

UNITED STATES INTERNATIONAL TRADE COMMISSION

In the Matter of:

CERTAIN ABOVE-GROUND SWIMMING POOLS

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Investigation No. 337-TA-25

COMMISSION MEMORANDUM O PINION IN
SUPPORT OF THE COMMISSION ACTION



USITC Publication 815
Washington, D. C.
April 1977

UNITED STATES INTERNATIONAL TRADE COMMISSION

COMMISSIONERS

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Joseph O. Parker, Vice Chairman
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UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

In the Matter of:)
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CERTAIN ABOVE-GROUND SWIMMING POOLS) Investigation No. 337-TA-25

COMMISSION MEMORANDUM OPINION

Upon consideration of the presiding officer's recommended determination and the record in this proceeding, we have determined that there is no violation of section 337 of the Tariff Act of 1930, as amended, 1/ in the importation into, or sale in, the United States of certain above-ground swimming pools because such unlicensed importation or sale does not infringe U.S. Letters Patent Nos. 3,268,917 ('917) and 3,274,621 ('621), 2/ and there is no policy of predatory pricing in the domestic sale of the subject imported above-ground swimming pools. We have ordered the termination of the investigation.

1/ 19 U.S.C. 1337 (Supp. IV, 1974).

2/ Chairman Minchew and Commissioner Moore found further that the '917 and the '621 patents were also invalid under 35 U.S.C. 102 and 103. Their supplemental views follow this opinion. Commissioners Parker, Leonard, Ablondi, and Bedell decided that it is unnecessary to consider the validity of the '917 and the '621 patents in view of their finding that the patents have not been infringed in this case.

Procedural history

On February 25, 1976, Coleco Industries, Inc., of Hartford, Conn., filed a complaint with the Commission under section 337. An amendment to The complaint was filed on March 25, 1976. The complaint, as amended, alleged that the importation into and sale in the United States of certain above-ground swimming pools constituted unfair acts and unfair methods of competition by reason of (1) such importation or sale being unlicensed and the subject swimming pools being covered by certain claims of U.S. Letters Patents Nos. 3,268,917 and 3,274,621 and/or (2) such swimming pools being imported and sold in the United States under pricing policies said to be predatory (i.e., below fair market value and below the manufacturer's cost of production). Complainant further alleged that the effect or tendency of the unfair acts is to destroy or substantially injure an industry, efficiently and economically operated, in the United States, and/or to restrain or monopolize trade and commerce in the United States. The imported pools were allegedly manufactured by Asahi Chemical Industry Co., Ltd., in Japan. Named as alleged respondents in the complaint were Diamond Pools, South Amboy, N.J.; Branch Brook Co., Newark, N.J.; Harrow Stores, Melville, N.Y.; Pool City, Pittsburgh, Pa.; and Irwin Toy Ltd., Toronto, Ontario, Canada.

On April 26, 1976, the Commission issued a notice of investigation, which was published in the *Federal Register* on April 29, 1976 (41 F.R. 17975). Named as respondents and parties in the notice were Diamond Pools, Branch Brook Co., Harrow Stores, and Pool City. Also named as alleged foreign manufacturers or exporters of the swimming pools which were the

subject of the investigation which would be affected by a temporary or permanent exclusion order or cease-and-desist order were Irwin Toy Ltd., Toronto, Ontario, Canada, and Asahi Chemical Industry Co., Ltd., Japan.

Responses to the complaint and notice of investigation were filed by Diamond Pools, Branch Brook Co., Harrow Stores, and Pool City, and a statement was filed by Irwin Toy Ltd.

On October 18, 1976, counsel for respondents filed a motion for a designation of the subject investigation as more complicated within the meaning of section 210.15 of the Commission's Rules of Practice and Procedure or for a suspension of the proceedings, arguing principally that an investigation on the same imported merchandise by the Department of the Treasury under the Antidumping Act, 1921, as amended, instituted on April 21, 1976 (41 F.R. 16667), made the Commission investigation a burdensome and duplicative proceeding. On October 29, 1976, the presiding officer filed a certification of the subject motion to the Commission with a recommendation that the Commission deny the motion in its entirety.

On November 16, 1976, the Commission, Commissioners Leonard and Minchew dissenting, voted to grant the motion in part by suspending that part of the subject investigation related to complainant's allegations of sales below fair market value and to deny the request to designate this investigation as more complicated. On November 24, 1976, the Commission reopened its consideration of the motion and denied the motion in its entirety.

On November 30, 1976, a hearing commenced before the presiding officer to determine whether there is a violation of section 337. All parties to the proceeding appeared at such hearing by means of their respective counsels. Such hearing continued until December 10, 1976, when it was adjourned. Provision was made for the subsequent submission of briefs and reply briefs.

On February 10, 1977, the presiding officer issued a recommended determination that the Commission determine that there is a violation of section 337 with respect to claim 1, 2, 3, and 5 of U.S. Letters Patent No. 3,268,917, but that there is no violation with respect to U.S. Letters Patent No. 3,274,621 or with respect to the alleged policy of predatory pricing in the domestic sale of imported pools. Exceptions to the recommended determination were filed by all parties.

On March 1, 1977, the Commission issued a notice and order announcing a schedule for briefs with respect to the recommended determination and ordering a hearing for April 1, 1977, before the Commission to hear argument with respect to the recommended determination and to hear argument and to receive information concerning appropriate relief, bonding, and the public-interest factors set forth in subsections (d) and (f) of section 337. The notice also provided for the filing of written comments by any party, interested person, Government agency, or Government concerning relief, bonding, and the public-interest factors.

Briefs were received from all parties. The Commission held its scheduled hearing on April 1, 1977, with all parties appearing. No advice or information was received from the Department of Health, Education, and Welfare, the Department of Justice, the Federal Trade Commission, or any other Government agency.

Consideration of the issues presented

Pursuant to section 337, the Commission must determine whether there is a violation of the statute, and, if so, what remedy, if any, should be afforded for such violation. The recommended determination of the presiding officer, the record developed before the presiding officer, and the record of the April 1, 1977, hearing before the Commission were reviewed by the Commission, and all the arguments, relevant submissions, and other appropriate information were considered. The Commission finds itself in agreement with the findings of fact and conclusions of law of the presiding officer with respect to the noninfringement of the '621 patent and the failure of proof of an alleged policy of predatory pricing in the domestic sale of imported pools. Therefore, the Commission adopts these findings and conclusions.

