

Appeal No. 05-1062

In the
United States Court of Appeals
for the
Federal Circuit

LIZARDTECH, INC.,

Plaintiff-Appellant,

v.

EARTH RESOURCES MAPPING, INC.
and EARTH RESOURCE MAPPING PTY LTD.,

Defendants-Appellees.

Appeal from the United States District Court for the Western District of Washington
in Case No. 2:99-CV-01602, Judge John C. Coughenour.

BRIEF OF THE DEFENDANTS-APPELLEES
EARTH RESOURCES MAPPING, INC. AND EARTH
RESOURCE MAPPING PTY LTD.

STEWART M. BROWN
RICHARD T. MULLOY
FROMMER LAWRENCE & HAUG LLP
4660 La Jolla Village Drive
Suite 850
San Diego, California 92037
(858) 731-5014

Attorneys for Defendants-Appellees

MARCH 3, 2005

CERTIFICATE OF INTEREST

Counsel for Defendants-Appellees certifies the following:

1. The full name of every party or amicus represented by me is:

Earth Resource Mapping, Inc. (erroneously named as Earth Resources Mapping, Inc.) and Earth Resource Mapping Ltd (formerly Earth Resource Mapping Pty Ltd); all Defendants-Appellees are referred to collectively herein as "ERM."

2. The name of the real party of interest (if the party named in the caption is not the real party in interest) represented by me is:

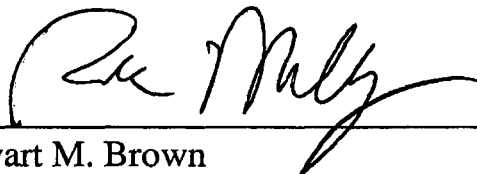
Earth Resource Mapping, Inc. and Earth Resource Mapping Ltd.

3. The parent companies, subsidiaries (except wholly-owned subsidiaries), and affiliates that have issued shares to the public, of the party or amicus represented by me are:

None.

4. The name of all law firms and the partners or associates that appeared for the party or amicus now represented by me in the trial court or agency or are expected to appear in the case are: Gray Cary Ware & Freidenrich LLP: Stewart M. Brown, Richard T. Mulloy (both now of Frommer Lawrence & Haug LLP), Barry K. Shelton, Joseph P. Reid, Stellman Keehnell; and Perkins Coie LLP: Ramsey Al-Salam.

Dated: March 3, 2005



Stewart M. Brown
Richard T. Mulloy
Counsel for Defendants-Appellees

TABLE OF CONTENTS

CERTIFICATE OF INTEREST	i
STATEMENT OF RELATED CASES	vii
I. STATEMENT OF THE FACTS.	1
A. The District Court Adopted the Special Master’s Report and Recommendations Regarding Claim Construction Without Objection From Either Party.	1
B. ERM’s Motions for Summary Judgment.	2
1. ERM’s Motion for Summary Judgment That Claims 1-20 and 26 are not Infringed.	2
2. ERM’s Motion for Summary Judgment That Claims 21-25 and 27-28 are Invalid for Failure to Satisfy the Written Description Requirement.	3
3. ERM’s Motion for Summary Judgment That Claim 21 is Invalid for Obviousness.	5
II. SUMMARY OF THE ARGUMENT.	6
III. ARGUMENT.	12
A. ERM Does not Infringe Claims 1-20 and 26 Because it Does not “Maintain Updated Sums.”	12
1. LizardTech Agreed to the District Court’s Claim Construction and Should not now be Permitted to Argue for its Revision.	12
2. The Evidence — Which no Amount of Attorney Argument can Change — is Undisputed That ERM Does not Add Overlapping DWT Coefficients from one Tile to Those of Adjacent Tile(s).	13
B. Claim 21 and its Dependent Claims Fail to Satisfy the Written Description Requirement.	18

1.	The Claimed Non-Seamless Compression Runs Counter to Everything in the Specification and the Purpose of the Invention.	19
2.	The Patentee Argued for Allowance and Obtained the Claims on the Basis of Seamlessness.....	22
3.	LizardTech is Wrong on the Law — Original Claims and Amended Claims Must Satisfy the Written Description Requirement.	25
4.	The Controlling Law Supports ERM, not LizardTech.	26
5.	The “Description” of Claim 21 Standing Alone is Insufficient.	28
6.	LizardTech’s Remaining Arguments are Likewise Insufficient to Preclude Summary Judgment.....	29
C.	The Special Master and District Court Correctly Concluded That Claim 21 Would Have Been Obvious to One of Ordinary Skill in the Art in Light of Hamilton and Shapiro.....	31
1.	Without the “Maintaining Updated Sums” Step, Claim 21 is Prior Art.....	32
2.	LizardTech’s Expert Declaration(s) Fail to Meaningfully Contradict That Each Limitation is Found in the Prior Art and that Hamilton Provides Motivation to Combine Hamilton and Shapiro.....	33
a.	Dr. Osher’s Statements are too Conclusory.	34
b.	Dr. Osher’s Statements Contradict the File History and the References.....	36
c.	Dr. Osher Erroneously Reads in a Non-Existent Temporal Limitation to Avoid Shapiro.	38

3.	Neither the Special Master nor the Court “Weighed the Credibility” of LizardTech’s Expert.....	39
----	---	----

IV.	CONCLUSION.....	39
-----	-----------------	----

AFFIDAVIT OF SERVICE

CERTIFICATE OF COMPLIANCE

TABLE OF AUTHORITIES

Cases

<i>Abbott Laboratories v. Inverness Medical Technology</i> , 2002 WL 1906533 at * 1 (D.Mass. Aug. 19, 2002)	18
<i>Ashton-Tate Corp. v. Ross</i> , 916 F.2d 516 (9th Cir. 1990).....	34
<i>Becton Dickinson & Co. v. C.R. Bard, Inc.</i> , 922 F.2d 792 (Fed. Cir. 1990).....	12
<i>British Airways Board v. Boeing Co.</i> , 585 F.2d 946 (9th Cir. 1978).....	16
<i>Celotex Corp. v. Catrett</i> , 477 U.S. 317 (1986).....	13, 16
<i>Eli Lilly & Co. v. Barr Labs, Inc.</i> , 251 F.3d 955 (Fed. Cir. 2001).....	18, 26, 39
<i>Enzo Biochem, Inc. v. Gen-Probe Inc.</i> , 323 F.3d 956 (Fed. Cir. 2002).....	26
<i>Gentry Gallery, Inc. v. Berkline Corp.</i> , 134 F.3d 1473 (Fed. Cir. 1998).....	28
<i>Johnston v. IVAC Corp.</i> , 885 F.2d 1574, 12 USPQ2d 1382 (Fed.Cir. 1989)	14
<i>Laitram Corp. v. Rexnord, Inc.</i> , 939 F.2d 1533 (Fed.Cir. 1991).....	13
<i>Lockwood v. American Airlines, Inc.</i> , 107 F.3d 1565, 41 USPQ2d 1961 (Fed. Cir. 1997)	27, 35
<i>MEHL/Biophile Int’l Corp. v. Milgraum</i> , 192 F.3d 1362 (Fed. Cir. 1999).....	38
<i>Moore U.S.A., Inc. v. Standard Register Co.</i> , 229 F.3d 1091 (Fed.Cir. 2000).....	15, 16

<i>Phillips Petroleum Co. v. Huntsman Polymers Corp.</i> , 157 F.3d 866 (Fed.Cir. 1998).....	15, 16
<i>Regents of Univ. of Calif. v. Eli Lilly & Co.</i> , 119 F.3d 1559 (Fed. Cir. 1997).....	12, 18, 28
<i>Schaeffer Fan Co. v. J&D Manufacturing</i> , 265 F.3d 1282 (Fed.Cir. 2001).....	13
<i>Sinskey v. Pharmacia Ophthalmics, Inc.</i> , 982 F.2d 494 (Fed. Cir. 1992).....	33
<i>Tronzo v. Biomet, Inc.</i> , 156 F.3d 1154 (Fed. Cir. 1998).....	20, 21, 28, 29
<i>Turbocare v. General Electric Co.</i> , 264 F.3d 1111 (Fed. Cir. 2001).....	25, 26, 27, 28
<i>Union Carbide Corp. v. American Can Co.</i> , 724 F.2d 1567 (Fed. Cir. 1984);.....	35
<i>University of Rochester v. G.D. Searle & Co., Inc.</i> , 358 F.3d 916 (Fed. Cir. 2002).....	18, 26, 28, 30
<i>University of West Virginia Board of Trustees v. Vanvoorhies</i> , 278 F.3d 1288 (Fed. Cir. 2002).....	16
<i>Williams v. General Surgical Innovations, Inc.</i> , 178 F.Supp.2d 698 (E.D.Tex. 2002).....	21

Statutes

35 U.S.C. § 112	9, 30
-----------------------	-------

Rules

Fed. R.Civ.P. 56(f)	34
Fed.R.Civ.P. 53	13
Fed.R.Civ.P. 56(e)	11, 16

STATEMENT OF RELATED CASES

An appeal in this case was previously before this Court as Appeal No. 01-1343, entitled “LizardTech, Inc. v. Earth Resources Mapping, Inc. and Earth Resources Mapping Pty Ltd.” A panel composed of Judges Lourie, Schall and Gajarsa issued a decision remanding the action to the district court on May 22, 2002. The opinion was not published in the Federal Reporter.

