., Inc. v. IPS Grp., Inc.*, 914 F.3d 1347, 1360 (Fed. Cir. 2019) (citing *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 976 (Fed. Cir. 1995) (*en banc*) (citations omitted), *aff'd*, 517 U.S. 370 (1996)). The Court must first determine the proper construction of the asserted claims, which is a matter of law. *Id.* (citing *Innogenetics, N.V. v. Abbott Labs.*, 512 F.3d 1363, 1378 (Fed. Cir. 2008), and *Shire Dev., LLC v. Watson Pharm.*, 787 F.3d 1359, 1364 (Fed. Cir. 2015)). At the second step, the finder of fact must determine whether the asserted

claim, as properly construed, “reads” on the product or method. *Id.* (citing *Lucent Techs., Inc. v. Gateway, Inc.*, 580 F.3d 1301, 1309 (Fed. Cir. 2009)).

Method claims are infringed if each and every step of the method has been performed. *Limelight Networks, Inc. v. Akamai Techs., Inc.*, 572 U.S. 915, 921 (2014). (“A method patent claims a number of steps; under this Court's case law, the patent is not infringed unless all the steps are carried out.”) (citing *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 365 U.S. 336, 344, 81 S.Ct. 599, 5 L.Ed.2d 592 (1961)).

Induced infringement pursuant to § 271(b) and contributory infringement pursuant to §271(c) each require knowledge of infringement. *See Commil USA, LLC v. Cisco Sys., Inc.*, 575 U.S. 632, 639 (2015) (citing *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 377 U.S. 476, 488 (1964)). Implicit in the knowledge requirement is knowledge of the patents in suit. *Id.* Knowledge of the patent by itself is insufficient; knowledge of another’s direct infringement resulting from the accused’s conduct is also required. *See id.* at 639-40; *see also Warsaw Orthopedic, Inc. v. NuVasive, Inc.*, 824 F.3d 1344, 1347 (Fed. Cir. 2016); *Golden Blount, Inc. v. Robert H. Peterson Co.*, 365 F.3d 1054, 1061 (Fed. Cir. 2004). However, “knowledge of infringement can be inferred from circumstantial evidence.” *Warsaw*, 824 F.3d at 1347.

“Summary judgment on the issue of infringement is proper when no reasonable jury could find that every limitation recited in a properly construed claim either is or is not found in the accused device either literally or under the doctrine of equivalents.” *PC Connector Sols. LLC v. SmartDisk Corp.*, 406 F.3d 1359, 1364 (Fed. Cir. 2005) (citing *Bai v. L & L Wings, Inc.*, 160 F.3d 1350, 1353–54 (Fed. Cir. 1998)). To be entitled to summary judgment of noninfringement, the moving party must demonstrate that the facts and inferences, when viewed in the light most favorable to the nonmoving party, would not persuade a reasonable jury to return a verdict in

favor of the nonmoving party. *See Meyer Intellectual Props. Ltd. v. Bodum, Inc.*, 690 F.3d 1354, 1370 (Fed. Cir. 2012)

### **C. Pre-Suit Damages and Marking**

Generally, a patentee can recover damages that occurred up to “six years prior to the filing of the complaint . . . for infringement in the action.” 35 U.S.C. § 286. An exception to this rule is that “[p]ursuant to 35 U.S.C. § 287(a), a patentee who makes or sells a patented article must mark his articles [providing constructive notice] or notify infringers of his patent [providing actual notice] in order to recover damages.” *Arctic Cat Inc. v. Bombardier Recreational Prod. Inc.*, 876 F.3d 1350, 1365 (Fed. Cir. 2017) (“*Arctic Cat I*”) (citing *Dunlap v. Schofield*, 152 U.S. 244, 248 (1894)); *see also Crown Packaging Tech., Inc. v. Rexam Beverage Can Co.*, 559 F.3d 1308, 1316 (Fed. Cir. 2009) (“a party that does not mark a patented article is not entitled to damages for infringement prior to actual notice”).

“[T]he marking statute serves three related purposes: (1) helping to avoid innocent infringement; (2) encouraging patentees to give public notice that the article is patented; and (3) aiding the public to identify whether an article is patented.” *Arctic Cat I*, 876 F.3d at 1366 (citing *Nike, Inc. v. Wal-Mart Stores, Inc.*, 138 F.3d 1437, 1443 (Fed. Cir. 1998)).