The Commission does not agree with the presiding officer's findings of fact and conclusions of law with respect to the '917 patent as they relate to the issue of infringement. The Commission finds the '917 patent not infringed by the imported pools.

The Commission determination with respect to the noninfringement of both patents makes unnecessary the consideration of the validity of these patents and is dispositive of the investigation with respect to the two patents. Further, since we have determined that there is no violation of section 337, questions of remedy, bonding, and the effects of any remedy on the public interest are not before us and will not be addressed.

Noninfringement of the '917 patent.--U.S. Letters Patent No. 3,268,917 was granted to Coleco Industries on August 30, 1966, upon an application

filed on September 3, 1965, by Joseph Diemond, Melvin Y. Gershman, and Norbert A. Vangsness. Coleco has been and remains the owner of said letters patent. The subject matter of the '917 patent concerns a swimming pool of the type having a flexible waterproof liner in combination with a frame assembly for supporting the liner, which consists of bottom and sidewall portions.

Complainant asserts that respondents' sales of imported pools infringe only claims 1, 2, 3, and 5 of the '917 patent. 1/ The presiding officer found that the imported Asahi pools having rails four, five, and six inches in width and employing a two-piece cover member infringe each of claims 1, 2, 3, and 5 of the '917 patent. 2/ Further, the presiding officer found that the Asahi pools having four-, five-, and six-inch rails but not employing a two-piece cover member infringe only claims 1 and 5 of the '917 patent.

Respondents' argument for the noninfringement of the '917 patent by the imported Asahi pools is urged on two grounds: (1) that the plain language of the claims of the '917 patent does not cover the imported Asahi pools; and (2) that the "doctrine of equivalents" cannot be applied to expand the scope of the claims to cover the imported pools because of the limiting effect of the "doctrine of file wrapper estoppel" upon certain claim language. Both of respondents' arguments will be discussed in detail.

1/ Claims 1, 2, 3, and 5 of the '917 patent are herein attached in the appendix.

2/ See findings 33-55 of the recommended determination of the presiding officer, findings 45 and 46 in particular.

The plain meaning of the claim language, "depending retaining elements".

The crucial question presented in this case is the definition of the term "depending retaining elements" 1/ as used in the claims of the '917 patent. If the scope of this term covers "screws" used as a fastener as in the imported pools, then the imported pools infringe the claims of the '917 patent; if the scope of this term does not cover screws, then the imported pools do not infringe the claims of the '917 patent. The presiding officer found that the scope of this term does cover screws, and the respondent takes exception to this finding. In our judgment, the claim language "depending retaining elements" does not include the use of screws, and this interpretation of the claim language renders the '917 claim language too narrow to cover the imported swimming pool assemblies.

In patent law the claims define the invention and are the sole measure of the grant to the patentee. 2/ A court cannot enlarge a patent beyond the scope of its claims as allowed by the Patent and Trademark Office. 3/ What is not claimed cannot be held to have been patented. 4/ Since the patentees chose the exact words in the claims, it is assumed that they chose their words carefully to cover the exact dimensions of their invention, and therefore the scope of the claims should not be enlarged beyond the plain import of their terms 5/ or the fair interpretation of the language employed. 6/

1/ The phrase "depending retaining elements" is found in line 31 in claim 1 of the '917 patent.

2/ Aro Mfg. Co. v. Convertible Top Replacement Co., 365 U.S. 336 (1960), reh. denied 365 U.S. 890.

3/ Keystone Bridge Co. v. Phoenix Iron Co., 95 U.S. 274 (1877)

4/ Weber Electric Co. v. E.H. Dreeman Electric Co., 256 U.S. 668 (1921).

5/ Mackay Radio & Telegraph Co. v. Radio Corp. of America, 306 U.S. 86 (1939).

6/ Haines v. McLaughlin, 135 U.S. 685 (1890):

The term in question is used in claim 1 in the phrase "the end portions of said horizontal support members having depending retaining elements thereon engaged with said seating surface portion to limit horizontal movement of said horizontal support members relative to said vertical support members and to each other." (Emphasis added.) 1/ The horizontal support members are the top rails of the swimming pool assemblies. They fasten down at each end to vertical support members, which are vertical posts. It is at the ends of the horizontal support members that the depending retaining elements are used to interengage or to interlock with the top portions of the vertical posts.

It is well known in patent law that each word in the claim must be given its proper meaning and no word in a claim can be ignored. The key word in the claim in question is the adjective "depending", which modifies the word "elements". We note that the word "dependent" is defined by Webster's Third New International Dictionary (1971) as "something attached to something else," and "one relying on another for support." We consider that the plain meaning indicates that the depending retaining elements which are described in claim 1 as "the end portions of said horizontal support members having depending retaining elements thereon" (emphasis added) must be in a permanently fixed relationship with the horizontal support members even when such members are not in use but are completely

1/ The term "depending retaining elements" is also found in claims 2, 3, and 5, the remaining claims that also are alleged to be infringed by the imported pools.

disconnected from the other members of the patented pool assembly. To conclude otherwise is to fail to give effect to the word "depending" in claim 1 in the phrase "depending retaining elements" (line 31, claim 1).

Moreover, the word "thereon" in lines 31 and 32 of claim 1 must also be given effect. The effect is to require that the depending retaining elements be on the horizontal support members even in disassembled condition. This is the case with the tabs as embodied in complainant's pools produced under the '917 patent. In the disassembled condition, tabs are still "thereon" the "horizontal support members", and are "dependent" on the "horizontal support members." As specified in the claims, the integral tabs depend from the top horizontal support members.

In complainant's patent, the preferred embodiment of the depending retaining elements are tabs which are formed from the end portions of the horizontal support members themselves. The tabs are formed by striking and pushing downward a part of the metal from the horizontal support plate itself in the manner of a horseshoe. Thus, the tabs are actually an integral part of the horizontal members themselves. Therefore, even when the parts of the complainant's pools are completely disassembled, the tabs remain as a permanent part of the horizontal support members.

