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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

ANTICANCER, INC., a California
corporation,

Plaintiff,

vs.

FUJIFILM MEDICAL SYSTEMS
U.S.A., INC., d/b/a FUJIFILM LIFE
SCIENCE, a New York corporation; et
al.,

Defendants.

CASE NO. 09-cv-1311-
GPC(JMA)

**ORDER GRANTING
DEFENDANTS MOTION
FOR SUMMARY
JUDGMENT**

[DKT. NO. 101]

The matter before the Court is Defendants Fujifilm Medical Systems U.S.A., Inc., Fujifilm Corporation (collectively, “Fujifilm”), and GE Healthcare Inc.’s (“GE,” together “Defendants”) motion for summary judgment of non-infringement (Dkt. No. 101.)

PROCEDURAL HISTORY

This is a lawsuit for patent infringement of imaging and cancer research technologies. On June 17, 2009, Plaintiff AntiCancer, Inc. (“AntiCancer” or “Plaintiff”) filed a Complaint asserting violations of three patents. (Dkt. No. 1.) On August 20, 2009, AntiCancer filed its first amended complaint and on November 16, 2009, AntiCancer filed its second amended complaint. (Dkt. Nos. 6, 22.) After

1 the Court struck the second amended complaint due to failure to obtain leave to file,
2 Plaintiffs filed its second amended complaint again, which is now the operative
3 pleading in this case. (Dkt. No. 44, Second Amended Complaint, hereinafter
4 “SAC”.) On April 29, 2010, Defendant GE filed a motion to dismiss. (Dkt. No. 45.)
5 The Court denied GE’s motion to dismiss, finding that “AntiCancer has not
6 adequately alleged a claim for contributory infringement but AntiCancer has
7 adequately alleged a claim for inducement of infringement.” (Dkt. No. 53.) On
8 October 31, 2011, the parties filed a revised joint claim construction hearing
9 statement and construction chart, coming to full agreement on all terms. (Dkt. No.
10 91.) On September 12, 2012, Defendants Fujifilm and GE filed a motion for
11 summary judgment of non-infringement. (Dkt. No. 101.) On October 5, 2012,
12 Plaintiff AntiCancer filed an opposition to Defendants’ motion for summary
13 judgement. (Dkt. No. 105.) On October 19, 2012, Defendants filed a reply. (Dkt.
14 No. 110.) A hearing was held on the motion on March 8, 2013. For the reasons
15 below, the Court **GRANTS** Defendants motion for summary judgment.

16 **BACKGROUND**

17 AntiCancer alleges that it holds patents for techniques which allow
18 researchers to track metastasis of tumor cells in live lab animals through the use of
19 fluorescent proteins, including green fluorescent protein (“GFP”), a protein which
20 occurs naturally in a species of jellyfish; do whole-body external optical imaging of
21 gene expression in live animals; and evaluate candidate protocols or drugs for
22 treating disease using fluorophores, i.e., proteins which self-fluoresce. (Dkt. No. 44
23 at 1.) AntiCancer engineers tumor cells encoded with GFP and other fluorophores
24 which glow when exposed to blue light. Id. AntiCancer then injects the tumor cells
25 into animals which allows scientists to monitor the tumors’ “growth and spread in
26 the living animal...by fluorescence imaging.” Id. at 1-2. This allows researchers to
27 test the efficacy of cancer treatments. Id. at 2.

28

1 AntiCancer identifies three patents at issue in this case.¹ First, the ‘384
2 claims methods for “a real-time model of tumor invasion and metastasis formation.
3 The method enables testing of candidate protocols or drugs in animal models before
4 they are tried in the clinic.” Id. at 5. One of the key terms in the patent is green
5 fluorescent protein, or “GFP.” The ‘384 patent claims a method for testing cancer
6 drugs by administering them to mammals with primary tumors which “express” the
7 GFP when the cancer metastasizes and monitoring the progress of the metastasises via
8 fluorescence optical tumor imaging. Id. The patent also covers a process of
9 removing organ tissue samples containing GFP-expressing cancer cells and
10 examining them under a fluorescence microscope. Id.