This requirement also extends to a patentee’s licensees. *Id.* (citing § 287(a)). However, the burden is lessened when licensees are involved as the Federal Circuit has recognized “that it may be difficult for a patentee to ensure his licensees’ compliance with the marking provisions . . . .” *Id.* When licensees are involved, courts should consider “whether the patentee made reasonable efforts to ensure compliance with the marking requirements.” *Id.* (citing *Maxwell v. J. Baker, Inc.*, 86 F.3d 1098, 1112 (Fed. Cir. 1996)).

“Compliance with § 287 is a question of fact.” *Arctic Cat Inc. v. Bombardier Recreational Prods., Inc.*, 876 F.3d 1350, 1366 (Fed. Cir. 2017) (citation omitted). “[A]n alleged

infringer who challenges the patentee's compliance with § 287 bears an initial burden of production to articulate the products it believes are unmarked 'patented articles' subject to § 287." *Id.* at 1368. This is a "low bar" such that "[t]he alleged infringer need only put the patentee on notice that he or his authorized licensees sold specific unmarked products which the alleged infringer believes practice the patent" by a burden of production. *Id.* "Once the alleged infringer meets its burden of production, however, the patentee bears the burden to prove the products identified do not practice the patented invention." *Id.*

If the patentee does not make this showing, it cannot recover damages before the date of actual notice. *Arctic Cat I*, 876 F.3d at 1368. "Actual notice requires the affirmative communication of a specific charge of infringement by a specific accused product or device." *Arctic Cat Inc. v. Bombardier Recreational Prod. Inc.*, 950 F.3d 860, 864 (Fed. Cir. 2020) ("*Arctic Cat II*") (citing *Amsted Indus. Inc. v. Buckeye Steel Castings Co.*, 24 F.3d 178, 187 (Fed. Cir. 1994)); see also *Gart v. Logitech, Inc.*, 254 F.3d 1334, 1346 (Fed. Cir. 2001) (citing *SRI Int'l, Inc. v. Advanced Tech. Labs., Inc.*, 127 F.3d 1462, 1470 (Fed. Cir. 1997)).

Finally, a notable exception to this rule is that "the notice provisions of section 287 do not apply where the patent is directed to a process or method." *Arctic Cat II*, 950 F.3d at 864 (citation omitted); see also *Am. Med. Sys. v. Med. Eng'g Corp.*, 6 F.3d 1523, 1538 (Fed. Cir. 1993) (citations omitted); *Crown Packaging*, 559 F.3d at 1317 ("Because Rexam asserted only the method claims of the '839 patent, the marking requirement of 35 U.S.C. § 287(a) does not apply."). "Nor do they apply when a patentee never makes or sells a patented article." *Arctic Cat II*, 950 F.3d at 864 (citation omitted).

### **III. MITEL'S MOTION FOR PARTIAL SUMMARY JUDGMENT OF NON-INFRINGEMENT (DKT. NO. 385)**

Mitel moves for partial summary judgment of non-infringement of Claim 47 of the '684 Patent and non-infringement of the '699 Patent. Motion, Dkt. No. 385 at 3. First, Mitel argues that no product satisfies claim element 47[c] of the '684 Patent. Second, Mitel argues that Estech cannot show any product was used in a manner that infringes the '699 Patent. Third, Mitel argues that Estech's doctrine of equivalents theory for claim element 1[i] of the '699 Patent is precluded because it ensnares the prior art.

#### **A. There are Genuine Disputes of Material Fact as to Whether the Accused Products Satisfy Claim Limitation 47[c] of the '684 Patent**

Mitel argues that Estech fails to provide any evidence of infringement of limitation 47[c] because Estech provides no evidence (1) that the accused products contain throttling circuitry that generates a "congestion message;" and (2) that the congestion message is sent when circuitry within the telephone determines "the amount of information being received by the IP telephony device falls below a predetermined level."