The "doctrine of file wrapper estoppel" as it affects the scope of the definition of "depending retaining elements".--In patent law, the doctrine of equivalents allows patent claims to cover unauthorized alleged infringing devices, even though the claims do not strictly read on such devices, as long as such devices employ substantially the same means to

achieve substantially the same results in substantially the same way. Conversely, the doctrine of file wrapper estoppel operates to restrict the use of the doctrine of equivalents by narrowing the meaning of any claim language if during the prosecution of the patent a narrowed meaning of the particular claim language was argued by the applicant in order to overcome prior rejections of the claims by the Patent and Trademark Office. Generally speaking, a patent applicant who has taken a position before the Patent Office as expressed in the file wrapper in order to secure allowance of a claim cannot change his earlier position after his patent has issued in order to apply the doctrine of equivalents. 1/

In this case, the complainant attempted to use the doctrine of equivalents to expand the meaning of "depending retaining elements thereon" so that this claim language would also cover the use of screws, arguing that "screws" were the equivalent of "depending retaining elements thereon." The respondents argue that the doctrine of file wrapper estoppel applies to the case before us since the arguments that complainant used in obtaining his '917 patent now prohibit him from reversing his position to argue a broad meaning of "depending retaining elements." We believe the doctrine of file wrapper estoppel does apply to the facts of this case, causing the scope of the term "depending retaining elements" to be construed narrowly.

1/ Great Lakes Carbon Corp. v. Continental Oil Co., 219 F. Supp. 468 (W.D. La. 1963).

The file wrapper contains a document which was filed after the rejection of the first set of claims. That document states:

. . . the novel concept herein resides in an improvement for interlocking the horizontal rails or support members with the vertical support members or posts In the present invention the horizontal rails or support members have depending retaining elements on the end portions thereof which engage with the horizontal seating surface portion of the vertical posts to limit movement of the horizontal support members relative to the vertical posts and to each other.
(Emphasis added.)

The preferred embodiment of "depending retaining elements" is disclosed to be tabs.

After discussing the depending retaining tabs and how they worked as part of the horizontal support members, the applicant for the '917 patent went on to state in the file wrapper that "none of the prior art patents cited by the examiner discloses or suggests the novel construction of the present invention." In other words, since allegedly none of the prior art suggested the use of depending retaining elements from the horizontal support members to interengage with the vertical support member, the applicant argued that this concept was patentable, and the patent examiner apparently agreed.

This novel concept of interlocking and engaging of depending retaining elements, which the applicant describes as tabs, struck downwardly from the horizontal support members, is the essence of his invention according to his argument. The argument that the use of tabs as the depending retaining elements was in fact the crux of the applicant's invention was corroborated by the fact that the applicant's only amendment to his claim

language--the addition of the phrase "to limit horizontal movement of said horizontal support members relative to said vertical support members and to each other"--applied specifically to the function of the depending retaining elements.

When one gives the plain meaning to the claim words "depending" and "thereon" in claim 1 and considers the prosecution history of the '917 patent, then the phrase "depending retaining elements" does not include screws. It is obvious that a screw is not integral to a horizontal support member and is therefore deemed not dependent from it even after it is screwed into a horizontal support member or vertical post. In short, screws are neither "thereon" the horizontal support member nor dependent from it. Thus, respondents' swimming pools, which employ screws to fasten the horizontal support members to the top of the vertical posts in part to limit horizontal movement of the horizontal and vertical posts, do not infringe the '917 patent.

Claims 2, 3, and 5 of the '917 patent also require the use of "depending retaining elements thereon". Therefore, since respondents' imported above-ground swimming pools use screws instead of depending retaining elements to attach their horizontal support rails to their vertical posts, these imported pools do not infringe claims 2, 3, and 5 of the '917 patent for the same reason they do not infringe claim 1.

U.S. Letters Patent No. 3,274,621

U.S. Letters Patent No. 3,274,621 was granted on an application filed on December 27, 1965, and issued on September 27, 1966, to Coleco Industries. The inventors were Sundberg, Diemond, Gershman, and Vangness. The invention relates to a water-retaining, above-ground, prefabricated recreational structure adapted to be disassembled and having a curvilinear peripheral configuration defined by a plurality of generally circular components intersecting at the apices. The '621 patent contains 21 claims, although complainant has stipulated that it asserts that only claims 1, 5-7, 9, 12, 13, 16, and 18 are infringed. 1/

The presiding officer found that the Asahi above-ground swimming pools imported and sold by respondents do not infringe claims 1, 5, 6, 7, 9, 12, 13, 16, or 18 of the '621 patent. We agree with the presiding officer's findings of fact that the '621 patent claims require that the diameters of the intersecting circles of the patented pools be of equal length. Since the imported pools used intersecting circles with diameters of unequal lengths, the presiding officer was correct in finding that the respondents' pools do not infringe the '621 patent. Nowhere in the claims or the specifications of the '621 patent is it stated that the diameters of the cusps of one pool may be different than the others. On the contrary, whenever the term "diameter" is used, it is used as if there is just one common "diameter" to the cusps of each swimming pool assembly. We, therefore, adopt the presiding officer's findings of fact and with respect to the nonfringement of the '621 patent.

1/ See finding 93 of the presiding officer's recommended determination. For the complete text of the pertinent claims, see the appendix.

Predatory pricing

We adopt the findings of fact regarding the predatory pricing issue set forth by the presiding officer. The presiding officer correctly concluded that the scope of the investigation is governed by the Notice of Investigation pursuant to section 210.12 of the Commission's rules. The Commission's Notice of Investigation published in the *Federal Register* on April 29, 1976 (41 F.R. 17975), ordered an investigation to determine--

whether the effect or tendency of an alleged policy of predatory pricing in the domestic sale of such merchandise is to destroy or substantially injure an industry, efficiently and economically operated, in the United States or to restrain or monopolize trade and commerce in the United States.

Named as respondents were four importers of above-ground family-size swimming pools manufactured in Japan by Asahi Chemical Industry, Co., Ltd.