An appeal in a related case was previously before this Court as Appeal No. 01-1344, entitled “LizardTech, Inc. v. Earth Resource Mapping, Inc. and Earth Resources Mapping Pty Ltd., and Earth Resource Mapping Ltd.” A panel composed of Judges Lourie, Schall and Gajarsa issued a decision remanding the action to the district court on May 22, 2002. The opinion was not published in the Federal Reporter. The underlying action has since been concluded and is no longer pending.

There are no other cases known to counsel to be pending in this or any other court that will directly affect or be directly affected by this Court’s decision in the pending appeal

I. STATEMENT OF THE FACTS.

LizardTech's twenty-seven page "statement of facts" is replete with argument propped up by mischaracterizations of the special master's recommendations and the district court's orders. Accordingly, ERM submits the following brief statement of the facts and procedural history relevant to this appeal.

A. The District Court Adopted the Special Master's Report and Recommendations Regarding Claim Construction Without Objection From Either Party.

Following remand after the first appeal in this matter, the district court appointed a special master to make recommendations regarding the remaining claim construction issues and other matters related to the case. (A0331 – A0333.) The special master, Micah Stolowitz, Esq., was jointly recommended by the parties and is a patent attorney with more than 25 years of experience in electronic and computer science technologies. (*See* A0322 – A0328.)

In November 2002, the parties submitted claim construction briefs and supporting papers to the special master. (*See* A0334 – A0733.) On December 10, 2002, the special master conducted a claim construction hearing at which ERM's expert witness, Dr. Robert Gray, was cross-examined by LizardTech's counsel. (A0775 – A0818.) On December 31, 2002, the special master issued his report and recommendations regarding claim construction. (A0734 – A0774.) Neither party objected to the special master's report and recommendations regarding claim

construction. (*See* A0827 (LizardTech’s reply; correctly noting that “Neither party objected to the claim construction submitted by the Special Master.”).) On March 27, 2003, the district court entered the special master’s report and recommendations as the court’s claim construction. (A0023 – A0026.)

B. ERM’s Motions for Summary Judgment.

Following the claim construction, ERM filed a motion for summary judgment that claims 1-20 and 26 are not infringed because the ERM process does not “maintain updated sums” as that limitation was construed by the district court. ERM also filed a second motion for summary judgment that claims 21-25 and 27-28 are invalid for failure to meet the written description requirement and that claim 21 is invalid for obviousness. Following briefing from the parties, the special master held a hearing on the summary judgment motions on July 1, 2003. (*See* A1337 – A1567.) In August 2003, the special master issued reports and recommendations on ERM’s motions. (*See* A0027 – A0072.) In March 2004, the district court entered an order granting ERM’s motions. (A0002 – A0022.)

1. ERM’s Motion for Summary Judgment That Claims 1-20 and 26 are not Infringed.

In connection with its motion for summary judgment of non-infringement, ERM submitted sworn testimony from the inventor of ERM’s separately-patented software setting forth each relevant step in ERM process, and from Dr. Gray explaining in detail why the ERM software does not “maintain[] updated sums” as

construed by the court. (A0841 – A0972.) In opposition to ERM’s motion, LizardTech’s counsel conceded that there was no dispute of fact regarding the accused ERM method and submitted no evidence whatsoever in opposition to ERM’s motion. (*See* A1231 (LizardTech’s opposition brief; “There is no essential factual disagreement as to how the ERM method operates”).) Accordingly, and because the undisputed evidence submitted by ERM established that LizardTech cannot satisfy its burden to prove that ERM infringed claims 1-20 or 26 of the ’835 Patent either literally or by equivalents, the special master recommended that ERM’s motion for summary judgment of non-infringement be granted. (*See* A0051 – A0072.) The district court agreed and granted ERM’s motion for summary judgment of non-infringement. (A0017 – A0022.)

2. ERM’s Motion for Summary Judgment That Claims 21-25 and 27-28 are Invalid for Failure to Satisfy the Written Description Requirement.

In support of its motion for summary judgment that claims 21-25 and 27-28 are invalid for lack of an adequate written description, ERM relied upon the language of the patent itself, the prosecution history, and the sworn testimony of Dr. Gray, all of which support ERM’s position that there is no description of the non-seamless technique claimed in claim 21 and its dependent claims. (*See* A0973 – A1223.) In its opposition, LizardTech did not dispute (and does not now dispute) that the ’835 Patent teaches away from the technique of claim 21, but

rather, argued: (1) that the written description requirement only applies to amended claims, and does not apply to original claims (A1235-36); and (2) that claims 21–25 and 27-28 are themselves sufficient written description. (A1236.)

The special master recommended that ERM’s motion be denied. In doing so, however, the special master agreed that the undisputed evidence supports ERM’s position that the ’835 Patent teaches away from claim 21 and its dependent claims (*see* A0036), noted his belief that the validity of those claims was a “close” issue (A0037), and stated that he would recommend granting ERM’s motion if the standard were a preponderance of the evidence. (*Id.*) Pivotal to the special master’s recommendation denying the motion was the erroneous premise that “the case law requires a very clear, unambiguous statement in the specification that would exclude the claim at issue in order to hold it lacks written description.” (*See* A0035.)

ERM objected to the special master’s recommendation on that basis, *i.e.*, that the special master applied an incorrect legal standard by requiring that the specification include a “clear, unambiguous statement . . . that would exclude the claim at issue” to find a violation of the written description requirement. (*See* A1708 – A1723.) The district court agreed that the special master had applied an incorrect legal standard, but agreed with the special master’s evaluation of the

undisputed facts, and therefore granted ERM's motion that the claims are invalid. (See A0013 – A0017.)

3. ERM's Motion for Summary Judgment That Claim 21 is Invalid for Obviousness.

ERM's motion for summary judgment that claim 21 is obvious in view of prior art patents to Hamilton and Shapiro was based on the prosecution history of the '835 Patent, the declaration of Dr. Gray, and the deposition testimony of LizardTech's expert, Dr. Stanley Osher, admitting that claim 21 would read on the prior art without the "maintaining updated sums" step in independent claims 1 and 13. (See A0973 – A1223.) In its opposition, LizardTech submitted a declaration from Dr. Osher contradicting, in a conclusory manner, the sworn deposition testimony he previously provided. (A1240 – A1244.) The special master found that all of the *Graham* factors related to obviousness were undisputed, and that Dr. Osher's conclusory declaration was insufficient to create a disputed issue of fact. Accordingly, he recommended that ERM's motion be granted. (See A0040 – A0050.)

LizardTech objected to the special master's ruling. (A1726 – A1837.) With its objection, LizardTech for the first time and without leave of court submitted a supplemental declaration from Dr. Osher. (A1838 – A1842.) The district court held that even if Dr. Osher's supplemental declaration were to be considered, it

would still be insufficient to raise a disputed issue of fact, and adopted the special master's recommendation that ERM's motion be granted. (A0005 – A0013.)