First, Mitel argues that Estech fails to identify evidence that the accused telephone products contain throttling circuitry that generates a congestion message as recited in the 47[c] limitation. Motion, Dkt. No. 385 at 10. According to Mitel, Estech's infringement expert, Mr. Occhiogrosso, opines that "DSCP bits (e.g., bits 6 and 7) are used to signal congestion, and subsequently used to throttle data," and he further opines that Explicit Congestion Notification (ECN) bits satisfy the "congestion message" limitation. *Id.* (citing Occhiogrosso Infringement Report, Dkt. No. 385-4). Mitel argues that the only evidence Mr. Occhiogrosso identifies to support his opinions is a table and a footnote—neither of which indicate ECN is being used. *Id.*

Here, Mitel's own documentation references the use of the "DSCP" Standard, and Mr. Occhiogrosso opined, based on that documentation and Mitel's reference to DSCP, that the Mitel



VoIP telephones use ECN bits to signal congestion. Occhiogrosso 5/23/2023 Dep. Tr., Dkt. No. 407-8 at 83:8–84:10. Mitel does not dispute that Mitel VoIP telephones send messages that include those ECN bits. In addition, Mitel does not dispute that some combinations of ECN bits are specifically used to signal congestion. The fact that the table (Dkt. No. 421-2 at 4, MITEL-ESTECH\_0091163, 85) describes how Mitel VoIP telephones mark traffic based on type (e.g., voice traffic or signaling traffic) without explicitly showing ECN bits does not necessarily mean that the Mitel VoIP phones do not send ECN messages.

Viewing all facts and inferences in Estech’s favor, a genuine dispute of material fact exists as to whether the accused Mitel telephone products contain throttling circuitry that generates a “congestion message” as recited in the 47[c] limitation.

Second, Mitel argues that Estech fails to provide any evidence that the congestion message is sent when circuitry within the telephony device determines “the amount of information being received by the IP telephony device falls below a predetermined level” as recited in limitation 47[c]. Motion, Dkt. No. 385 at 13. Estech’s infringement expert, Mr. Occhiogrosso opines that “[t]he predetermined threshold is the parameters of the queues that result in data being prioritized.” Occhiogrosso Infringement Report, Dkt. No. 385-4 at 4. Mitel argues that Mr. Occhiogrosso has not identified any evidence that the queues are located in Mitel VoIP phones, which would be required if the queues played a role in whether the predetermined threshold is met. Motion, Dkt. No. 385 at 13–14.

Here, Mr. Occhiogrosso opines that “prioritization” is re-ordering of information within a queue such that “audio information” is moved ahead of data and “the rate of transfer of audio information on a bit-per-second or packet-per-second basis increases because the audio information is transmitted sooner than it would have been if it had not been prioritized over data.” Occhiogrosso Infringement Report, Dkt. No. 407-5 at 3 (analyzing infringement of 47[c]

limitation). In addition, Mitel's documentation states that Mitel VoIP phones prioritize voice over data. Mitel Documentation, Dkt. No. 407-2 at 5, MITEL-ESTECH\_0091163, 74. Based on that documentation, Mr. Occhiogrosso opines that the queues and corresponding predetermined level are maintained in the telephony device. *Id.*

Viewing all facts and inferences in Estech's favor, a genuine dispute of material fact exists as to whether the accused Mitel telephone products send the congestion message when circuitry within the telephone products determines "the amount of information being received by the IP telephony device falls below a predetermined level," as recited in limitation 47[c].

**B. There are Disputes of Material Fact as to Whether Mitel's End Users Use Its Products in the LAN-WAN-LAN Configuration to Infringe the '699 Patent**

The asserted claims of the '699 Patent require a LAN-WAN-LAN configuration in which a "voicemail system" on a first network is distinct from (1) a second network containing a "telecommunications device (*e.g.*, a VoIP telephone) and (2) the WAN used to communicatively connect the two networks. '699 Patent, Fig. 3 and 3:45–47 ("Not only can data be transferred across WAN 201 between system 301-303, but also any one of the telephony devices 105, 308, 313 can communicate with each other ....").

Mitel argues that Estech failed to provide any evidence that the accused telephone products are deployed in the required LAN-WAN-LAN configuration required by the claims. Motion, Dkt. No. 385 at 17. Mitel acknowledges that Mr. Occhiogrosso cites to a Mitel product called Mitel MiVoice Border Gateway that is a software-as-a-service in which Mitel hosts instances of MiVoice in the cloud. Occhiogrosso Infringement Report, Dkt. No. 385-4 at ¶ 64. Yet, according to Mitel, Mr. Occhiogrosso could not identify a single end user let alone the required configuration.