There is no evidence on record which establishes that respondents have sold imported pools at prices below their purchase costs or which shows any predatory intent on the part of the respondents. In addition, there is no evidence in the record of third-market prices.

Complainant argues that the presiding officer erred by excluding from evidence the proposed affidavit of Yoshikawa Ikutoshi with attached data concerning Asahi's estimated cost of production. The presiding officer ruled that the documents would not be considered as part of the evidentiary record because they were not sponsored by a witness. On its face the reliability of the proposed affidavit is questionable

because Mr. Ikutoshi is not, and never was, privy to Asahi's cost-of-production data. The respondents should have been afforded a reasonable opportunity to examine Mr. Ikutoshi with respect to his estimates of the cost of production. Since no opportunity for examination existed, the presiding officer did not err in excluding the documents.

We conclude, therefore, that there is insufficient evidence in the record to find that a policy of predatory pricing in the domestic sale of the subject above-ground swimming pools has been established.

Conclusion

In summary, we therefore determined that the subject imported above-ground swimming pools do not infringe the '917 and '621 patents and that there is no policy of predatory pricing in the domestic sale of imported above-ground swimming pools. Since we find no unfair method of competition or unfair act in the importation of the above-ground swimming pools, the issue regarding the effect or tendency to destroy or substantially injure an industry, efficiently and economically operated, in the United States need not be addressed.

Supplemental Views of
Chairman Minchew and Commissioner Moore

Since the Trade Act of 1974 has specifically authorized the U.S. International Trade Commission to decide issues of validity, 1/ and in view of the fact that the United States Supreme Court, in Sinclair & Carroll Co., Inc. v. Interchemical Corp., 2/ urged courts with appropriate jurisdiction to decide issues of validity even after findings of noninfringement, we believe that generally the Commission should consider the question of validity whenever such question is presented to it in the form of a legal defense by a respondent, and particularly in this case, where the presiding officer found the '917 patent valid.

The responsibility to exercise our authority regarding patent issues of validity is made more certain by the following language in the report of the Senate Finance Committee:

. . . the public policy . . . and the ultimate issue of the fairness of competition raised by section 337, necessitate that the Commission review the validity and enforceability of patents, for the purposes of section 337, in accordance with contemporary legal standards when such issues are raised and are adequately supported. 3/

1/ Sec. 337(c) of the Tariff Act of 1930 was amended by the Trade Act of 1974 (Public Law 93-618) to state, in part, "All legal and equitable defenses may be presented in all cases." Since the obvious defense in patent infringement cases is invalidity, the issue of invalidity is squarely presented to this Commission for determination and review.

2/ 325 U.S. 327 (1945). On p. 330, the Supreme Court stated, "There has been a tendency among the lower federal courts in infringement suits to dispose of them where possible on the ground of noninfringement without going into the question of validity of the patent It has come to be recognized, however, that of the two questions, validity has the greater public importance . . . and the District Court in this case followed what will usually be the better practice by inquiring fully into the validity of this patent."

3/ Trade Reform Act of 1974: Report of the Committee on Finance . . . , S. Rept. No. 93-1298 (93d Cong., 2d sess.), 1974, p. 196.

The '621 patent is invalid

We adopt the findings of fact (115-133) of the Presiding Officer and his conclusions of law (#6) which state that the '621 patent is invalid under 35 U.S.C. 102 and 103. We therefore find that the '621 patent is unenforceable for purposes of section 337 and further discussion of this matter is unnecessary.

The '917 patent is invalid

We find the '917 patent invalid under 35 U.S.C. 102 and 103. Under section 102, the claims relied upon by the complainant are invalid in view of Gershman alone, and also under Miccio alone if the claims are read broadly enough to include "screws". Further, under section 103, the claims are also invalid over Gershman in view of Miccio.

Discussion regarding patent invalidity

Patentability is dependent upon three express statutory provisions: novelty and utility as articulated and defined in 35 U.S.C. 101 and 102, and nonobviousness as set out in 35 U.S.C. 103. 1/ Novelty, utility, and nonobviousness are separate tests of patentability, and each must be satisfied.

Invalidity under 35 U.S.C. 102

Under section 102, it is clear that a claim, to be valid, must not read on the prior art. However, claim 1 of the '917 patent reads directly on the Gershman patent, as evident from the tabulation on the following page.

1/ Graham v. John Deere Co., 383 U.S. 1 (1965).

Claim 1 in the '917 patent

reads on the following parts
of the Gershman patent, render-
ing claim 1 of the '917 patent
invalid over this prior art
under 35 U.S.C. 102:

Frame assembly-----14, 14a, 32, 32a, 48

Support panel-----8
(line 12)

Horizontal support member-----14, 14a
(lines 15 and 16)

Top wall portion-----20a
(line 18)

Depending inner side wall-----16
(line 18)

Vertical support members-----48
(line 25)

Horizontal seating surface portion-----top end portion of 48
(line 29)

Depending retaining elements-----28a
(line 31)

Cover members-----32a
(line 35)

Retaining means (functional expression)---40, 41, 56
(line 38)

