

\*\*E-Filed 3/8/2011\*\*

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION

BARCO N.V., a Belgian corporation

Plaintiff,

v.

TECHNOLOGY PROPERTIES LTD., PATRIOT  
SCIENTIFIC CORP., and ALLIACENSE LTD.,

Defendants.

Case Number 5:08-cv-05398 JF (HRL)

**ORDER<sup>1</sup> GRANTING PLAINTIFF'S  
MOTION FOR LEAVE TO FILE  
SURREPLY, DENYING  
PLAINTIFF'S MOTION FOR  
SUMMARY JUDGMENT  
WITHOUT PREJUDICE, AND  
GRANTING DEFENDANT'S  
MOTION FOR RELIEF  
PURSUANT TO FED. R. CIV. P.  
56(d)**

[Re: Docket Nos. 112, 148, 156]

Plaintiff Barco N.V. ("Barco") moves for summary judgment of non-infringement of U.S. Patent No. 5,809,336 ("the '336 Patent"). In response, Defendants Technology Properties Ltd., Patriot Scientific Corp., and Alliacense (referred to herein collectively as "TPL") seek relief pursuant to Fed. R. Civ. P. 56(d). The Court heard oral argument on February 25, 2011. For the reasons set forth below, the Court will grant TPL's motion and will deny Barco's motion without prejudice.

<sup>1</sup> This disposition is not designated for publication.

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## I. BACKGROUND

Barco filed the instant action<sup>2</sup> on December 1, 2008, seeking a judicial declaration that several patents owned by TPL are invalid and/or not infringed.<sup>3</sup> On February 17, 2009, TPL asserted counterclaims with respect to the ‘749 Patent, and to U.S. Patent Nos. 5,530,890 (“the ‘890 Patent”) and 5,809,336 (“the ‘336 Patent”). TPL served infringement contentions pursuant to Patent L.R. 3-1 on February 20, 2009. On June 17, 2009, the Court stayed this action and all related cases because of developments in the reexamination of several of the patents. The ‘336 Patent subsequently emerged from reexamination, and the Court dissolved the stay. TPL served its amended infringement contentions with respect to the ‘336 Patent on April 30, 2010. The Court denied TPL’s motion to amend its infringement contentions further on September 9, 2010.

Barco then moved for summary judgment. It claims that TPL’s infringement contentions with respect to the ‘336 Patent do not state how the accused products meet the asserted claim limitations and that TPL does not have evidence of infringement.<sup>4</sup> TPL argues that summary judgment would be premature because the Court has yet to construe the claims at issue and discovery is still ongoing.

## II. LEGAL STANDARD

A motion for summary judgment should be granted if there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c); *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247-48, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986). The moving party bears the initial burden of informing the Court of the basis for the motion and identifying the portions of the pleadings, depositions, answers to interrogatories, admissions, or affidavits that demonstrate the absence of a triable issue of material fact. *Celotex*

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<sup>2</sup> This matter is one of three related cases. See *Acer v. Technology Properties Ltd., et al.* 08-00877-JF/HRL; *HTC v. Technology Properties Ltd., et al.* 08-00882-JF/HRL.

<sup>3</sup> U.S. Patent Nos. 5,784,584 (“the ‘584 Patent”), 5,440,749 (“the ‘749 Patent”), and 6,598,148 (“the ‘148 Patent”)

<sup>4</sup> TPL asserts claims 1,6, 7, 9-11, and 13-16 of the ‘336 Patent against Barco.

1 *Corp. v. Catrett*, 477 U.S. 317, 323, 106 S.Ct. 2548, 91 L.Ed.2d 265 (1986).