In contrast to Mitel's assertions, Estech may prove direct infringement of the method claims of the '699 Patent through circumstantial evidence of customer use. *Lucent Techs., Inc. v. Gateway, Inc.*, 580 F.3d 1301, 1317–18 (Fed. Cir. 2009) (holding that circumstantial documentary evidence of infringement that included evidence of sales by the defendant with manuals teaching how to perform the method steps, combined with explanatory expert testimony was sufficient to establish infringement); *see also Geodynamics, Inc. v. Dynaenergetics US, Inc.*, 2018 U.S. Dist. LEXIS 167462, \*7 (“Direct infringement can be proven by circumstantial evidence.”) (quoting *Toshiba Corp. v. Imation Corp.*, 681 F.3d 1358, 1364 (Fed. Cir. 2012)).

Here, Plaintiff shows that Mitel documentation establishes that MiVoice can be configured in the LAN-WAN-LAN configuration and explains how users can configure MiVoice and Mitel's VoIP telephones in that configuration. MiVoice Guide, Dkt. No. 407-9 at 4–6, MITEL-ESTECH\_0264854, 878, 917, 923). Mitel also sells a device—MiVoice Border Gateway—for using MiVoice in the LAN-WAN-LAN configuration. Chalmers 3/31/23 Dep. Tr. 31:22–32:5, 32:12–33:23; MiCould Engineering Guidelines, Dkt. No. 407-10 at 4. Mr. Occhiogrosso opines that end users regularly configure and use their Mitel desktop VoIP telephones in an infringing manner because of the benefits, such as reduced cost, complexity, and administrative/maintenance cost. Occhiogrosso Infringement Report, Dkt. No. 407-11 at ¶ 88. Further, Mitel sold hundreds of thousands of VoIP telephone devices during the relevant damages period. Blok Supp. Damages Report, Dkt. No. 407-12 at Ex. 4.1.

Viewing all facts and inferences in Estech's favor, genuine disputes of material fact exist as to whether Mitel's end users use its products in the LAN-WAN-LAN configuration to infringe the '699 Patent.

**C. It is Premature to Determine Whether the Doctrine of Equivalents Ensnares the Prior Art**

Finally, Mitel argues that Estech’s doctrine of equivalents theory as to limitation 1[i] of the ’699 Patent ensnares the prior art, and Estech has failed to carry its burden to show otherwise. Motion, Dkt. No. 385 at 19 (citing *Estech Systems, Inc. v. Target Corp.*, No. 2:20-cv-00123-JRG-RSP, Dkt. No. 200 at 40–44 (E.D. Tex. April 30, 2021)).

Consistent with the ruling in that case, while Mitel has properly raised its ensnarement defense in its summary judgment motion, “the Court finds it premature to rule on issue of ensnarement.” *Estech Systems, Inc. v. Target Corp.*, No. 2:20-cv-00123-JRG-RSP, Dkt. No. 307 at 17–19 (Aug. 20, 2021).

**IV. MITEL’S MOTION FOR SUMMARY JUDGMENT OF NO PRE-SUIT DAMAGES (DKT. NO. 386)**

Estech asserts that Mitel directly infringes claim 47 of the ’684 Patent. Joint Pretrial Order, Dkt. No. 441 at 3. Estech also alleges that Mitel indirectly infringes claims 1-3, 29–34, 36, 37, and 47 of the ’684 Patent and claims 1, 2, and 4 of the ’699 Patent under theories of induced and contributory infringement. *Id.* As the case progressed through discovery, Estech identified a September 3, 2020 letter to Mitel from a Mitel customer seeking indemnification from allegations of patent infringement based on certain products and services supplied by Mitel. Dkt. No. 386-3 at 2. Before the April 3, 2023 fact discovery deadline, Mitel also identified two Estech products—the ESI Communications Server and the ESI eCloud PBX—that it contends practice the ’684 Patent and should have been marked. Motion, Dkt. No. 386 at 13. Estech seeks to use the indemnification letter as a basis for pre-suit damages, and Mitel seeks to preclude pre-suit damages.

Mitel moves for partial summary judgment of no pre-suit damages on four grounds: (1) Estech allegedly failed to plead compliance with the marking statute; (2) Estech allegedly failed

to comply with 35 U.S.C. § 287 as to the '684 Patent; (3) the indemnification letter on which Estech relies allegedly does not provide notice to support pre-suit indirect infringement liability; and (4) Mitel allegedly cannot have contributorily infringed the '684 Patent or the '699 Patent because the accused products have substantially non-infringing uses. Motion, Dkt. No. 386 at 5–6.