11 The ‘038 patent is a method of monitoring the growth of tumor cells in live
12 animals via the expression of green fluorescent protein that express when the tumor
13 metastasizes. According to the Joint Claim chart, Claim 1 of the ‘038 patent is “a
14 method to evaluate a candidate protocol or drug for the inhibition of metastasis of a
15 primary tumor which method comprises administering said protocol or drug to a
16 subject which is a mouse, rat or rabbit which contains a primary tumor that stably
17 expresses green fluorescent protein (GFP) in cells of said tumor.” (Dkt. No. 91,
18 Revised Claim Construction Worksheet, October 31, 2011 at 6.) Claim 1 also
19 requires monitoring of the fluorescence in treated and controlled subjects. (Id. at 7-
20 8.) In short, the patent method requires the injection of a tumor with the GFP into a
21 small live animal, which is then monitored to determine the growth of the tumor by
22 the expression of the GFP. The additional claims under the ‘038 patent similarly
23 require monitoring the progression of the metastasis using GFP. (Id. at 9-10.)

24 The ‘159 patent claim method is used to monitor the ability of a promoter
25

26 ¹In its’ disclosure of asserted claims and preliminary infringement contentions, AntiCancer
27 states that “AntiCancer is holding in abeyance any of its previously-asserted second claim for relief
28 (for infringement of U.S. Patent No. 6,251,384). Promptly AntiCancer will duly take the steps
necessary to effect a voluntary dismissal of that claim without prejudice.” The Court notes that
AntiCancer has failed to take such action and none of its’ subsequent pleadings address the ‘384
patent. See Dkt. No. 49, Plaintiff’s Markman Brief (addressing only Patents ‘038 and ‘159).

1 (i.e., a genetic segment that acts as the ‘on/off switch’ for the expression of that
2 gene) to promote expression in an animal of a gene that is controlled by the said
3 promoter. (Id. at 1.) The claim also includes delivering cells containing nucleic acid
4 with fluorophore and observing the presence of the fluorescence generated by the
5 fluorophore. (Id. at 2-3.) Claim 5 expands claim 1 to include green, blue and red
6 fluorescent proteins. (Id. at 4.) Additional claims also expand upon claim 1 to
7 include a variety of tissues, organs and animals. (Id. at 4-6.)

8 AntiCancer bases Defendant Fujifilm’s wrongful conduct on a series of
9 emails and interactions regarding specific Fujifilm products that have the capability
10 to conduct similar imaging technologies patented by AntiCancer. (Dkt. No. 44,
11 SAC.) On May 30, 2007, an employee of Fujifilm, Stephanie Pappas and the
12 president of AntiCancer, Robert Hoffman, met to discuss “in-vivo imaging of small
13 animals.” During the meeting, they discussed Fujifilm’s new LAS-4000 multi color
14 fluorescence imaging system which is “one of the industry’s fastest and most
15 sensitive imaging systems” for “imaging of tumor cells and gene expression in live
16 laboratory animals using GFP.” Id. Ms. Pappas informed Dr. Hoffman that she
17 would begin to have the two companies work together, and seek to have Fujifilm
18 obtain a license from AntiCancer to market the LAS-4000 for in-vivo imaging. Id.
19 One month later, Ms. Pappas informed Dr. Hoffman that Fujifilm was releasing the
20 LAS-4000, but that Fujifilm was unable to advertise the LAS-4000 for “GFP-based
21 in vivo imaging because of ‘patents’ and ‘lawsuits’.” Id. On September 13, 2007
22 Fujifilm conducted a demo of the LAS-4000 at AntiCancer’s facilities. Id. at 8. In
23 December, Fujifilm conducted a “mini product show” where the LAS-4000 was also
24 demonstrated. AntiCancer never heard back from Fujifilm about obtaining a
25 license, and claims that “Fujifilm used the information obtained from AntiCancer
26 under the pretense of seeking a collaboration with AntiCancer for the sole purpose
27 of gaining an advantage in the marketing of its LAS-4000 for GFP-based in vivo
28 imaging, and had no intention of a collaboration with AntiCancer at all.” Id.