II. SUMMARY OF THE ARGUMENT.

Fifty-nine pages of repetitive argument cannot undo LizardTech's failure to present evidence raising a triable issue of material fact. On all three issues — non-infringement, written description, and obviousness — LizardTech proffered either unsupported and conclusory expert testimony or no evidence at all. Neither conclusory declarations, nor worse, attorney argument, can defeat a motion for summary judgment. For the reasons explained below, the district court properly granted summary judgment on all three issues.

The District Court Properly Granted Summary Judgment That Claims 1-20 and 26 are not Infringed.

Regarding non-infringement, the “maintaining updated sums” step was construed without objection from either party to mean, “summing the DWT coefficients of one tile together with overlapping DWT coefficients from one or more adjacent tiles.” (A0018.) Based upon that undisputed construction, the district court correctly granted summary judgment of non-infringement where “Plaintiff did not point out or submit any evidence of specific facts to support its contention that the ERM method ‘does, in fact, add ‘overlapping coefficients.’” (A0019.)

In a vain effort to obscure its failure to submit any contrary evidence — as opposed to mere attorney argument — LizardTech now argues that: (1) the claim construction was impermissibly changed between the time it agreed to it and the grant of summary judgment (Brief of the Plaintiff-Appellant LizardTech, Inc. (“LT Brief”), pp. 51-54); and (2) because of the “expansive nature of the transform” ERM *must* sum “DWT coefficients of one tile together with overlapping DWT coefficients from one or more adjacent tiles.” (LT Brief, pp. 49-51.)

To shore up these faulty arguments, LizardTech quotes from the record in a manner that can euphemistically be described as highly selective. For example, in erroneously urging that the lack of “overlapping coefficients” was the “*only* basis” for non-infringement in the special master’s report, LizardTech omits with elipses the key phrase “(assuming, but not deciding, that they are ‘summed’).” (LT Brief, p. 30; A0065.) Thus LizardTech attempts to hide that the special master and district court did not agree with LizardTech on the merits, but merely acknowledged that *arguendo*, even if ERM “sums” DWT coefficients from one tile to those of an adjacent tile — a point soundly refuted by all the record evidence (*see* A0864 – A0873 (Gray Decl.) and A0948 – A0952 (Nixon Decl.)) — such coefficients are not “overlapping” and ERM still does not infringe.

No amount of argument or selective quotation can hide that LizardTech agreed to the claim construction (and at no time sought to clarify any perceived

ambiguity about the word “overlapping”) and failed to submit any *evidence* (as opposed to attorney argument) disputing that ERM does not create overlapping DWT coefficients nor add such coefficients from one tile to those of an adjacent tile. Accordingly, LizardTech failed to meet its burden to demonstrate there is a triable issue of fact whether ERM infringes claims 1-20 and 26, and summary judgment was properly granted.

The District Court Properly Granted Summary Judgment That Claims 21-25 and 27-28 Fail to Satisfy the Written Description Requirement.

LizardTech’s attempt to salvage claim 21 (and its dependent claims, 22-25 and 27-28) from invalidity due to inadequate written description fails for three reasons.

First, the district court was not misled by “disingenuous arguments” to apply “non-existent law.” (LT Brief, p. 42.) Having apparently abandoned the erroneous legal proposition it urged below that the written description requirement “is inapplicable unless claims were added or amended after the original filing date” (A1235-36), LizardTech is ill-suited to accuse ERM of “gross distortions, if not outright misrepresentations” of the law. (LT Brief, p. 41.) Moreover, LizardTech’s desperate allegation is demonstrably false. As a review of the cases cited by ERM reveals, the district court correctly found that where, as here, a claim (original or otherwise) is nowhere described, is clearly taught away from in the

specification, and would run contrary to the stated purpose of the invention, the argument made to overcome rejection, and the reason given for allowance, that claim violates the written description requirement. No reasonable jury could find otherwise.

Second, LizardTech repeatedly argues that each individual step in claim 21 is described in the specification. (LT Brief, pp. 7-8, 11, 32-33, 39, 41). But even if that were so¹, it is not sufficient to preclude summary judgment. It is the *claimed invention*, i.e. a method for selectively viewing areas of an image that has been subjected to *non-seamless* DWT compression, that must be described, not merely the individual elements. *See* 35 U.S.C. § 112. The district court thus correctly concluded that apart from claim 21 itself, which is inadequate, there is no supporting description for such non-seamless compression.

Finally, LizardTech now apparently concedes that the only description of the claimed non-seamless embodiment is claim 21 itself. (*See* LT Brief, pp. 39-42.) LizardTech then desperately charges that the district court “nowhere addressed” its argument that, as an original claim, claim 21 itself is part of the description. (LT Brief, p.10.) But the district court plainly addressed the “claim 21-is-its-own-

¹ Although the special master apparently regarded this point as undisputed (A0033), counsel for ERM made it clear on the record at the July 1, 2003 hearing that ERM does not concede that each step of claim 21 is described, even individually. (A1451.) However, *even if* that were the case, that would still not be sufficient to create a triable issue of fact because LizardTech does not dispute that the invention claimed in claim 21 is nowhere described in the specification.

description” argument and correctly held that “the language in 21 alone is not *per se* sufficient to raise a genuine issue of material fact.” (A0016 at fn. 12.)

LizardTech’s criticism of the district court’s decision — like its desperate charge that ERM has misrepresented the case law — is plainly false.

The District Court Properly Granted Summary Judgment That Claim 21 is Obvious.

Regarding the obviousness of claim 21, it is beyond any reasonable dispute that without the non-existent “maintaining updated sums” step, claim 21 is just the prior art non-seamless tiled DWT compression. LizardTech ignores admissions to that effect by its expert, Dr. Osher, and by the named inventor, Dr. Bradley. (*See* A0926; A1047.) It also ignores this Court’s earlier observation consistent with those admissions that, “[w]ithout more, [i.e., the “maintaining updated sums” step found in independent claims 1 and 13 — but not in independent claim 21] this process *would be identical to the prior art DWT tiling solution* described above and would accordingly suffer from the attendant ‘seam’ and ‘edge artifact’ problems.” (A0301 (emphasis added).) LizardTech further ignores that the applicant relied upon the non-existent “maintaining updated sums” step to obtain allowance over the prior art. “In summary . . . Applicant has recognized that the application of DWT techniques to tiling to provide a *seamless* stored array of compressed DWT coefficients of the entire image requires that the tiles be

compressed in a manner to recognize appropriate boundary conditions and then *added* in a sequence that matches appropriate boundaries to produce the *seamless* stored image.” (A1040 (emphasis added).) Finally, LizardTech ignores that the Examiner expressly (and mistakenly) relied upon that non-existent step in allowing claim 21. (*See* A1549.)

Rather than address any of the above, LizardTech argues (as it did below) that the special master and district court improperly “weighed the credibility” of ERM’s expert Dr. Gray against that of LizardTech’s expert Dr. Osher. (LT Brief, pp. 14, 35.) Nothing of the kind happened. Rather, both the special master and the district court properly found that Dr. Osher’s declaration did not meaningfully contradict Dr. Gray’s declaration on any material issue and that none of the statements in Dr. Osher’s declaration (even if assumed to be true) could create a genuine issue of material fact. (A009-13; A0046-50.) LizardTech further urges that it was “error” to “focus on the wording” of Dr. Osher’s declarations. (LT Brief, p. 35.) But focusing on the “wording” of Dr. Osher’s declarations is precisely what Rule 56 requires to determine whether there exists a genuine issue of material fact. *See* Fed. R. Civ. P. 56(e) (noting “the adverse party’s response, by affidavits or as otherwise provided in this rule, must set forth specific facts showing that there is a genuine issue for trial”). Here, both the special master and the district court carefully reviewed the declarations and correctly concluded that

Dr. Osher's statements did not raise a triable issue of fact. Summary judgment was thus properly granted.

III. ARGUMENT.

A. ERM Does not Infringe² Claims 1-20 and 26 Because it Does not “Maintain Updated Sums.”

1. LizardTech Agreed to the District Court's Claim Construction and Should not now be Permitted to Argue for its Revision.