**A. Estech Sufficiently Pled Compliance with 35 U.S.C. § 287 for Entitlement to Pre-Suit Damages**

First, Mitel argues that Estech did not plead whether it complied with 35 U.S.C. § 287 and whether it or its licensees have marked patent practicing products in compliance with § 287(a). Motion, Dkt. No. 386 at 12 (citing *Express Mobile, Inc. v. Liquid Web, LLC*, No. 1:18-CV-01177-RGA, 2019 WL 1596999, at \*2 (D. Del. Apr. 15, 2019) (dismissing claim of pre-suit damages because plaintiff argued there is no evidence that there was anything for it to mark, but nevertheless conceded it never pled compliance with § 287(a)).

Here, unlike in *Express Mobile*, Estech's Complaint alleges "Estech or its predecessors-in-interest have satisfied all statutory obligations required to collect pre-filing damages for the full period allowed by law for infringement of the '684 Patent." Complaint, Dkt. No 1, at ¶ 57 ('684 Patent); *see also id.* at ¶ 78 ('699 Patent). Estech also contends that none of the products it sells practice any claim of the Asserted Patents. Response, Dkt. No. 406 at 11. Nothing more is required.

**B. There Are Genuine Disputes of Material Fact Regarding Whether the Identified Estech Products Practice the '684 Patent**

Second, Mitel argues that Estech failed to comply with the 35 U.S.C. § 287 requirements to recover past damages for the '684 Patent because Estech did not provide (1) constructive notice, nor (2) actual notice. Motion, Dkt. No. 386 at 13–18. Mitel contends it met its burden of

production to raise the marking defense by identifying the ESI Communications Server and the ESI eCloud PBX products in its March 2, 2023 second set of interrogatories. *Id.* at 13.

In response, Estech first argues that Mitel failed to carry its *Arctic Cat I* burden of production by waiting until the close of fact discovery to identify the allegedly unmarked products. Response, Dkt. No. 406 at 12–16 (citing *Freeny v. Fossil Grp., Inc.*, 2019 U.S. Dist. LEXIS 230728, at \*2 (E.D. Tex. July 24, 2019); *PPS Data, LLC v. Jack Henry & Associates, Inc.*, C.A. No. 2:18-cv-07-JRG, Dkt. No. 148 at 63:11–65:8 (E.D. Tex. Aug. 27, 2019); *Salazar v. AT&T Mobility LLC, et al.*, C.A. No. 2:20-cv-0004-JRG, Dkt. No. 222 at 3–5 (E.D. Tex. May 25, 2021)). According to Estech, Mitel’s interrogatories are inadequate to identify products sold by Estech because they cite exhibits from the Wayback Machine that were neither produced nor authenticated, neither exhibit describes any product sold by Estech, and neither exhibit describes how any produced practices either of the Asserted Patents. *Id.* at 13.

Here, the adequacy of proof supporting Mitel’s interrogatories does not affect whether Mitel satisfied its burden of production. *Solas Oled Ltd. v. Samsung Elecs. Co.*, No. 2:21-CV-105-JRG-RSP, 2022 WL 1912873, at \*2 (E.D. Tex. May 30, 2022) (“The *Arctic Cat* burden of production is a low bar predicated upon belief, not proof.”). Similarly, each of the cases Estech cites is distinguishable because Mitel identified specific products a month before fact discovery closed and before expert reports were due, which reduces the prejudice to Estech. *See Freeny*, 2019 U.S. Dist. LEXIS 230728, at \*2 (holding Fossil failed to meet its *Arctic Cat* burden of production because it first identified products in rebuttal expert reports); *PPS Data*, C.A. No. 2:18-cv-07-JRG, Dkt. No. 148 at 63:11–65:8 (denying motion *in limine* to exclude pre-suit damages because Defendant did not put Plaintiff on notice until late in trial process); *Salazar*, C.A. No. 2:20-cv-0004-JRG, Dkt. No. 222 at 3–5 (holding Defendants’ sole reference to 35 U.S.C. § 286 and § 287 in initial disclosures without ever identifying products failed to satisfy

*Arctic Cat* burden of production). The Court finds that Mitel’s March 2, 2023 second set of interrogatories satisfies the “low bar” *Arctic Cat* burden of production as to the ESI Communications Server and the ESI eCloud PBX products, but not as to any additional products.