Claim 5 in the '917 patent

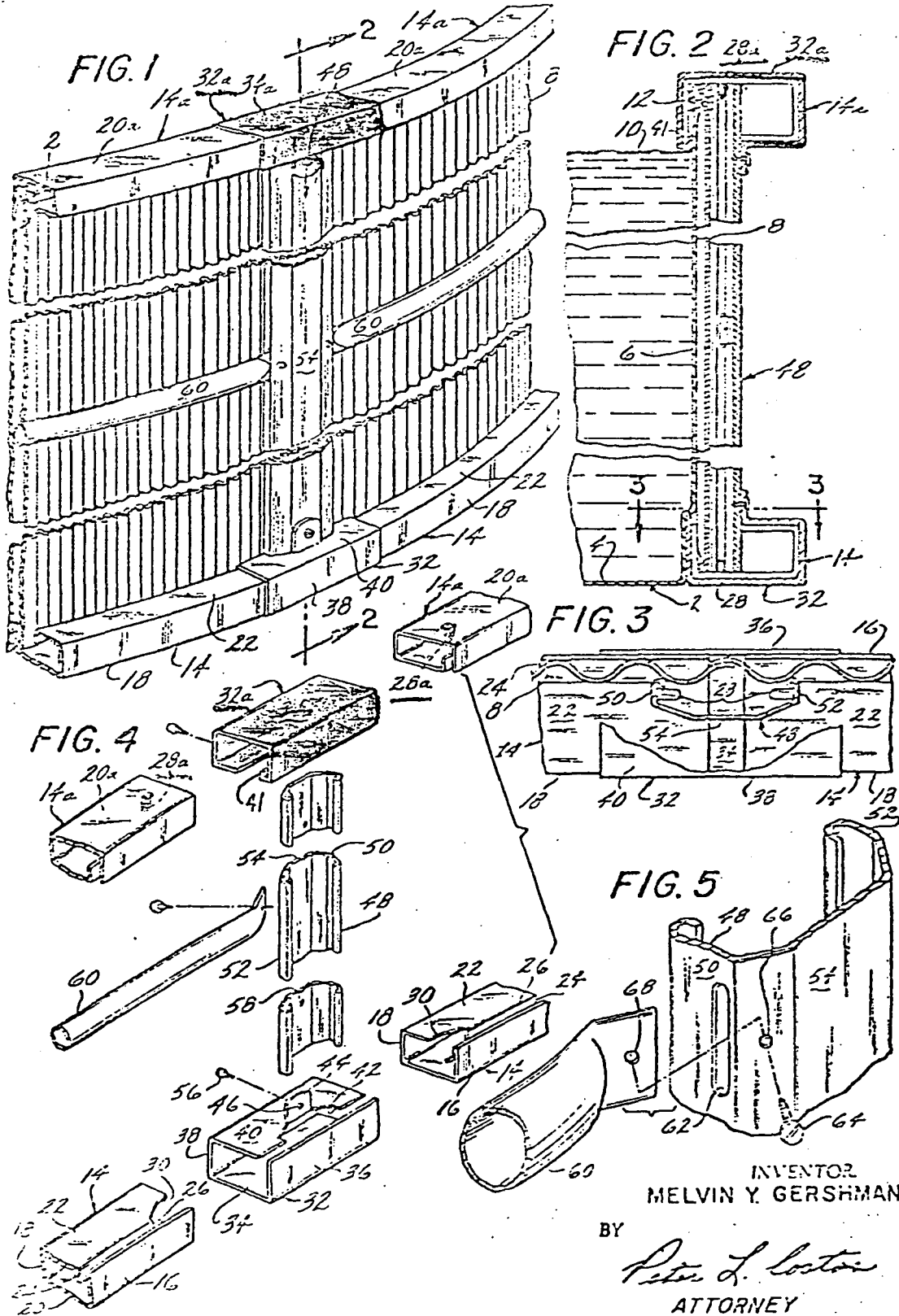
reads on all the above parts
of the Gershman patent plus
the following part, making
claim 5 of the '917 patent
invalid:

Seating process-----30, 42
(line 20)

Oct. 25, 1966

M. Y. GERSHMAN
WATER-RETAINING RECREATIONAL STRUCTURE
FOR SWIMMING POOLS AND THE LIKE
Filed Oct. 23, 1965

3,280,408



INVENTOR
MELVIN Y. GERSHMAN

BY
Peter L. Lector
ATTORNEY

Moreover, if claim 1 of the '917 patent is broadly construed as complainant urges, i.e., the term "depending retaining elements thereon" is expanded to also mean the use of "screws", then claim 1 is invalid over Miccio, which shows "bolts", the equivalent of "screws". The tabulation on the following page shows that claim 1 of the '917 patent reads on the following parts of the Miccio patent, rendering claim 1 of the '917 patent invalid.

Claim 1 in the '917 patent

reads on the following parts
of the Miccio patent, render-
ing claim 1 of the '917 patent
invalid over this prior art
under 35 U.S.C. 102:

Frame assembly-----12, 14, 16, 36

Support panel-----2
(line 12)

Horizontal support member-----36
(lines 15 and 16)

Top wall portion-----38, 42, 54
(line 18)

Depending inner side wall-----44
(line 18)

Vertical support members-----14, 16
(line 25)

Horizontal seating surface portion-----30
(line 29)

Depending retaining elements-----40
(line 31)

Cover members-----6
(line 35)

Retaining means (functional expression)-----58
(line 38)