1 In May 2008, Fujifilm published “Application Note No. 6,” entitled In Vivo
2 Imaging of Tumor-Bearing Nude Mouse with DY-676 Labeled Monoclonal
3 Antibody Using Near-Infrared Light. Id. “This paper proved both the suitability of
4 the LAS-4000 for performing the methods claimed in several claims of the patents-
5 in-suit and Fujifilm’s attempt to induce actual and potential customers to use the
6 LAS-4000 for that very purpose.” Id. AntiCancer accuses Fujifilm of marketing the
7 LAS-4000 for sale in the United States. Its marketing materials lists the “proper
8 filter and reagents to use for imaging with GFP...and contain a general, boilerplate
9 notice to its customers regarding use of the LAS-4000 an potential patent liability.”
10 Another advertisement states that the LAS-4000 can do fluorescent imaging as well
11 as “small animal in vivo imaging.” Fujifilm continues to market and sell the LAS-
12 4000 in the United States. In addition to the LAS-4000, AntiCancer believes
13 additional products also violate their patents, including the LAS-1000plus, LAS-
14 3000 luminescent image analyzer, FLA-5100 fluorescent image analyzer, and FLA-
15 8000 fluorescent image analyzer, as well as the “mini” versions of each of the LAS-
16 labeled devices. Id. at 9. “It provides its customers with detailed user manuals
17 which provide filter settings and lens configurations necessary to use Fujifilm image
18 analyzers to do fluorescent imaging. In so doing, Fujifilm actively has induced
19 and...will continue to induce infringement of AntiCancer’s patents by knowingly
20 causing its customers to infringe those patents directly by using the Fujifilm image
21 analyzers to perform methods claimed in those patents.” Id.

22 On May 26, 2009, Fujifilm and GE Healthcare announced the formation of a
23 strategic alliance in which Fujifilm sells to GE Healthcare image analyzers to be re-
24 sold by GE Healthcare. Id. On October 1, 2009, GE Healthcare began offering for
25 sale a line of imaging products “capable of infringing the patents-in-suit.” Id. The
26 “products equivalent” to the LAS-4000 and LAS-4000 mini, GE’s products, the
27 “ImageQuant LAS 400 and Image Quant LAS 4000 mini,” allegedly infringe the
28 patents-in-suit. Id. AntiCancer asserts that both Fujifilm and GE Healthcare have

1 directly infringed on the patents-in-suit and contributorily and/or induced
2 infringement of the patents-in-suit.

3 In the motion for summary judgment on non-infringement, Defendants
4 Fujifilm and GE assert that the AntiCancer has failed to prove contributory
5 infringement against Fujifilm for the same reasons that the Court granted GE's
6 motion to dismiss. (See Dkt. No. 53.) Defendants further assert that AntiCancer
7 has failed to produce evidence of direct infringement or evidence that Defendants
8 knowingly induced conduct that would infringe the patents-in-suit. Lastly,
9 Defendants argue that AntiCancer has not offered any support of its claims based on
10 the '384 patent or with respect to certain Fujifilm products.

11 LEGAL STANDARD

12 Summary judgment is appropriate where the moving party demonstrates the
13 absence of a genuine issue of material fact and entitlement to judgment as a matter
14 of law. Fed. R. Civ. P. 56(c); Celotex Corp. v. Catrett, 477 U.S. 317, 322 (1986). A
15 fact is material when, under the governing substantive law, it could affect the
16 outcome of the case. See Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248
17 (1986); Freeman v. Arpaio, 125 F.3d 732, 735 (9th Cir. 1997). A dispute about a
18 material fact is genuine if "the evidence is such that a reasonable jury could return a
19 verdict for the nonmoving party." Anderson, 477 U.S. at 248.