2 If the moving party meets this initial burden, the burden shifts to the non-moving party to  
3 present specific facts showing that there is a genuine issue for trial. Fed. R. Civ. P. 56(e);  
4 *Celotex*, 477 U.S. at 324. A genuine issue for trial exists if the non-moving party presents  
5 evidence from which a reasonable jury, viewing the evidence in the light most favorable to that  
6 party, could resolve the material issue in his or her favor. *Anderson*, 477 U.S. 242, 248-49, 106  
7 S.Ct. 2505, 91 L.Ed.2d 202; *Barlow v. Ground*, 943 F.2d 1132, 1134-36 (9th Cir. 1991).  
8 However, “[a] non-movant’s bald assertions or a mere scintilla of evidence in his favor are both  
9 insufficient to withstand summary judgment.” *F.T.C. v. Stefanichik*, 559 F.3d 924, 929 (9th Cir.  
10 2009).

### 11 III. DISCUSSION

12 Barco relies on *Exigent Technology, Inc. v. Atrana Solutions, Inc.*, 442 F. 3d 1301, 1309  
13 (Fed. Cir. 2006) for the proposition that summary judgment of non-infringement is appropriate  
14 where the moving party shows that “the patentee [has] no evidence of infringement and [points]  
15 to the specific ways in which accused systems [do] not meet the claim limitations.” It also  
16 asserts that under *Celotex*, “the burden on the moving party may be discharged by ‘showing’-that  
17 is, pointing out to the district court-that there is an absence of evidence to support the nonmoving  
18 party’s case.” 477 U.S. at 325 (1986).

19 Here, Barco contends that it is not liable for infringement because each claim of the ‘336  
20 Patent requires a microprocessor chip with a variable speed clock, while the microprocessors in  
21 Barco’s products contain only fixed clocks.<sup>5</sup> According to Barco, this distinction obviates the  
22 need to construe any other claims before consideration of its motion for summary judgment  
23 because the accused products simply do not contain a component that meets the definition of a  
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26 <sup>5</sup> Barco does not manufacture microprocessors. Rather, it purchases products that contain  
27 microprocessors from manufacturers such as Texas Instruments, and then incorporates the  
28 microprocessors into its products. MSJ at 1.

1 variable speed clock.<sup>6</sup> Barco also argues that TPL will not be able to produce evidence that any  
2 accused product infringes the asserted claims of the '336 Patent because TPL's infringement  
3 contentions are purely speculative.

4 TPL contends that even under *Exigent*, Barco's motion for summary judgment is  
5 premature. In *Exigent*, claim construction already had occurred. In this case, the parties have  
6 not completed fact discovery, nor has the Court set a date for the close of fact discovery, and at  
7 this point in the litigation the only individuals who have been deposed are the inventors of the  
8 disputed patents and claim construction experts. According to TPL, the focus of discovery has  
9 been directed at the construction of the asserted claims because definition of the claims is a  
10 necessary predicate to determining infringement.

11 Indeed, in several of the cases relied upon by Barco, summary judgment of non-  
12 infringement was granted only after the court conducted a *Markman* hearing or after the close of  
13 fact discovery. *Exigent*, 442 F. 3d at 1301; *TechSearch L.L.C. v. Intel Corp.*, 286 F.3d 1360  
14 (Fed. Cir. 2002); *Utstarcom, Inc. v. Starent Networks*, No. 07-CV-2582, 2009 U.S. Dist. LEXIS  
15 93869 (N.D. Ill. Sep. 16, 2009) (holding that in order to grant summary judgment the court must  
16 determine the meaning of the claim before evaluating whether or not the accused product meets  
17 the claim limitations). TPL argues that the existing factual questions related to infringement of  
18 the '336 Patent cannot be determined based on infringement contentions alone. It emphasizes  
19 that discovery is necessary to with respect to whether the accused products contain the asserted  
20 claim limitations, and seeks relief pursuant to Fed. R. Civ. P. 56(d).