LizardTech did not object to the special master's construction of the “maintaining updated sums” step that was subsequently adopted by the district court. (A0023.) That construction requires “summing the DWT coefficients of one tile together with overlapping DWT coefficients from one or more adjacent tiles.” (A0772; A0025.) Having agreed to that construction, LizardTech is ill-suited to now argue that the construction — which indisputably contains the word “overlapping” — was “retroactively changed” (LT Brief, p. 54) simply because, when applied to the undisputed facts about ERM's accused product, it produced a result different than that for which LizardTech had hoped. Such argument founders all the more considering that at the hearing, when faced with a recommendation that the district court grant summary judgment of non-

² LizardTech has failed to raise any issue regarding the doctrine of equivalents in its opening brief. Accordingly, that issue is waived on appeal and need not be addressed by ERM. See *Regents of the University of California v. Eli Lilly & Co.*, 119 F.3d 1559, 1566 (Fed. Cir. 1997) (citing *Becton Dickinson & Co. v. C.R. Bard, Inc.*, 922 F.2d 792, 800 (Fed. Cir. 1990)) (“[A]n issue not raised by an appellant in its opening brief ... is waived.”).

infringement, LizardTech waffled regarding the same “retroactively changed” claim construction of which it now complains: “It’s clear that the special master is describing [sic] new meaning to the word overlapping, and we do not necessarily oppose those new meanings for overlapping.” (A1846-1847.) Having failed to object to the special master’s report and recommendations regarding claim construction, or the district court’s claim construction order, LizardTech may not raise such objections now. *Schaeffer Fan Co. v. J&D Manufacturing*, 265 F.3d 1282, 1289 (Fed. Cir. 2001) (“This court does not review that which was not presented to the district court. If [the defendant] had Rule 53 objections to the special master’s rulings, it had an obligation to raise those objections before an appeal to this court.”).

2. The Evidence — Which no Amount of Attorney Argument can Change — is Undisputed That ERM Does not Add Overlapping DWT Coefficients from one Tile to Those of Adjacent Tile(s).

The burden of establishing that the ERM product practices each element of the asserted claims rests squarely upon LizardTech. *See, e.g., Laitram Corp. v. Rexnord, Inc.*, 939 F.2d 1533, 1535 (Fed. Cir. 1991). Where, as here, the non-moving party bears the ultimate burden of proof on an issue, the moving party’s burden on summary judgment can be satisfied by showing that there is no disputed issue of fact and the non-moving party cannot establish an essential element of its case. *See Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986); *see also Johnston v.*

IVAC Corp., 885 F.2d 1574, 1577 (Fed. Cir. 1989) (“the motion of an accused infringer for judgment on the ground of non-infringement of a patent may be granted where the patentee's proof is deficient in meeting an essential part of the legal standard for infringement.”).

Here, ERM did far more than merely point to an absence of evidence to support LizardTech’s infringement claims. Instead, ERM submitted uncontradicted declarations from the inventor of ERM’s accused product and its expert witness setting forth the precise steps practiced by the accused product and establishing that ERM does not infringe claims 1-20 or 26 because ERM does not “maintain updated sums”, i.e. add together overlapping DWT coefficients from one tile to those of an adjacent tile. (*See* A0864-873; A0948-0952.) Based on this evidence, both the special master and the district court properly found that ERM met its summary judgment burden.

In its opposition, LizardTech failed to point to any disputed issue of fact. To the contrary, LizardTech acknowledges that there are no disputed issues of fact regarding the ERM product that could preclude summary judgment. (*See* A1231.) Moreover, LizardTech failed to provide *any* evidence supporting its claim that the ERM software infringes the ’835 Patent by “maintaining updated sums” as construed by the district court. (A0019-21.) The special master thus properly found that the ERM process does not infringe claims 1-20 or 26 of the ’835 Patent

because LizardTech failed to point to or submit any evidence to support its contention that the ERM method adds “overlapping DWT coefficients from one or more adjacent tiles” as required by the claim construction. (A0067.) The district court agreed with the special master that the undisputed evidence confirmed that “the DWT coefficients do not overlap in the ERM method.” (A0021.) Additionally, because “Plaintiff submitted no evidence to support its contention that the ERM method does actually add overlapping coefficients,” (*Id.*) the district court properly granted summary judgment in favor of ERM.

LizardTech’s claim that summary judgment is inappropriate because the special master and the district court “improperly assumed the fact-finder’s role” (LT Brief, p. 59) is also without merit. This Court has upheld summary judgment of non-infringement in circumstances where the opposing party offered far more evidence than LizardTech has here. For example, in *Phillips Petroleum Co. v. Huntsman Polymers Corp.*, 157 F.3d 866 (Fed. Cir. 1998), the patentee failed to raise a genuine issue of material fact despite submitting declarations from its experts disputing the issue of infringement. *Id.* at 876. Similarly, in *Moore U.S.A., Inc. v. Standard Register Co.*, 229 F.3d 1091 (Fed. Cir. 2000), the Court found declarations offered by the patentee to carry its burden of proof on infringement in opposition to a motion for summary judgment were insufficient where the declarations were conclusory and “entirely lacking in factual support.” *Id.* at 1112.

Here, LizardTech has not offered even the kind of conclusory testimony that was found insufficient in *Phillips Petroleum* and *Moore*. Rather, LizardTech offered only argument from its counsel in opposition to ERM's motion. It is well-established that attorney argument is insufficient to preclude summary judgment. Fed. R. Civ. P. 56(e) ("When a motion for summary judgment is made and supported as provided in this rule, an adverse party may not rest upon the mere allegations or denials of the adverse party's pleading, but the adverse party's response, by affidavits or as otherwise provided in this rule, must set forth specific facts showing that there is a genuine issue for trial."); *see also British Airways Board v. Boeing Co.*, 585 F.2d 946, 951-52 (9th Cir. 1978) ("legal memoranda and oral argument are not evidence, and they cannot by themselves create a factual dispute sufficient to defeat a summary judgment motion where no dispute otherwise exists."). With no conflicting *evidence* offered by LizardTech and no genuine issues of material fact, the district court properly granted ERM's motion for summary judgment of non-infringement. "Summary judgment *must* be granted against a party who has not introduced evidence sufficient to establish the existence of an essential element of that party's case, on which the party would bear the of proof at trial." *See University of West Virginia Board of Trustees v. Vanvoorhies*, 278 F.3d 1288, 1295 (Fed. Cir. 2002) (emphasis added) (citing *Celotex*, 477 U.S. at 322).

LizardTech's failure to provide any evidence of patent infringement in opposition to ERM's motion for summary judgment cannot be blamed on ERM, the special master, or the district court. During discovery in this case, LizardTech twice deposed ERM's founder and source code author, Stuart Nixon. Additionally, LizardTech's expert, Dr. Osher, was given access to ERM's source code and more than sufficient opportunity to submit a declaration in opposition to ERM's motion for summary judgment. Yet despite all that, LizardTech cites to nothing when repeatedly insisting that ERM practices the "maintaining updated sums" step. (*See e.g.*, LT Brief, p. 36, ("And there is no question that ERM's process provides *exactly* the same result, which can only be the case if corresponding coefficients from adjacent tiles are added to each other in each process."); p. 49 ("There is no dispute that the ERM software produces *the exact same coefficients as the claimed invention and adds (i.e. "sums") those coefficients to produce the exact same 'final' coefficients as the claimed invention.*") (all emphasis in original).) Unfortunately for LizardTech, italics do not turn attorney argument into evidence. LizardTech's complete failure to point to any dispute of fact or produce any evidence of infringement in opposition to ERM's motion for summary judgment of non-infringement is dispositive. (A0019; 0021; 0067.) Summary judgment should be affirmed.

B. Claim 21 and its Dependent Claims Fail to Satisfy the Written Description Requirement.

Summary judgment of invalidity for failure to satisfy the written description requirement is appropriate where there are no genuine issues of material fact and no reasonable juror could find the purported inventions in the claims are adequately described in the specification. *See Eli Lilly & Co. v. Barr Labs, Inc.*, 251 F.3d 955, 962 (Fed. Cir. 2001); *University of Rochester v. G.D. Searle & Co., Inc.*, 358 F.3d 916, 927-29 (Fed. Cir. 2002). Although whether the written description requirement has been satisfied depends on the particular facts of each case, “a written description may be plainly inadequate as a matter of law.” *Abbott Laboratories v. Inverness Medical Technology*, 2002 WL 1906533 at * 1 (D.Mass. Aug. 19, 2002) (citing *Regents of Univ. of Calif. v. Eli Lilly & Co.*, 119 F.3d 1559, 1567 (Fed. Cir. 1997)).