20 A party seeking summary judgment always bears the initial burden of
21 establishing the absence of a genuine issue of material fact. See Celotex, 477 U.S.
22 at 323. The moving party may satisfy this burden in two ways: (1) by presenting
23 evidence that negates an essential element of the nonmoving party's case, or (2) by
24 demonstrating that the nonmoving party failed to make a showing sufficient to
25 establish an element essential to that party's case on which that party will bear the
26 burden of proof at trial. Id. at 322-23.

27 Where the party moving for summary judgment does not bear the burden of
28 proof at trial, it may show that no genuine issue of material fact exists by

1 demonstrating “there is an absence of evidence to support the non-moving party’s
2 case.” Id. at 325. The moving party is not required to produce evidence showing
3 the absence of a genuine issue of material fact, nor is it required to offer evidence
4 negating the moving party’s claim. Lujan v. National Wildlife Fed’n, 497 U.S. 871,
5 885 (1990); United Steelworkers v. Phelps Dodge Corp., 865 F.2d 1539, 1542 (9th
6 Cir. 1989). “Rather, the motion may, and should, be granted so long as whatever is
7 before the District Court demonstrates that the standard for the entry of judgment, as
8 set forth in Rule 56(c), is satisfied.” Lujan, 497 U.S. at 885 (quoting Celotex, 477
9 U.S. at 323). If the moving party fails to discharge this initial burden, summary
10 judgment must be denied and the court need not consider the nonmoving party’s
11 evidence. See Adickes v. S.H. Kress & Co., 398 U.S. 144, 159-60 (1970).

12 If the moving party meets the initial burden, the nonmoving party cannot
13 defeat summary judgment merely by demonstrating “that there is some metaphysical
14 doubt as to the material facts.” Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio
15 Corp., 475 U.S. 574, 586 (1986); see also Anderson, 477 U.S. at 252 (“The mere
16 existence of a scintilla of evidence in support of the nonmoving party’s position is
17 not sufficient.”). Rather, the nonmoving party must “go beyond the pleadings and
18 by her own affidavits, or by the depositions, answers to interrogatories, and
19 admissions on file, designate specific facts showing that there is a genuine issue for
20 trial.” Celotex, 477 U.S. at 324 (quoting Fed. R. Civ. P. 56(e)) (internal quotations
21 omitted).

22 “Disputes over irrelevant or unnecessary facts will not preclude a grant of
23 summary judgment.” T.W. Elec. Serv., Inc. v. Pacific Elec. Contractors Ass’n, 809
24 F.2d 626, 630 (9th Cir. 1987). “The district court may limit its review to the
25 documents submitted for purpose of summary judgment and those parts of the
26 record specifically referenced therein.” Carmen v. San Francisco Unified Sch. Dist.,
27 237 F.3d 1026, 1030 (9th Cir. 2001). Therefore, the court need not “scour the
28 record in search of a genuine issue of triable fact.” Keenan v. Allen, 91 F.3d 1275,

1 1279 (9th Cir. 1996) (citing Richards v. Combined Ins. Co., 55 F.3d 247, 251 (7th
2 Cir. 1995)).