The Court turns next to whether there is a genuine dispute of material fact regarding the products being marked or whether the products practice claim 47 of the ’684 Patent. Estech’s discussion of a marking policy is unavailing. Mitel’s invalidity expert, Dr. Magnussen, opines that the ESI Communications Server practices every limitation of claim 47 of the ’684 Patent, but never references the ESI eCloud PBX product. *See* Magnussen Products Report, Dkt. No. 386-2 at 6–13. Furthermore, Estech’s corporate representative, Mr. Platt, was asked whether he believes any of its products cover the ’684 Patent, and he responded that he is not a lawyer but believes they generally use the technology referenced in the patents. *See* Platt 3/30/2023 Dep. Tr., Dkt. No. 368-9 at 77:3–19. The parties dispute Mr. Platt’s testimony and whether it constitutes an admission that Estech’s products practice the ’684 Patent. Additionally, Estech notes that Mitel cannot refute that neither the ESI Communications Server or the ESI Cloud PBX is a VoIP telephone as required by claim 47. Viewing all facts and inferences in favor of Estech, there are genuine disputes of material fact as to whether the products practice the ’684 Patent.

**C. There is a Genuine Dispute of Material Fact as to Whether the Indemnification Letter Establishes Pre-Suit Knowledge for Indirect Infringement**

Third, Mitel argues that Estech cannot allege that the Hancock Whitney indemnification letter is sufficient to provide pre-suit notice of either the ’699 Patent or the ’684 Patent for indirect infringement—either induced or contributory.

Here, there is a triable issue about whether the September 3, 2020 letter provided Mitel with actual notice of the Asserted Patents prior to the lawsuit. Before a lawsuit, “the actual notice requirement of § 287(a) is satisfied when the recipient is informed of the identity of the patent

and the activity that is believed to be an infringement, accompanied by a proposal to abate the infringement, whether by license or otherwise.” *SRI Int’l, Inc. v. Advanced Tech. Labs., Inc.*, 127 F.3d 1462, 1470 (Fed. Cir. 1997). “[A]s long as the communication from the patentee provides sufficient specificity regarding its belief that the recipient may be an infringer, the statutory requirement of actual notice is met.” *Gart v. Logitech, Inc.*, 254 F.3d 1334, 1346 (Fed. Cir. 2001). Whether an accused infringer had actual notice prior to the filing of a complaint is a fact question, *id.* at 1339, and the correct approach to determining notice under § 287 focuses on the patentee's actions rather than the knowledge or understanding of the infringer, *Amsted Indus., Inc. v. Buckeye Steel Castings Co.*, 24 F.3d 178, 187 (Fed. Cir. 1994).

Here, the customer letter included a complaint for infringement, which identified the Asserted Patents, VoIP and cloud-based PBX products and services that the customer believed implicated products and services obtained from Mitel and attached a copy of its agreement for products and services from Mitel. *Sep. 3, 2020 Letter*, Dkt. No. 406-8 at 2, 5 ¶ 16. *Minks v. Polaris Indus. Inc.*, 546 F.3d 1364, 1377 (Fed. Cir. 2008) (concluding that, under certain circumstances, “knowledge of a specific infringing device is not a legal prerequisite” to a finding of actual notice under § 287(a)). Furthermore, in response to Estech’s interrogatory that Mitel describe how and when it became aware of the Asserted Patents, Mitel responded by identifying the September 3, 2020 letter. Mitel’s reliance on *Amsted* is unpersuasive because the letter here identified that the customer believed Mitel’s products and services were implicated in the action, the letter was provided indirectly by Estech through a customer to Mitel, and Mitel was involved in the defense. 24 F.3d 178, 187 (Fed. Cir. 1994) (citing *AMS*, 6 F.3d at 1537 n. 18, 28 USPQ2d at 1331 n. 18 ) (holding notice from efforts of in-house patent counsel was insufficient). Viewing all facts and inferences in favor of Estech, a reasonable jury could conclude that Mitel had actual notice of the Asserted Patents.



#### **D. There are Genuine Disputes of Material Fact Regarding Non-infringing Alternatives**

Finally, Mitel argues that it did not contributorily infringe the '684 or the '699 Patents because the accused products have substantial non-infringing uses. Motion, Dkt. No. 386 at 19.