As the district court and the special master correctly noted, the specification of the '835 Patent not only fails to describe the non-seamless compression and retrieval claimed in claims 21-25 and 27-28 of the '835 Patent, it actually *teaches away* from the purported inventions in those claims. (See A0036; A0013-14.) In addition, the patentee's arguments to obtain allowance of the claims and the USPTO's reason for allowing the claims all confirm that the '835 Patent is directed to *seamless* compression, not the non-seamless compression of claims 21-25 and 27-28. Consequently, no reasonable juror could find the purported inventions of

those claims are adequately described in the '835 Patent, and summary judgment should be affirmed.

1. The Claimed Non-Seamless Compression Runs Counter to Everything in the Specification and the Purpose of the Invention.

Independent claim 21 of the '835 Patent is broader in scope than independent claims 1 and 13, and does not include the “maintaining updated sums” step in claims 1 and 13. (*See* A0126-127.) LizardTech has acknowledged that without the “maintaining updated sums” step, the DWT coefficients produced by the method of claim 21 (and its dependent claims) will not produce a seamless DWT of the image. (*See* A1235.) However, the '835 Patent describes only a method providing for seamless compression and retrieval:

In accordance with the present invention, a method is provided for the *seamless* wavelet-based compression of very large contiguous images and for accessing arbitrary locations in the image at a variety of resolutions.

A *seamless* wavelet-based compression process is effected in $I(x,y)$ that is comprised of successively inputting the tiles $T_{ij}(x,y)$ in a selected sequence to a DWT routine, *adding corrections that are passed from previous invocations of the DWT routine on other $T_{ij}(x,y)$* , and storing the resulting DWT coefficients in a first primary memory.

In the absence of the compression step, the sequence of DWT operations on the tiles $T_{ij}(x,y)$ effectively calculates a *seamless* DWT of $I(x,y)$ that can be viewed as an “overlap-add” realization of the DWT. The

seamless DWT process transforms $I(x,y)$ to a set of DWT coefficients to form a set of subbands that embody a hierarchial representation of low-resolution representations of the image data array $I(x,y)$.

(A0121 at Col. 2, ll. 9-12, 51-58, and 60-67 (emphasis added).)

Indeed, far from describing a method for non-seamless compression and retrieval, the '835 Patent expressly criticizes non-seamless compression as “undesirable” and “complicated”:

Although one could divide the image array into rectangular subsections and perform a DWT on each of these independently, this would be undesirable for two reasons. First, there would be wavelet transform boundary conditions in the interior of the image data which could potentially result in compression artifacts. Furthermore, the implementation of a local multiscale retrieval routine is complicated by these interior boundaries.

(A0121 at Col. 2, ll. 1-8 (emphasis added).)

In these circumstances, *Tronzo v. Biomet, Inc.*, 156 F.3d 1154 (Fed. Cir. 1998) is instructive. In *Tronzo*, the district court held patent claims directed to an artificial hip prosthesis failed to satisfy the written description requirement. The specification of the *Tronzo* patent described only a prosthesis with a cup having a conical shape, yet the claims at issue were generic as to the shape of the cup. This Court agreed that the generic-shape claims did not satisfy the written description requirement because there was no description in the specification of a cup having any shape other than conical. Significantly, the Court was persuaded in part by the

patentee's statements in the specification touting the advantages of conical cups over other shapes in the prior art:

[T]he only reference in the '589 patent's specification to different shapes is a recitation of the prior art. Instead of suggesting that the '589 patent encompasses additional shapes, *the specification specifically distinguishes the prior art as inferior and touts the advantages of the conical shape of the '589 cup. Such statements make clear that the '589 patent discloses only conical shaped cups and nothing broader.* The disclosure in the '589 specification, therefore, does not support the later-claimed, generic subject matter in claims 1 and 9 of the '262 patent.

Tronzo, 156 F.3d at 1159 (emphasis added) (citations omitted).

Here, the '835 Patent expressly criticizes the prior art non-seamless method of compression and retrieval in the prior art as “undesirable” and “complicated” due the presence of edge artifacts, and specifically states that “in accordance with the present invention, a method is provided for the *seamless* wavelet-based compression of very large contiguous images and for accessing arbitrary locations in the image at a variety of resolutions.” (A0121, Col. 2, ll. 1-12 (emphasis added).) “Such statements make clear that the ['835] patent discloses only [seamless compression and retrieval] and nothing broader.” *Tronzo*, 156 F.3d at 1159; *see also Williams v. General Surgical Innovations, Inc.*, 178 F.Supp.2d 698, 708 (E.D.Tex. 2002) (patent claim for method of surgically dissecting tissue failed to satisfy written description requirement where, “the step of ‘removing the hollow

member on completion of surgery' in claim 1 is explicitly mentioned nowhere in the original disclosure Furthermore, the context of the original disclosure teaches away from removing the 'inflatable hollow member.'"). Claim 21 claims precisely the same "undesirable" and "complicated" non-seamless compression and retrieval method criticized in the '835 Patent. (A0121, Col. 2, ll. 1-8.) Because the '835 Patent expressly teaches away from non-seamless compression, no reasonable juror could find these claims satisfy the written description requirement.

2. The Patentee Argued for Allowance and Obtained the Claims on the Basis of Seamlessness.

Consistent with the purpose of the invention and the description in the specification, the patentee sought to obtain allowance of the claims at issue over the non-seamless prior art by (incorrectly) emphasizing that these claims provide for *seamless* compression and retrieval. With respect to the independent claims (including claim 21), the patentee stated:

As noted by applicant at Page 2, lines 26-29 and Page 3, lines 1-2, *processing tile data as independent tiles*, as taught by Hamilton (see e.g., Col. 11, lines 5-7) *would create image artifacts at tile boundary conditions* with DWT processing. *Thus, applicant has developed and claimed a sequence* to process tiles with DWT compression where the tiles are processed in a 'selected sequence,' and taught by applicant at Page 12, lines 23-26 and Page 13, lines 1-15 *where the updated sums of the DWT coefficients form a seamless DWT of the image*. Thus, applicant is compressing the tile data and then

processing the tile data in a selected sequence so that the resulting stored DWT coefficients represent the entire image, not tile images *and without any artifacts at tile boundaries* so that a viewing subset can be selected without regard to the original tile boundaries. The claimed tiling process is simply not shown or suggested by the references of record.

(A0914-15 (emphasis added).)

Similarly, with respect to claims 22-24, the patentee distinguished a combination of the prior art to avoid an obviousness rejection by again emphasizing (again, incorrectly) that these claims provide for “seamless” compression:

Appellant respectfully traverses this conclusion since none of the references shown [sic] a method for combining DWT tile data to produce *a seamless data array representing the entire image*. The Examiner’s attention is directed to applicant’s specification at Page 12, lines 23-26, and Page 13, lines 1-5. As taught therein and claimed in Claims 2, 15 and 22, a tile DWT includes boundary conditions set by performing a DWT over an entire tile data array that is the size of the entire data array, but that is supported only by the tile image data subset on whose data the DWT is occurring. As noted in the specification, there are more DWT coefficients than there are pixels since the DWT of any pixel is effected by the adjacent boundary condition. *This also requires that the coefficients be added in a certain order (see Claim 1) so that the appropriate boundary conditions are matched to form the seamless data array of the entire image.* There is simply no showing or suggestion in any of the references about processing DWT coefficients from tile data in this manner.

(A0915 (emphasis added).)

Finally, with respect to all of the claims, the patentee stated:

In summary, applicant respectfully submits that the Patent Office has not properly considered the invention claimed by applicant as a whole. Applicant has recognized that the application of DWT techniques to tiling to provide a *seamless array of compressed DWT coefficients* of the entire image requires that the tiles be compressed in a manner to recognize appropriate boundary conditions and then *added in a sequence that matches appropriate boundaries to produce the seamless stored image*.

(A0917 (emphasis added).)