3 DISCUSSION

4 Defendants assert that AntiCancer has only asserted a claim for induced
5 infringement of the patent claims because “it is undisputed that neither Fujifilm nor
6 GE Healthcare practice all limitations of any of the asserted claims of AntiCancer’s
7 patents.” (Dkt. No. 101 at 5.) Defendants also rely on a previous Court order
8 denying GE’s motion to dismiss wherein the Court found that AntiCancer failed to
9 establish that the accused devices are not “suitable for substantial non-infringing
10 use.” (Dkt. No. 53 at 8.) While Defendants raise valid concerns, the Court will
11 address AntiCancer’s claim of direct infringement in addition to the claims of
12 contributory and induced infringement. AntiCancer’s first cause of action alleges
13 that “defendants have infringed the ‘038 patent by making, using, selling, and
14 offering for sale the Fujifilm and/or GE Healthcare image analyzers which can and
15 are be[ing] used to infringe one or more claims...without plaintiff’s authorization or
16 consent.” (SAC at 11.) This is clearly a claim for direct infringement. 35 U.S.C. §
17 271 (a)(“whoever without authority makes, uses, offers to sell, or sells any patented
18 invention, within the United States or imports into the United States any patented
19 invention during the term of the patent therefor, infringes the patent.”) AntiCancer
20 also alleges violations under 35 U.S.C. § 271 (b-c) by stating that “defendants are
21 actively inducing and/or contributing to infringement of the... patent by others.”
22 (Id.) The Court notes that patent law requires that a patent holder establish acts of
23 direct infringement before liability for inducement or contributory infringement can
24 be found. Akamai Techs., Inc. v. Limelight Networks, Inc., 692 F.3d 1301, 1308
25 (Fed. Cir. 2012) (“An important limitation on the scope of induced infringement is
26 that inducement gives rise to liability only if the inducement leads to actual
27 infringement.”)(internal citations omitted). Accordingly, the Court will address
28 direct infringement prior to reviewing the inducement or contributory infringement

1 claims.

2 **A. Direct Infringement**

3 Direct infringement of a method claim can be based on even one instance of
4 the claimed method being performed. See Lucent Techs., Inc. V. Gateway, Inc.,
5 580 F.2d 1301, 1317 (Fed. Cir. 2009). A patentee need not always have direct
6 evidence of infringement, as infringement may be established by circumstantial
7 evidence. Mirror Worlds LLC v. Apple Inc., 692 F.3d 1351, 1359 (2012) (citing
8 Lucent, 580 F.3d at 1317.) However, the patentee must show that the Defendant
9 performed all of the steps in the claimed methods. Id. Here, AntiCancer has failed
10 to provide sufficient evidence to show that Fujifilm or GE directly infringed the
11 patent method claims.

12 In its' opposition briefing, AntiCancer relies on two direct instances and
13 circumstantial evidence to support its' direct infringement claim. In the first
14 instance, AntiCancer asserts that Fujifilm employee Ms. Pappas performed a
15 demonstration of the LAS-4000 at the AntiCancer facility, which resulted in a direct
16 infringement of the patents. (Dkt. No. 105 at 4.) "It was apparent at that time that
17 the LAS-4000 was capable of fluorescence imaging with GFP, and in fact produced
18 a very good result. Thus, Ms. Pappas used the LAS to perform AntiCancer's
19 patents in order to attempt to sell the machine to AntiCancer, and thereby directly
20 infringed the patents-in-suit." (Dkt. No. 105, Ex. 1, Declaration of Robert M.
21 Hoffman at ¶ 6, hereinafter "Hoffman Declaration".) The second alleged direct
22 infringement took place at a Mini-Product Show at AntiCancer's facility whereby
23 Fujifilm demonstrated the LAS-4000 to several potential customers for its ability to
24 perform *in vivo* GFP imaging." (Id. at ¶ 7.) AntiCancer also points towards
25 Fujifilm's marketing and advertisement of the LAS-4000 as circumstantial evidence
26 that Fujifilm directly infringed on the AntiCancer patents. (Id. ¶¶ 8-12.) Nowhere in
27 the record, however, has AntiCancer provided specific information as to how Ms.
28 Pappas performed some or all of the steps in the patent claimed methods.