June 25, 1963

A. MICCIO ET AL
SWIMMING POOL

3,094,709

Filed Jan. 29, 1962

2 Sheets-Sheet 1

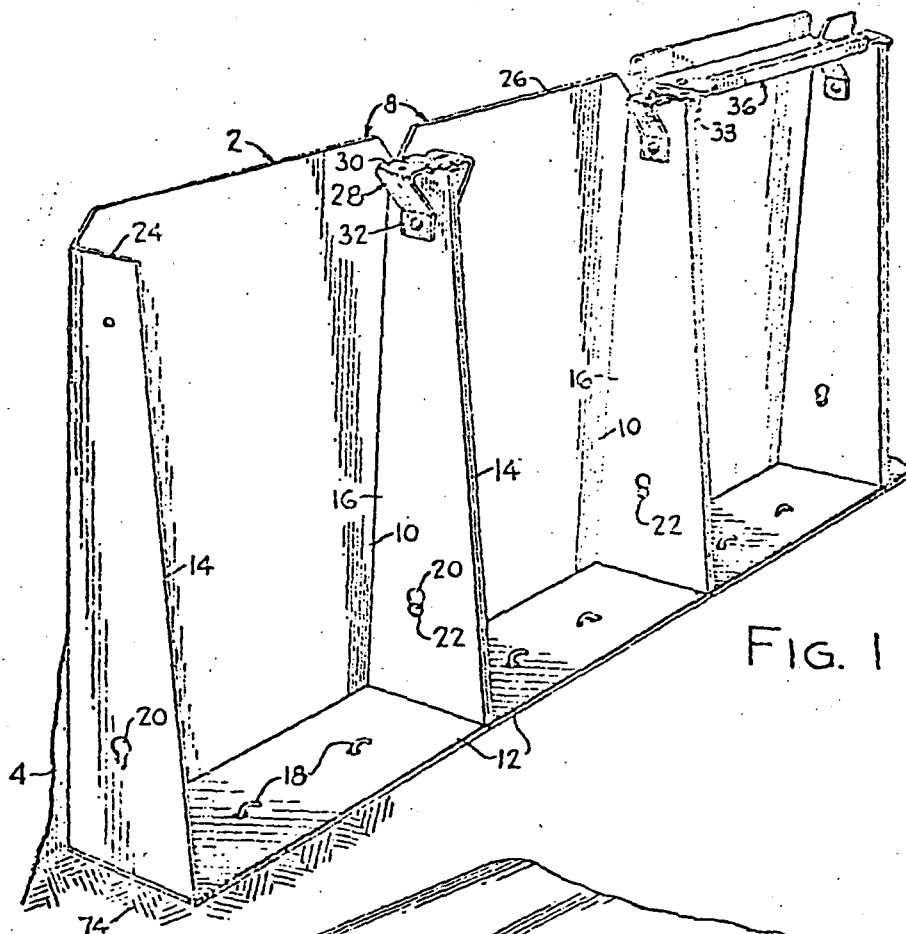


FIG. 1

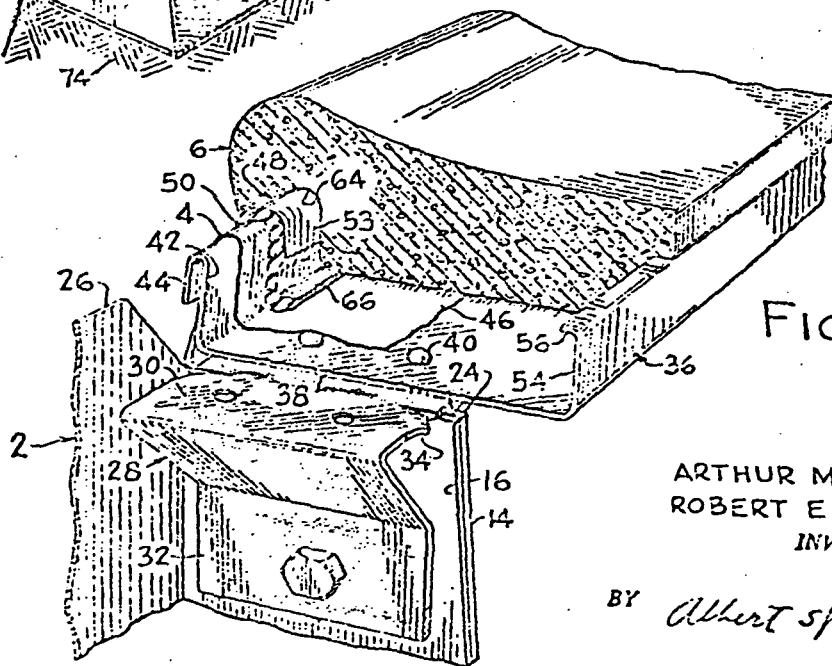


FIG. 2

ARTHUR MICCIO
ROBERT E. WEST
INVENTORS

BY *Albert Sperry*

ATTORNEY

Invalidity under 35 U.S.C. 103

The application of 35 U.S.C. 103 is a four-step process: (1) The scope and content of the prior art are determined; (2) the differences between the prior art and the claims at issue are ascertained; (3) the level of ordinary skill in the pertinent art is resolved; and (4) against this background, the obviousness or nonobviousness of the subject matter is ascertained. 1/

(1) The scope and content of the prior art.--"Prior art" is that body of material, of anticipatory character, which negatives any right of an applicant to obtain a patent because of its existence prior to the date of his invention. The test of what prior art is (under 35 U.S.C. 103) is what art would be examined by a person of ordinary skill "in the art to which said subject matter pertains". If it does not seem likely that such a person would look to a particular "other art" in solving the problem facing him, then that "other art" is outside the scope of the phrase "prior art". 2/ However, if a person would naturally extend his search to a particular "other art," then that art is within the phrase "prior art", and may be considered on the question of obviousness. 3/

Since the '917 patent relates to a novel frame assembly for all swimming pools having a flexible liner supported by a peripheral frame (lines 11, 12, and 13 of the specification in col. 1 of the '917 patent),

1/ Graham v. John Deere Co., 383 U.S. 1 (1965).

2/ Application of Lobl, 228 F.2d 234, 43 C.C.P.A. 734 (1955).

3/ Continental Can Co. v. Old Dominion Box Co., 393 F.2d 321 (2d Cir. 1968).

the prior art would naturally extend to all frame assemblies for swimming pools having a flexible liner supported by a peripheral frame.

In view of the foregoing analysis of the law on prior art, the Gershman '408 patent and the Miccio '709 patent 1/ are properly before us as prior art.

While the complainant and the presiding officer tend to exclude the Miccio '709 patent 2/ from the pertinent prior art because it relates to in-the-ground swimming pools rather than above-ground swimming pools, we believe this exclusion is erroneous. As pointed out by respondents, nothing in the '917 claims or in the '917 specifications specifically limits the '917 invention to above-ground swimming pools. The patent attorney for the '917 patent could have easily written a limitation in the claims or specifications to above-ground swimming pools as he did when he wrote the '621 patent. However, since both the '917 patent and the '621 patent were written by the same attorney, we must believe that the omission in one (the '917 patent) and the inclusion in the other (the '621 patent) of a limitation to above-ground swimming pools (lines 39 and 40 in claim 1 of the '621 patent) must have been made with full knowledge of the consequences and effect regarding prior art references. It is well-known patent law and public policy that, if in doubt, the claim language must be construed against the patentee, since it is he who has

1/ Miccio is U.S. Letters Patent No. 3,094,709, filed Jan. 29, 1962; Gershman is U.S. Letters Patent No. 3,280,408, filed originally on May 4, 1964. Both of these patents will be referred to by their inventors' name and the last three digits of their numbers.

2/ See findings 56-60 in the presiding officer's recommended determination.

chosen those words to cover his invention and, consequently, it is he who has chosen its meaning.