“Contributory infringement under 35 U.S.C. § 271(c) requires proof that (1) the defendant had “knowledge of the patent in suit,” (2) the defendant had “knowledge of patent infringement,” and (3) the accused product is not a staple article or commodity of commerce suitable for a substantial noninfringing use.” *Bio-Rad Lab'ys, Inc. v. Int'l Trade Comm'n*, 998 F.3d 1320, 1335 (Fed. Cir. 2021) (citing *Commil USA, LLC v. Cisco Sys., Inc.*, 575 U.S. 632, 135 S. Ct. 1920, 1926, 191 L.Ed.2d 883 (2015)). “To establish contributory infringement liability, the patent owner must show, among other things, that there are no substantial non-infringing uses. 35 U.S.C. § 271(c).” *Toshiba Corp. v. Imation Corp.*, 681 F.3d 1358, 1362 (Fed. Cir. 2012). “[N]on-infringing uses are substantial when they are not unusual, far-fetched, illusory, impractical, occasional, aberrant, or experimental.” *Id.* (quoting *Vita-Mix Corp. v. Basic Holding, Inc.*, 581 F.3d 1317, 1327 (Fed.Cir.2009)). “In assessing whether a use is substantial, the fact-finder may consider ‘the use's frequency, ... the use's practicality, the invention's intended purpose, and the intended market.’” *Id.* (citing *i4i Ltd. P'ship v. Microsoft Corp.*, 598 F.3d 831, 851 (Fed.Cir.2010)).

Mitel argues that (1) its own use of its accused phone systems is not accused of infringement because it uses Cisco networking gear, and those uses are licensed, (2) its non-infringing uses are demonstrated by the fact that separate WANs and LANs are needed to infringe the '699 Patent, and (3) the requirement for a daisy-chained configuration to infringe the '684 Patent shows there are substantial non-infringing uses for the phones and telephone software Mitel sells. Motion, Dkt. No. 386 at 19. In response, Estech disputes that any such

argument transforms an infringing use to a non-infringing one, cites evidence that there are no substantial non-infringing uses for the products accused of infringing the Asserted Patents, and argues that Mitel's arguments should be rejected under *Ricoh Co., Ltd. v. Quanta Computer Inc.*, 550 F.3d. 1325, 1336 (Fed. Cir. 2008). Response, Dkt. No. 406 at 21–25.

Viewing all facts and inferences in favor of Estech, a reasonable jury could conclude that Mitel's accused products do not have any substantial non-infringing uses.

**V. ESTECH'S MOTION FOR PARTIAL SUMMARY JUDGMENT THAT MITEL PRACTICES LIMITATIONS OF THE PATENTS (DKT. NO. 392)**

Estech moves for partial summary judgment that Mitel practices limitations of claims 1–3, 29–34, 36, 37, and 47 of the '684 Patent and claims 1, 2, and 4 of the '699 Patent (the "Asserted Claims"). Estech alleges that Mitel directly infringes claim 47 of the '684 Patent and indirectly infringes the remaining asserted claims.

In the motion, Estech argues that its infringement expert, Benedict Occhiogrosso, opines that every limitation of the Asserted Claims is met by the accused products, and Mitel's non-infringement expert, Regis J. Bates, offers no rebuttal opinions as to many of the claim limitations. Motion, Dkt. No. 392 at 2–7 (listing claim limitations, citing to evidence from Mr. Occhiogrosso, and citing to deposition testimony from Mr. Bates allegedly conceding those limitations are met by the accused products). According to Estech, the Court should find that Mitel practices the un rebutted claim limitations as a matter of law. In response, Mitel argues that there is a genuine dispute of material fact as to customers' use of the accused products, and Estech failed to discharge its preliminary evidentiary burden under Rule 56(c). Response, Dkt. No. 404 at 2; FED. R. CIV. P. 56(C).

There are two issues before the Court: (1) whether Estech failed to discharge its evidentiary burden under Rule 56(c); and (2) whether there is a dispute of material fact that Mitel

practices the identified limitations of the Asserted Claims as a matter of law. Estech has failed to discharge its burden and disputes of material fact remain.

“Patent infringement, whether literal or by equivalence, is an issue of fact, which the patentee must prove by a preponderance of the evidence.” *Siemens Med. Solutions USA, Inc. v. Saint-Gobain Ceramics & Plastics, Inc.*, 637 F.3d 1269, 1279 (Fed. Cir. 2011) (citations omitted). “To prove literal infringement, the patentee must show that the accused device contains each and every limitation of the asserted claims.” *Ericsson, Inc. v. D-Link Sys., Inc.*, 773 F.3d 1201, 1215 (Fed. Cir. 2014) (citations omitted). “If even one limitation is missing or not met as claimed, there is no literal infringement.” *WMS Gaming, Inc. v. Int'l Game Tech.*, 184 F.3d 1339, 1350 (Fed. Cir. 1999) (citations omitted).