1 Although the record reflects little evidence to support a direct infringement
2 claim, the Court considers whether the LAS-4000 demonstrations performed by
3 Fujifilm employee Ms. Pappas are sufficient to show the elements of a direct
4 infringement claim. Direct patent infringement occurs under 35 U.S.C. § 271(a)
5 when someone “(1) without authority (2) makes, uses, offers to sell, sells, or imports
6 (3) the patented invention (4) within the United States, its territories, or its
7 possessions (5) during the term of the patent.” Herbert F. Schwartz & Robert J.
8 Goldman, *Patent Law and Practice* 163–64 (6th ed.2008); see also Global–Tech
9 Appliances, Inc. v. SEB S.A., 131 S.Ct. 2060, 2065 (2011) (“Direct infringement
10 has long been understood to require no more than the unauthorized use of a patented
11 invention.”). Determining whether someone is making, using, or selling a patented
12 invention “requires a finding that the patent claim covers the alleged infringer’s
13 product or process.” Markman v. Westview Instruments, Inc., 517 U.S. 370, 374
14 (1996) (internal quotation marks omitted).

15 Defendants first assert that AntiCancer’s previous admittance that it has no
16 evidence to support a direct infringement claim bars AntiCancer from raising the
17 issue now on a motion for summary judgment. In its responses to interrogatories,
18 Defendants point out, AntiCancer “makes no mention whatsoever of the two
19 demonstrations that it now relies on to resist summary judgement.” (Dkt. No. 110 at
20 5.) The Court views this omission as a fatal failure. AntiCancer failed to plead any
21 facts whatsoever after both demonstrations had already been disclosed as
22 allegations in the operative complaint filed in April 2010. AntiCancer’s failure to
23 restate these facts or provide additional evidence over two years later in response to
24 Defendant’s interrogatories is of serious consequence. (Dkt. No. 110 at 5-6.) The
25 glaring omission of any supportive facts leads the Court to believe that there is no
26 evidence to support the direct infringement claim.

27 Defendants further contend that Mr. Hoffman’s declaration supporting the
28 direct infringement claim is conclusory, and were the Court to rely on his statement,

1 that there is no evidence of direct infringement because the demonstrations were
2 performed at the AntiCancer facility, with AntiCancer’s permission. The Court
3 agrees. In addition to a lack of supportive evidence, the record shows that
4 AntiCancer authorized Ms. Pappas to perform the first demonstration at
5 AntiCancer’s facility. Mr. Hoffman states that “Ms. Pappas requested to perform a
6 demo of the LAS-4000 at AntiCancer’s facility, and AntiCancer agreed.” (Hoffman
7 Declaration at ¶ 6.) In her oral deposition, Ms. Pappas confirmed that AntiCancer
8 agreed to the demonstration, stating that “[Dr. Hoffman] wanted to see how [the
9 LAS-4000] could analyze his mice....he [sic] wanted to have a demo, said that he
10 wanted to buy an instrument for his personal use, maybe his researchers would be
11 interested...and he kept saying, ‘Don’t worry. Don’t worry. I own the rights for
12 doing this application. I’m allowed to do this application on anything.’” (Dkt. No.
13 110, Ex. A, Oral Deposition of Stephanie Pappas at 184:13-18; hereinafter “Pappas
14 Deposition.”) There was also “pressure coming from AntiCancer to have a demo,”
15 even after Ms. Pappas had informed Dr. Hoffman that Fujifilm was not interested in
16 co-marketing program. (Id. at 183-184.) Once Ms. Pappas set up the instrument at
17 the AntiCancer facility, she “showed [Dr. Hoffman and other lab technicians] how
18 to use the instrument...at one point Dr. Hoffman came in to see the demo. He was
19 interested in seeing the speed of the instrument and how quickly it could image
20 these tumors.” (Id. at 186.) Combined, Dr. Hoffman’s declaration and Ms. Pappas’
21 deposition testimony clearly indicate that AntiCancer authorized Ms. Pappas to
22 bring the Fujifilm instrument onto their facilities for the purpose of performing
23 certain imaging techniques. Accordingly, AntiCancer has failed to show any
24 evidence that someone “without authority” infringed the patent, a necessary element
25 of a direct infringement claim.