Moreover, Miccio '709 is found in the same class and subclass as the other four patents cited by the examiner. Miccio '709 is classified in class 4, subclass 172, which is one of the three subclasses chosen to be searched by the examiner.

(a) The Miccio '709 disclosure.--Miccio is prior art. We now consider what Miccio teaches. Looking at the drawings in figures 1 and 2 of Miccio, it is apparent that Miccio teaches the use of a flat plate which meets the "horizontal seating surface portion" of the '917 claims (see pt. 30 in figs. 1 and 2), located at the top of a vertical support member (see pt. 14 in fig. 1). Thus, Miccio discloses and teaches the use of part 30 as the horizontal seating surface portion for the same purpose--to secure to it the abutting horizontal support members in the '917 patent.

In the Miccio tabulation, the limitations of the '917 patent were shown to be met by the Miccio disclosure, except that Miccio used rivets or bolts (pt. 40) to hold the rails (pt. 36) to the supporting surface or plate (pt. 30). Essentially, Miccio is like Gershman but for the lack of Gershman's "tabs."

It is obvious to use rivets or bolts (or screws) in Gershman in lieu of the tabs in Gershman. In any event, the use of screws is well known for attaching two members together in a device or structure. Respondents' structure is well taught by the prior art, as herein discussed.

Accordingly, for these reasons, respondents' structure is in the public domain with respect to the '917 patent. Therefore, that structure cannot be an infringement of the '917 patent.

(b) The Gershman '408 disclosure.--The use of tabs or depending retaining elements is disclosed by Gershman (see pt. 28a of fig. 3 and 4) for the same purpose as that claimed by the '917 patent--namely, as a part of the horizontal support members, interlocking with the top horizontal seating surface portions of the vertical posts to form a more rigid assembly "to prevent substantial relative movement therebetween."-- (See line 44 of col. 4 of the Gershman disclosure). Thus, Gershman '408 not only discloses the use of depending retaining elements in the form of tabs to be used on horizontal support members to attach themselves to vertical support members, but also discloses the exact purpose for these tabs, i.e., "to prevent substantial relative movement therebetween," the same purpose as mentioned in the '917 patent.

(2) The differences between the prior art and the claims at issue.-- We find basically no difference between the prior art and claim 1 of the '917 patent. By combining what the Barrera patents teach, 1/ plus Miccio's teaching of the use of a horizontal seating plate and Gershman's teaching of the use of depending retaining elements on the ends of the horizontal support members, we have the whole essence of the allegedly new invention in the '917 patent. Therefore, the two basic novel concepts in the '917 patent--the use of the horizontal seating plate (pt. 100) and the use of the tabs or the depending retaining elements (pt. 95) on the horizontal support members (pt. 26)--are old in the art or at least obvious. Finally,

1/ The presiding officer correctly found that the Barrera patents (U.S. Letters Patents Nos. 3,225,362 and 3,233,251) each disclose substantially all the requirements defined in the '917 claims with the exception of the horizontal seating plates on the vertical posts and the depending retaining elements on the horizontal rails. See findings 69-72 of his recommended determination.

both these features, the horizontal seating plate and the tabs are disclosed in prior patents (patents with earlier filing dates).

(3) The level of ordinary skill in the pertinent art.--Miccio teaches the use of screws to connect the two parts of a swimming pool assembly that we are concerned with (horizontal rails and vertical posts), and therefore it is within the ordinary skill in the pertinent art to connect these two parts with screws. Moreover, screws were the ordinary fasteners for the purpose of connecting two metal parts together at the time of the alleged Diamond, et al., invention.

Finally, the ordinary skill in the pertinent art at the time of the alleged Diamond, et al., invention also included the use of tabs on the upper horizontal rails to attach to the top portions of a vertical support post, as exemplified by Gershman. It was known at this time that such an engagement would substantially prevent horizontal movement.

(4) Conclusion regarding obviousness under 35 U.S.C. 103.--Claims 1, 2, 3, and 5 of the '917 patent are invalid under 35 U.S.C. 103 since--

- (a) Miccio '709 teaches the use of a horizontal seating plate to secure abutting horizontal support members, as well as the use of screws to attach horizontal rails to vertical posts.
- (b) Gershman '408 teaches the use of tabs as integral parts of the horizontal support members to attach to a horizontal seating surface to prevent relative movement therebetween.
- (c) Claims 2 and 3, which essentially add only the concept that the cover member can be made of a pair of elements in lieu of one piece and have disengageable fastening means, do not add a sufficiently novel concept to render claim 1 patentable.

- (d) Claims 5, as earlier shown, reads on the Gershman patent.
- (e) Claims 1, 2, 3, and 5 of the '917 patent are obvious in light of the teachings of Miccio '709 and Gershman '408 under 35 U.S.C. 103.
- (f) Claims 1, 2, 3, and 5 of the '917 patent are invalid for purposes of section 337.

APPENDIX

U.S. LETTERS PATENTS NOS. 3,268,917 AND 3,274,621

U.S. Letters Patent No. 3,268,917

Claim 1 of the '917 patent reads as follows (analyzed by subparagraph for ease of reference):

1. In a swimming pool of the type having
 - (a) a liner member of flexible, relatively waterproof sheet material providing a bottom wall portion and a sidewall portion extending about the periphery of said bottom wall portion,
 - (b) the combination therewith of a frame assembly for supporting said liner member including
 - (c) a generally vertical support panel about the exterior periphery of said liner sidewall portion and closely adjacent thereto to provide horizontal support for said liner sidewall portion;
 - (d) a plurality of cooperating elongated horizontal support members extending in end-to-end relationship about said liner member at the upper edge of said liner sidewall portion and support panel,
 - (e) said horizontal support members having a top wall portion extending therealong providing a shoulder adjacent the upper edge portion of said support panel to align said support panel and limit movement thereof;
 - (f) generally vertical support members at the adjacent end portions of cooperating pairs of horizontal support members, said vertical support members extending outwardly of said vertical support panel and said inner sidewall portions of said horizontal support members,
 - (g) said vertical support members having vertically extending wall portions and a horizontal seating surface portion at the upper end thereof,
 - (h) the end portions of said horizontal support members having depending retaining elements thereon engaged with said seating surface portion to limit horizontal

movement of said horizontal support members relative to said vertical support members and to each other; and

- (i) cover members overlying the end portions of said cooperating pairs of horizontal support members and having retaining means thereon engaged with said vertical and horizontal support members to provide a firm assembly therewith.