Thus, the prosecution history clearly confirms that the '835 Patent is directed to seamless compression. The USPTO relied upon these statements distinguishing non-seamless compression in allowing claims 1-28 of the '835 Patent:

Claims 1, 13 *and 21* are the sole independent claims. Claims 1, 13 *and 21* *require* performing one or more discrete wavelet transformation-base processed on each tile of a data image in a selected sequence and *maintaining updated sums of discrete wavelet transformation coefficients from the discrete tile image to form a seamless wavelet transformation of the image*. These particular features in combination with the other features set forth in claims 1, 13 and 21 are neither taught nor suggested by the prior art.

(A1549 (emphasis added).)

Thus, the arguments for allowance and the Examiner's reason for allowing the claims focused on seamlessness and confirm the statements in the specification that non-seamless compression and retrieval are "undesirable" and "complicated."

(A0121 at Col. 2, ll. 1-8.) Claim 21 and its dependent claims, however, claim the same “undesirable” and “complicated” method of non-seamless compression and retrieval which the patentee distinguished to obtain allowance of the claims. No reasonable jury could find that those claims satisfy the written description requirement.

3. LizardTech is Wrong on the Law — Original Claims and Amended Claims Must Satisfy the Written Description Requirement.

LizardTech’s criticism of the district court’s reliance on this Court’s decision in *Turbocare v. General Electric Co.*, 264 F.3d 1111 (Fed. Cir. 2001) reflects a misunderstanding of the law. Specifically, LizardTech emphasizes that *Turbocare* involved claims that were not part of the original application without explaining why that distinction is relevant. (See LT Brief, p. 41.) LizardTech’s argument appears to be a carry-over of its erroneous argument below that the written description requirement applies only to amended or added claims, not to original claims. (See A1235 (LizardTech’s Opposition to ERM’s Motion for Summary Judgment; erroneously arguing that “settled case law teaches that an invalidity analysis based on the ‘written description’ requirement is inapplicable unless claims were added or amended after the original filing date”).) However, this Court has made clear that the written description requirement applies to *all* claims, not just added or amended claims. See *Enzo Biochem, Inc. v. Gen-Probe*

Inc., 323 F.3d 956, 968-69 (Fed. Cir. 2002) (“If a purported description of an invention does not meet the requirements of the statute, the fact that it appears as an original claim or in the specification does not save it. A claim does not become more descriptive by its repetition, or its longevity.”); *see also University of Rochester*, 358 F.3d at 924 (“even if the court had never had occasion to apply the written description requirement to original claims prior to the 1987 *Lilly* decision, that requirement was nonetheless always present”). LizardTech’s argument that “unlike *Turbocare*, the present case *does not* involve the question of whether later added claims were supported by the patent specification as filed” (LT Brief, p. 11 (emphasis in original)) is thus a distinction without a difference and is irrelevant to the written description analysis.

4. The Controlling Law Supports ERM, not LizardTech.

LizardTech’s argument that ERM “misrepresented” the holding in *Turbocare* to the district court is likewise without merit. (LT Brief, p. 41.) In *Turbocare*, the Federal Circuit affirmed a summary judgment ruling invalidating a patent claim for failure to satisfy the written description requirement. The patent in that case addressed a shaft seal for use in fluid-driven devices such as steam turbines. The claims, however, were directed to a shaft seal with a spring location that was different from the spring location described in the specification and that was not described. Accordingly, the Court held the district court properly granted

summary judgment invaliding the claim for lack of an adequate written description:

[The inventor's] original disclosure is completely lacking in any description of an embodiment in which the spring is located between the casing shoulders and the inner surface of the outer ring portion of the ring segment. Such an embodiment may have been obvious from [the inventor's] vague reference to a 'spring located . . . adjacent to said rings.' As we held in *Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 41 USPQ2d 1961 (Fed. Cir. 1997), however, that is not enough to satisfy the written description requirement . . . No reasonable juror could find that [the inventor's] original disclosure was sufficiently detailed to enable one of skill in the art to recognize that [he] invented what is claimed.

Turbocare, 264 F.3d at 1119.

Thus, the Court in *Turbocare* expressly noted that the specification included a vague statement that *might* have made it obvious to one of skill in the art to place the rings in the claimed location. *Turbocare*, 264 F.3d at 1119. However, such a statement was still insufficient as a matter of law to satisfy the written description requirement. *Id.* The facts here are thus even less favorable to the patentee than in *Turbocare* because, unlike the specification in *Turbocare*, there is no description in the specification of the '835 Patent that would even *suggest* the patentee might be claiming a non-seamless method of compression and retrieval. To the contrary, the specification, purpose of the invention, arguments made to obtain allowance of the claims, and the USPTO's reason for allowing the claims all expressly criticize and

teach away from the non-seamless compression and retrieval claimed in claim 21 and its dependent claims. Accordingly, those claims fail to satisfy the written description requirement as a matter of law and summary judgment was properly granted. *See Tronzo*, 156 F.3d at 1159.

5. The “Description” of Claim 21 Standing Alone is Insufficient.

LizardTech repeatedly argues the “description” of claim 21 by claim 21 itself is sufficient to preclude summary judgment. (*See e.g.*, LT Brief, pp. 10, 39, 41.) Such circular argument is contrary to the law. Indeed, if the claim language alone were sufficient to satisfy the written description requirement, summary judgment of invalidity on that basis would *never* be appropriate. This is not the law. *See, e.g., Turbocare*, 264 F.3d at 1120; *University of Rochester*, 358 F.3d at 927-29. Claim 21 itself cannot create a genuine issue of material fact sufficient to preclude summary judgment.³ *See Gentry Gallery, Inc. v. Berkline Corp.*, 134 F.3d 1473, 1480 (Fed. Cir. 1998). Indeed, LizardTech’s claim that “the District Court nowhere addressed the indisputable fact that claim 21, as part of the original

³ In its opposition to ERM’s motion for summary judgment, LizardTech initially identified two other portions of the ’835 Patent specification that it claimed contributed to the description of claim 21. (*See* A1235-36 (LizardTech’s Opposition Brief); A1242 (Osher Decl.)) LizardTech has apparently abandoned this erroneous contention and has not argued in its opening brief that those two portions of the specification are sufficient to preclude summary judgment. It should not be permitted to do so on reply. *See Regents of the University of California*, 119 F.3d at 1566.

disclosure, *itself* provides description” (LT Brief, p. 10) is demonstrably false. The district court considered and properly rejected LizardTech’s argument because “the language in claim 21 alone is not *per se* sufficient to raise a genuine issue of fact.” (A0016 at fn. 12.)

6. LizardTech’s Remaining Arguments are Likewise Insufficient to Preclude Summary Judgment.

LizardTech’s argument that the individual limitations of claim 21 are also found within claim 1 and that ERM has not challenged the validity of claim 1 for failure to satisfy the written description requirement misses the point. (LT Brief, p. 7.) Unlike claim 21, claim 1 includes the “maintaining updated sums” limitation and therefore provides for seamless compression and retrieval, which is undeniably described in the specification and was the basis for allowing the claims. (See A0126-127; A1549.) However, broader claim 21 — which provides for *non-seamless* compression and retrieval — fails to satisfy the written description requirement because there is undeniably no description of a method for non-seamless compression or retrieval in the ’835 Patent, and such method is expressly taught away from in the patent. In these circumstances, summary judgment was properly granted. *See Tronzo*, 156 F.3d at 1159.

LizardTech also repeatedly argues that individual limitations found within claim 21 find support in the specification. (See, e.g., LT Brief, p. 8.) Again, LizardTech misses the point. Even if it were true that each individual limitation of

claim 21 found adequate support in the specification, that alone would not satisfy the written description requirement because Section 112 requires that “the invention” — here, the *combination* of all the steps in claim 21 — be described. See 35 U.S.C. § 112 (“The specification shall contain a written description of the invention”) (emphasis added); see also *University of Rochester*, 358 F.3d at 923 (noting the “claimed invention” must be described). Here, LizardTech does not (and cannot) dispute that the invention as a whole is nowhere described in the specification. This is not surprising because, as discussed above, the ’835 Patent actually teaches away from the non-seamless technique of claim 21 and its dependent claims. Accordingly, no reasonable juror could find that the ’835 Patent adequately describes the claimed non-seamless compression and retrieval. Summary judgment should thus be affirmed.

C. The Special Master and District Court Correctly Concluded That Claim 21 Would Have Been Obvious to One of Ordinary Skill in the Art in Light of Hamilton and Shapiro.