“Summary judgment on the issue of infringement is proper when no reasonable jury could find that every limitation recited in a properly construed claim either is or is not found in the accused device either literally or under the doctrine of equivalents.” *PC Connector*, 406 F.3d at 1364 (Fed. Cir. 2005) (citation omitted). “In determining the propriety of summary judgment, credibility determinations may not be made, and the evidence must be viewed favorably to the non-movant, with doubts resolved and reasonable inferences drawn in the non-movant's favor.” *Wanlass v. Fedders Corp.*, 145 F.3d 1461, 1463 (Fed. Cir. 1998). Since Estech bears the burden of proof of infringement at trial, it “must establish beyond peradventure all of the essential elements of the claim or defense to warrant [summary] judgment in his favor.” *Fontenot v. Upjohn Co.*, 780 F.2d 1190, 1194 (5th Cir. 1986).

As an initial matter, Estech argues that Mitel’s response did not comply with L.R. CV-56(a) because it does not include a statement of undisputed material facts. Reply, Dkt. No. 411 at 2–4. “In resolving the motion for summary judgment, the court will assume that the facts as claimed and supported by admissible evidence by the moving party are admitted to exist without

controversy,” unless those facts are challenged in the response and supported by proper summary judgment evidence. L.R. CV-56(c), (d).

It is Estech’s burden to prove that Mitel practices every element of the Asserted Claims, which Estech has not done. *Ericsson*, 773 F.3d at 1215 (Fed. Cir. 2014) (“[T]he patentee must show that the accused device contains each and every limitation of the asserted claims.”). Estech relies entirely on opinions of its infringement expert, Mr. Occhiogrosso, and the lack of rebuttal opinions by Mitel’s non-infringement expert, Mr. Bates, to conclude that there is no genuine issue of material fact that Mitel practices many limitations of the Asserted Claims. But the absence of rebuttal opinions from Mr. Bates does not necessarily validate Mr. Occhiogrosso’s infringement opinions. *Team Worldwide Corp. v. Acad., Ltd.*, No. 219-CV-00092-JRG-RSP, 2021 WL 8441753, at \*2 (E.D. Tex. May 31, 2021). Mr. Bates stated that he did not have an opinion regarding certain of Mr. Occhiogrosso’s opinions, but he did not admit those opinions were correct. In addition, an expert's rebuttal opinion is merely one avenue, not the only avenue, by which a litigant may choose to counter an opposing party's expert’s opinion. *Id.*

More importantly, Mr. Bates does explicitly contest Mr. Occhiogrosso’s opinions and explains why Mitel does not directly infringe the asserted claims. Bates, Non-Infringement Report, Dkt. No. 392-5 at ¶¶ 161-191. Finally, Estech’s infringement theories are based largely on direct infringement by Mitel’s third-party customers, for which Estech relies on circumstantial evidence from Mitel. The lack of evidence cited by Estech on this point, similarly, demonstrates there is a genuine issue for trial.

The Court will not weigh the credibility or correctness of Mr. Occhiogrosso’s opinions or the circumstantial evidence to determine whether Estech can satisfy its trial burden. *See Masson v. New Yorker Magazine, Inc.*, 501 U.S. 496, 520 (1991) (“The Court ‘must draw all justifiable inferences in favor of the nonmoving party, including questions of credibility and of the weight

to be accorded particular evidence.”) Viewing all facts and inferences in favor of Mitel, disputes of material fact remain as to whether Mitel practices the elements of the Asserted Claims.

## VI. CONCLUSION

For these reasons, the Court should **DENY** the motions for summary judgment (Dkt. Nos. 385, 386, 392).

A party’s failure to file written objections to the findings, conclusions, and recommendations contained in this report within 14 days bars that party from *de novo* review by the District Judge of those findings, conclusions, and recommendations and, except on grounds of plain error, from appellate review of unobjected-to factual findings and legal conclusions accepted and adopted by the district court. Fed. R. Civ. P. 72(b)(2); *see Douglass v. United Servs. Auto. Ass’n*, 79 F.3d 1415, 1430 (5th Cir. 1996) (*en banc*). Any objection to this Report and Recommendation must be filed in ECF under the event “Objection to Report and Recommendations [cv, respoth]” or it may not be considered by the District Judge.

**SIGNED this 17th day of July, 2023.**

  
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ROY S. PAYNE  
UNITED STATES MAGISTRATE JUDGE