Claim 2 of the '917 patent is dependent on claim 1 and reads as follows:

- 2. The swimming pool of claim 1 wherein said cover member comprises
 - (k) a pair of elements having a top wall portion and a depending sidewall portion,
 - (l) the top wall portions thereof overlapping above said horizontal support members, and
 - (m) the sidewall portions thereof extending outwardly of said horizontal and vertical support members to define a channel therebetween receiving said members.

Claim 3 of the '917 patent is dependent on claim 2 and reads as follows:

- 3. The swimming pool of claim 2 wherein said cover member retaining means are
 - (n) disengageable fastening means thereon engaging said seating surface portion of said vertical support members to provide a rigid assembly.

Claim 5 of the '917 patent reads as follows:

- 5. In a swimming pool of the type having
 - (a) and (b) are the same as in claim 1;
 - (c) requires the vertical support panel to be "cylindrical" but is otherwise identical to element (c) of claim 1;

- (d) and (e) are the same as in claim 1;
- (f) a plurality of cooperating elongated horizontal base members extending in end-to-end relationship about said liner member at the lower edge of said support panel,
- (g) said base members having upwardly opening channels extending therealong snugly receiving the lower edge portion and limiting movement thereof, said base members providing seating recesses opening upwardly thereof;
- (h) is the same as element (f) of claim 1;
- (i) is substantially identical to element (g) of claim 1 but omits the words "vertically extending wall portions and";
- (k) is substantially identical to element (h) of claim 1 with the substitution of "in" for the word "with" to describe the engagement between the depending retaining elements and seating surface portion;
- (l) said vertical support members having their lower end portions seated in said seating recesses of said base members; and
- (m) same as element (i) of claim 1.

U.S. Letters Patent No. 3,274,621

Claim 1 of the '621 patent reads as follows (analyzed by subparagraph for ease of reference):

1. A water-retaining, above-ground prefabricated recreational structure adapted to be disassembled and having
 - (a) a curvilinear peripheral configuration defined by a plurality of generally circular components intersecting at apices,
 - (b) the chords extending between said apices being of lesser length than the diameter of the intersecting circular components, said recreational structure having

- (c) a liner member of flexible, relatively waterproof sheet material providing a bottom wall portion and a side wall portion extending about the periphery of said bottom wall portion;
- (d) a relatively rigid, generally vertical support panel extending about the periphery of said liner side wall portion and closely adjacent thereto to provide a relatively rigid horizontal support therefor in said curvilinear peripheral configuration;
- (e) a plurality of elongated horizontal support members extending in end-to-end relationship about said liner member in said curvilinear configuration;
- (f) vertical support members at said apices between said circular components extending vertically of the outer surface of said support panel;
- (g) coupling means engaging the adjacent ends of horizontal support members with said vertical support members at said apices to provide a firm assembly thereof with said horizontal support members diverging outwardly from said vertical support members; and
- (h) means at said vertical support members compensating against pressures thereon.

Claim 5 of the '621 patent is dependent on claim 1 and reads as follows:

- 5. The water-retaining recreational structure of claim 1 wherein
 - (i) tie means extend chordally between said vertical support members at said apices below said liner member.

Claim 6 of the '621 patent is dependent on claim 1 and reads as follows:

- 6. The water-retaining recreation structure of claim 1 wherein said compensating means includes
 - (k) outwardly projecting braces on said vertical support members at said apices and adapted to bear upon the ground and provide a buttress support therefor.

Claim 7 of the '621 patent is dependent on claim 1 and reads as follows:

7. The water-retaining recreational structure of claim 1 wherein said coupling means has
 - (l) a pair of diverging wing portions providing a generally V-shaped configuration and telescopically receiving the adjacent ends of horizontal support members, and
 - (m) a central body portion engaged with the upper ends of said vertical support members at said intersections.

98. Claim 9 of the '621 patent is dependent on claim 1 and reads as follows:

9. The water-retaining recreation structure of claim 1 wherein said curvilinear peripheral configuration is defined by
 - (n) at least three circular components having their centers arranged rectilinearly.

Claim 12 of the '621 patent is dependent on claim 1 and reads as follows:

12. The water-retaining recreational structure of claim 1 wherein said horizontal support members
 - (o) extend above the upper and lower edges of said vertical support panel and
 - (p) have opposed channels therein receiving the edge portions of said vertical support panel.

Claim 13 of the '621 patent is dependent on claim 1 and reads as follows:

13. The water-retaining recreational structure of claim 1 wherein said coupling means includes
 - (q) seating portions on said vertical support members at the upper end thereof and

- (r) depending retaining elements on the end portions of adjacent horizontal support members engaged in said seating surface portions.

Claim 16 of the '621 patent reads as follows:

- 16. A water-retaining, above-ground prefabricated recreational structure adapted to be disassembled and having
 - (a) through (d) are the same as in claim 1;
 - (e) a plurality of elongated horizontal support members extending in end-to-end relationship about both the top and the bottom of said liner member and vertical support panel in said curvilinear configuration, said horizontal support members retaining said vertical support panel in assembly therewith;
 - (f) vertical support members at said circular components and at a multiplicity of points about the circumference of said circular components extending vertically of the outer surface of said support panel;
 - (g) requires the coupling means to engage the "top and bottom" horizontal support members but is otherwise identical to element (g) of claim 1.
 - (h) is substantially identical to element (h) of claim 1;
 - (i) is substantially identical to element (i) of claim 5.

Claim 18 of the '621 patent is dependent on claim 16 and reads as follows:

- 18. The water-retaining recreational structure of claim 16 wherein said coupling means includes
 - (q) seating portions on said vertical support members at the upper end thereof and
 - (r) depending retaining elements on the end portions of adjacent horizontal support members engaged in said seating surface portions.

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