The steps of claim 21 are as follows:

21. A method for selectively viewing areas of an image at multiple resolutions in a computer having a primary memory for data processing and a secondary memory for data storage, the method comprising the steps of:

[1] storing a complete set of image data array $I(x,y)$ representing said image in a first secondary memory of said computer;

[2] defining a plurality of discrete tile image data $T_{ij}(x,y)$ subsets, where said complete set of image data $I(x,y)$ is formed by superposition of said discrete tile image data $T_{ij}(x,y)$;

[3] performing one or more discrete wavelet transformation (DWT)-based compression processes on each said tile image data $T_{ij}(x,y)$ in a selected sequence to output each said discrete tile image data $T_{ij}(x,y)$ as a succession of DWT coefficients in a succession of subband sets, where one subband of each set is a low-resolution representation of said discrete tile image data $T_{ij}(x,y)$ to form a sequence of low-resolution representations of said image data array $I(x,y)$ to selected resolutions;

[4] selecting a viewing set of said image data array $I(x,y)$ to be viewed at a desired resolution;

[5] determining a viewing subset of said DWT wavelet coefficients that support said viewing set of said image data at said desired resolution; and

[6] forming from said subset of said DWT wavelet coefficients a computer display of said viewing set of said image data at said desired resolution.

(A0152 at Col. 13, l. 48 – Col. 14, l. 18.)

1. Without the “Maintaining Updated Sums” Step, Claim 21 is Prior Art.

The uncontradicted evidence — specifically, the patent itself, the file history, the depositions of named inventor Bradley and LizardTech’s expert Dr. Osher, and Dr. Gray’s declaration — compels the conclusion reached by the district court: Without the missing “maintaining updated sums” step, “claim 21 merely recites the prior art method of performing a tiled DWT.” (A0013.) Indeed, this Court observed as much when discussing the background art in its opinion on

the first appeal. (See A0301.) Before he was confronted with a motion seeking to invalidate claim 21 on grounds of obviousness, LizardTech's expert likewise opined that "any decomposition into tiles essentially is claimed" by claim 21 and that claim 21 covers "any tiling of an image and performing DWT on those tiles." (A048-49; A1046-47.) But both he and named inventor Bradley concede that tiling and performing DWT were prior art. (A0044; A1047; A0926.) Nor was LizardTech's expert able to articulate any basis to distinguish 21 from the prior art:

Q: Then what is novel about claim 21?

A: Claim 21 is — it seems a bit disjoint from the rest of the entire patent, actually. So I can't comment on it. Claims 1 and 13 are the ones that involve the add-back and address the issue of artifact.

(A1047.)

All of this evidence confirms this Court's own earlier observation that "without more" — i.e., the "maintaining updated sums" step — "this process would be *identical to the prior art DWT tiling solution* described above and would suffer from the attendant 'seam' and 'edge artifact' problems." (A0301 (emphasis added).)

2. LizardTech's Expert Declaration(s) Fail to Meaningfully Contradict That Each Limitation is Found in the Prior Art and that Hamilton Provides Motivation to Combine Hamilton and Shapiro⁴.

Faced with a motion seeking to invalidate claim 21 on the very ground he conceded at his deposition — that it is indistinguishable from the prior art — LizardTech had Dr. Osher “quibble” about the motivation to combine Hamilton and Shapiro and about the disclosure of steps 4, 5 and 6 by the prior art. (A0050 (noting “[t]here may be points to quibble about, but there is not a genuine issue of material fact in this case”).) However, it is well-established that a party opposing a motion for summary judgment cannot create a triable issue of fact by having a witness contradict his previous deposition testimony in a declaration. *See Sinskey v. Pharmacia Ophthalmics, Inc.*, 982 F.2d 494, 498 (Fed. Cir. 1992) (“To allow [a witness] to preclude summary judgment simply by contradicting his own prior statements would seriously impair the utility of Federal Rule of Civil Procedure 56.”). In addition to running afoul of this elementary rule, Dr. Osher’s “quibbling” declaration⁵ fails to establish a triable issue of material fact for three other reasons.

⁴ There are two Shapiro references relevant to this appeal: (1) U.S. Patent No. 5,563,960 to Shapiro, upon which, combined with Hamilton and the cited prior art, ERM relied in its motion for summary judgment; and (2) U.S. Patent No. 5,315,670, cited by the applicant and discussed in the file history. When necessary to distinguish the two, ERM will refer to the former as “Shapiro” and the latter as “Shapiro ’670.”

It is either: (1) too conclusory to create a triable issue of fact; (2) contradicted by the file history or by the references themselves, as pointed out by the special master and district court; or (3) subject to the same error of which LizardTech has mistakenly oft-accused ERM and the district court — reading in non-existent limitations.

a. Dr. Osher's Statements are too Conclusory.

LizardTech's rhetoric aside, it is Dr. Osher's statements — not Dr. Gray's — that are “bare-bones.” (LT Brief, p. 13.) The special master correctly characterized Dr. Osher's statements as “conclusory and sometimes evasive.” (A0047.) The heart of Dr. Osher's June 5, 2003 declaration, at paragraph 12 is exactly such a statement: “I do not agree that the teachings of Hamilton are

⁵ Dr. Osher's declarations are found at A1240-44 and A1840-41. ERM is not entirely clear whether the district court sustained or overruled ERM's objection to Dr. Osher's August 23, 2003 supplemental declaration. While noting that “Defendants had an adequate opportunity to and, in fact, did respond,” the district court concluded that “even if considered” the supplemental declaration failed to raise a triable issue of fact. (A0010, n. 9.) ERM agrees with the district court's analysis of the supplemental declaration on the merits but renews its evidentiary objection. Lizardtech neither moved for leave to file a supplemental declaration under Fed. R. Civ. P. 56(f), nor offered any explanation why Dr. Osher could not have included any additional material in his original declaration. ERM's ability to respond notwithstanding, to allow Lizardtech a “do-over” second declaration after the special master's recommendation that summary judgment be granted without any showing of good cause sets lamentable precedent and flouts the process for resolving summary judgment motions. *See Ashton-Tate Corp. v. Ross*, 916 F.2d 516, 520 (9th Cir. 1990). Accordingly, ERM's substantive response to the supplemental Osher declaration, both below and here, should not be construed as a waiver of this objection.

combinable with Shapiro, but even if they were, the combination does not disclose all the elements recited in Claim 21 and does not render obvious the invention claimed in Claim 21.” (A1243.) Likewise, his August 23, 2003 declaration at paragraph 8 states much the same thing: “The two references [Hamilton and Shapiro] are directed to completely different endeavors in the field of image processing, which is a very large field, and there is no motivation to combine them.” (A1840.) This court has made clear that such unsupported, conclusory opinions are insufficient to preclude summary judgment of obviousness. *See Union Carbide Corp. v. American Can Co.*, 724 F.2d 1567, 71-72 (Fed. Cir. 1984); *see also Lockwood v. American Airlines*, 107 F.3d 1565, 1571 (Fed. Cir. 1997) (“Lockwood's arguments and his expert's statements are thus conclusory . . . Accordingly, we agree with the district court that Lockwood's and his expert's declarations have not adequately responded to American's motion by raising genuine issues of material fact.”)

b. Dr. Osher's Statements Contradict the File History and the References.

To the extent Dr. Osher does get specific, his statements contradict or ignore both the file history and the references themselves. For example, his argument that Hamilton is somehow non-analogous because it “discloses tiling in the context of image rotation and half-toning” (A1840) fails because the applicant cited Hamilton during prosecution (A1012) and acknowledged the reference teaches a non-

seamless tile-based DWT technique: “As noted by applicant at Page 2 line 26-29 and Page 3 lines 1-2, processing tile data as independent tiles, as taught by Hamilton, (see e.g. Col. 11, lines 5-7), would create image artifacts at tile boundary conditions with DWT processing.” (A1037.)