21 In order to obtain relief pursuant to Rule 56(d), a party must establish that it has been  
22 diligent in conducting discovery and that "there is some basis for believing that the information  
23 sought actually exists." *Blough v. Holland Realty, Inc.*, 574 F.3d 1084, 1091 n. 5 (9<sup>th</sup> Cir. 2009).  
24 According to TPL, information unquestionably exists that will describe the operation of the

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26 <sup>6</sup> Barco has stipulated to the definition of "variable speed" as construed in a previous  
27 claim construction in the Eastern District of Texas. MSJ at 2 n. 1. The term has been defined as  
28 "capable of operating at different speeds." *Id.*

1 disputed microprocessor chips, and in fact this information is the subject of outstanding  
2 document requests directed to Barco and the chip manufacturers.<sup>7</sup> Barco argues that TPL has not  
3 exercised diligence in discovery because, after two years of litigation, it just now is seeking  
4 information from the most obvious source—the chip manufacturers. However, the issue is not  
5 whether TPL has conducted discovery with seamless precision, but whether TPL has worked in  
6 earnest during the relevant period. It appears that TPL has been consistent in its discovery  
7 efforts throughout the course of litigation. Moreover, the Court believes that analysis of TPL’s  
8 infringement contentions will be best informed by formal construction of the claims asserted  
9 therein.

10 Barco seeks leave to file a surreply and has included a copy of its surreply in its motion  
11 for leave. Dkt. 156. The Court finds this matter suitable for resolution without oral argument,  
12 and will vacate the hearing date of April 22, 2011. *See* Civ. L.R. 7-1(b). The motion for leave  
13 will be granted. In its surreply, Barco argues that because the parties have agreed upon the terms  
14 most critical to its alleged infringement of the ‘336 Patent, a claim construction hearing would  
15 serve no useful purpose. The surreply cites to a chart of agreed-upon terms presented in  
16 conjunction with the parties’ Joint Claim Construction Statement. Ex. A to Joint Claim  
17 Construction Statement, Dkt. 110. However, while the Court appreciates the fact that the parties  
18 have agreed upon definitions for many of the terms relevant to TPL’s claims, review of the Joint  
19 Claim Construction Statement itself shows that several potentially significant terms remain in

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21 <sup>7</sup> TPL indicates that it has subpoenaed documents from chip manufacturers in an effort to  
22 obtain key chip schematics such as product level datasheets, block diagrams, source code, and  
23 technical presentations that will enable TPL to determine the design and operation of the  
24 microprocessors in the accused products. *Opp. Br.* at 24-25; *See* Ex. I to Mar Decl. ISO  
25 Opposition to Summary Judgment, Dkt. 136. Additionally, TPL served its First Request for  
26 Production of Documents in February 2009, seeking documents that would show (1) the  
27 engineering design of the microprocessors, (2) any testing Barco has performed on the  
28 microprocessors, and (3) which Barco products contain the microprocessor technology at issue.  
Ex. B to Mar. Decl. ISO Opposition to Summary Judgment, Dkt. 136. Barco maintains that it  
does not possess the information sought by TPL and has informed TPL of this fact. It argues  
further that any concerns TPL harbored with regard to unfulfilled discovery requests should have  
been raised by a motion to compel.

1 dispute. Terms such as “ring oscillator” and “operates asynchronously to” have been identified  
2 by the parties in previous submissions as being critical to the resolution of the issues in the  
3 instant case, but these terms do not appear to be the subject of agreement and in fact appear in  
4 the chart of disputed claim terms. Ex. B to Joint Claim Construction Statement, Dkt. 110.

5 In its surreply, Barco requests that the Court reserve ruling on the motion for summary  
6 judgment rather than deny the motion without prejudice so that Barco need not re-file its motion  
7 after claim construction has taken place. However, for the reasons stated above, any future  
8 motion for summary judgment will need to address additional evidence obtained in discovery.

9 **IV. ORDER**

10 Good cause therefor appearing, Barco’s motion for leave to file a surreply is GRANTED.  
11 Barco’s motion for summary judgment of non-infringement of the ‘336 Patent is DENIED  
12 WITHOUT PREJUDICE, and TPL’s motion for relief pursuant to Fed. R. Civ. P. 56(d) is  
13 GRANTED.

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15 **IT IS SO ORDERED.**

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17 **DATED:** March 8, 2011

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19 JEREMY FOCHEL  
20 United States District Judge