Likewise, Dr. Osher ignores the Examiner’s conclusion that “Anderson teaches selecting a viewing set . . .”, i.e., step 4; “Shapiro [’670] teaches determining a viewing subset . . .”, i.e., step 5 and “Burt teaches forming [from] said subset of stored DWT coefficients a computer display of said viewing set . . .”, i.e., step 6. (A1029-30.) These statements are nowhere rebutted by the applicant. Rather, the rejection was overcome by again arguing the “seamless” feature that results from the non-existent “maintaining updated sums” step. In the first paragraph of page 4 of the Amendment, applicant distinguishes Anderson, Burt and Shapiro ’670, and the combination thereof based on seamlessness. “But there remains no teaching [in Shapiro ’670 and Anderson] about how to perform tiling of a DWT decomposition so that a *seamless* compressed image in the entirety is created There is no teaching [in Burt] about forming a *seamless* composite array of DWT coefficients so that any portion of the image array may be selected for viewing at a desired resolution.” (A1038, emphasis added.) Again, however, the seamless feature relied upon to overcome the rejection is undeniably not a part of claim 21.

Dr. Osher's declaration also ignores the references themselves, particularly Shapiro. For example, Dr. Osher attempts to distinguish Shapiro on the basis that it does not teach reducing memory "during the process of image compression." (A1243 ¶ 11) It is difficult to know what that even means given that "[b]y definition compression pertains to reducing memory requirements (and/or improving data transmission rates)." (A0045; *see also*, A0046 (citing Shapiro Col. 1, ll. 48-51); A0047 (citing Shapiro col. 1 ll.60-63, "a significant improvement in the compression of information preparatory to storage or transmission."); A1084 (Abstract, "In certain image analysis applications, it is desirable to compress the image while emphasizing a selected region of the image. . . . This allows efficient compression of the image for storage or transmission . . . ").) Based on the undisputed facts (namely, the reference itself), the special master correctly concluded that Shapiro "plainly teaches the desirability of reducing memory requirements." (A0047.) Likewise, any purported distinction between selectively viewing regions of an image *before* as opposed to *after* compression is belied by the very title of Shapiro ("Apparatus and Method for Emphasizing a Selected Region in the Compressed Representation of an Image"), by the Abstract, and by Shapiro's discussion of the prior art. (*See* A0045; A1084 at Col. 1, ll.35-37; 48-51; 60-63.) Dr. Osher's statements directly contradicting the teachings of the references are insufficient to preclude summary judgment. *See MEHL/Biophile*

Int'l Corp. v. Milgraum, 192 F.3d 1362, 1367 (Fed. Cir. 1999) (“MEHL/Biophile’s expert testimony contradicting the plain language of the reference does not create a genuine issue of fact”).

c. Dr. Osher Erroneously Reads in a Non-Existent Temporal Limitation to Avoid Shapiro.

Nor can LizardTech manufacture a triable issue by reading in non-existent claim limitations and arguing that such limitations are not found in the prior art. As discussed above, LizardTech attempts to distinguish between reducing memory *during* DWT processing and reducing memory needed to store data *after* DWT processing, arguing (incorrectly) that Shapiro teaches only the latter. (LT Brief, pp. 34-35.) But this Court need not evaluate LizardTech’s misguided description of Shapiro because nothing in claim 21 makes any such distinction between memory reduction *during* instead of *after* DWT processing. Indeed, in arguing for infringement, LizardTech emphasizes that the “timing in which the [DWT] coefficients are produced and summed” is not part of the claims. (LT Brief, p. 49.) LizardTech cannot avoid summary judgment by reading in non-existent claim limitations to avoid the prior art. *See MEHL/Biophile*, 192 F.3d at 1367 (affirming summary judgment; noting that “Nothing in the claim limits the method's reach to human skin”).

3. Neither the Special Master nor the Court “Weighed the Credibility” of LizardTech’s Expert.

LizardTech strenuously urges without citation that the special master and district court erred by deciding whose expert was more “credible.” (LT Brief, p. 48.) But nothing in the special master’s recommendations nor the district court’s order makes any mention of “credibility.” Rather, both the special master and the district court properly found that Dr. Osher’s declaration(s) did not meaningfully contradict that of Dr. Gray on any material issue and thus could not create a triable issue of fact. Summary judgment can be avoided only where the non-moving party presents evidence that would enable a reasonable finder of fact to resolve the issue in its favor. *See Eli Lilly*, 251 F.3d at 962. As explained above, and as correctly found by the special master and district court, Dr. Osher’s testimony failed to contradict that of Dr. Gray on any material point. Accordingly, summary judgment of obviousness was properly granted.

IV. CONCLUSION.

ERM is a small, privately-held Australian software company founded by the inventor of its patented DWT-based compression technology, Stuart Nixon. ERM has been dogged by LizardTech’s charges of patent infringement since 1999 and has expended scarce resources to defend against those charges. Since remand, the parties have been through detailed claim construction and summary judgment briefing and hearings before the special master and the district court. During

discovery LizardTech deposed Mr. Nixon twice and had access to ERM's source code. But despite having the burden of proof on infringement, it cited to neither Mr. Nixon's deposition, nor ERM's source code, nor any declaration from its own expert in opposing ERM's motion for summary judgment of non-infringement. Having thus failed — after all of that — to produce evidence, rather than mere argument, summary judgment of non-infringement of claims 1 and 13 and their dependent claims should be affirmed. Likewise, ERM has proved by clear and convincing evidence that claims 21-25 and 27-28 are invalid for inadequate written description⁶ and that claim 21 is invalid for obviousness. For the above-stated reasons ERM respectfully requests that the judgment below be affirmed in its entirety.

Respectfully submitted,



Stewart M. Brown
Richard T. Mulloy
Counsel for Defendants-Appellees

Dated: March 3, 2005

⁶ ERM proceeded below on its own declaratory relief claims of invalidity with respect to claims 22-25 and 27-28. Given the state of discovery at the time of ERM's invalidity motion, ERM did not then and does not now concede that LizardTech had any right to proceed on its claims of infringement with respect to those claims. (A1712, fn 1.)

AFFIDAVIT OF SERVICE

DOCKET NO. 05-1062

-----X
LIZARDTECH, INC.,

vs.

EARTH RESOURCES MAPPING, INC.
And EARTH RESOURCE MAPPING PTY LTD.

-----X
STATE OF NEW YORK)

COUNTY ~~Tyrons Heath~~)
1020 East 214 Street
Bronx, New York 10469

, being duly sworn according to law and being over the age of 18, upon my
oath depose and say that:

on March 3, 2005

I served the within Brief of the Defendant-Appellees Earth Resources Mapping, Inc. and Earth
Resource Mapping Pty Ltd. in the above captioned matter upon:

Philip P. Mann
Mann Law Group
1420 Fifth Avenue
Suite 2200
Seattle, WA 98101
206-224-3553

Robert J. Carlson
Kevan L. Morgan
Christensen O'Connor Johnson & Kindness PLLC
1420 Fifth Avenue
Suite 2800
Seattle, WA 98101
206-682-8100

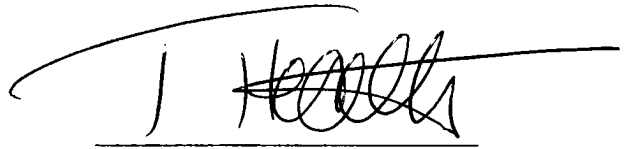
Attorneys for Plaintiff-Appellant

via Federal Express.

Unless otherwise noted, copies have been sent to the court on the same date as above for filing via Federal
Express.

Sworn to before me on March 3, 2005





Job # 193003

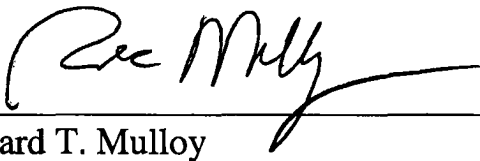
MICHAEL DESANTIS
Notary Public, State of New York
No. 01DE0930908
Qualified in Queens County
Commission Expires Jan. 31, 2006

CERTIFICATE OF COMPLIANCE

I, Richard T. Mulloy, hereby certify that the total word count in the brief, excluding the parts of the brief exempted by Federal Rule of Appellate Procedure 32(a)(7)(B)(iii) and Federal Circuit Rule 32(b), is 9,533 words in Times New Roman, 14 point type and that the brief complies with the Federal Rules of Appellate Procedure, Rule 32(a)(7).

Dated: March 3, 2005

Respectfully Submitted,



Richard T. Mulloy