26 Furthermore, AntiCancer has failed to plead any facts to support the finding
27 that Ms. Pappas performed all the steps in any of the patent claimed processes. Dr.
28 Hoffman’s declaration states in a conclusory fashion that “Ms. Pappas used the LAS

1 to perform AntiCancer's patents in order to attempt to sell the machine to
2 AntiCancer, and thereby directly infringed the patents-in-suit." (Hoffman
3 Declaration at ¶ 6.) As stated above, the patent claims processes are detailed
4 research procedures for tracking the growth of tumor cells in live small animals.
5 AntiCancer has failed to provide the Court any further evidence that Ms. Pappas,
6 during any of the demonstrations or otherwise, performed the steps required in these
7 research processes. Therefore, AntiCancer has also failed to provide any facts to
8 support the finding that the process used by Ms. Pappas in demonstrating the
9 Fujifilm LAS instrument was covered by AntiCancer's patent claims.

10 The second alleged demonstration by Ms. Pappas also fails to provide any
11 evidence to support a finding of direct infringement. According to Dr. Hoffman's
12 declaration, Ms. Pappas demonstrated the LAS-4000 to potential customers at a
13 Mini-Product Show for its ability to perform *in vivo* GFP imaging. (Hoffman
14 Declaration at ¶ 7.) In her deposition, Ms. Pappas contests the allegation that she
15 ever demonstrated a Fujifilm instrument at the Mini-Product Show. "I would never
16 set up a model at one of these shows...because there would be no reason to bring a
17 model into these shows...they were just a schmoozing kind of thing to pass out
18 literature." And when asked if Ms. Pappas brought an LAS instrument to the Mini-
19 Show referenced by Dr. Hoffman, Ms. Pappas responded, "Absolutely not."
20 (Pappas Deposition at 71, 77-78, 194.) While there is a factual dispute regarding
21 whether Ms. Pappas demonstrated one of the Fujifilm instruments at the Mini-
22 Product Show, the record is still void of any facts to support the claim that Ms.
23 Pappas was not authorized to bring in the instrument to the AntiCancer facility for
24 the show, or that Ms. Pappas performed any of the steps in the AntiCancer claims
25 process. As such, the second allegation also fails to show any evidence to support a
26 finding of a direct infringement violation.

27 Finally, AntiCancer's circumstantial evidence fails to provide sufficient facts
28 to meet the standard for a direct infringement claim. Dr. Hoffman's statement

1 identifies a series of marketing materials which he asserts proves that the LAS-4000
2 has the capability to infringe AntiCancer's patents, and therefore provides evidence
3 that Fujifilm has directly infringed the patent claims. Dr. Hoffman first cites the
4 "Application Note No. 6," entitled "In Vivo Imaging of Tumor-Bearing Nude
5 Mouse with DY-676 Labeled Monoclonal Antibody Using Near-Infrared Light."
6 (Hoffman Declaration at ¶ 8.) Regarding this Note, Fujifilm states that the note was
7 published as a report "on a study that Fujifilm Corporation performed in Japan in
8 collaboration with Perseus Proteomics, Inc. that involved the in vivo imaging of a
9 tumor cell that had been labeled with an antibody. Application Note 26 does not
10 address the use of the LAS-4000 for performing in vivo imaging of a tumor cell
11 labeled modified with fluorescent protein." (Dkt. No. 1-1, Ex. 22, Declaration of
12 Fujifilm employee Toshio Yamada, hereinafter "Yamada Declaration," at ¶13.)
13 Dr. Hoffman also points to general marketing brochures that list the filters and
14 reagents for imaging with GFP, and notes that the brochures advises customers that
15 they should consult with a lawyer regarding licenses from third parties. (Id. at ¶ 9.)
16 Fujifilm confirms that the disclaimer "direct[ed] potential users to consult with a
17 lawyer or patent attorney regarding third-party patents, particularly regarding
18 sample preparation. A warning was added to advertising and sales brochures
19 because Fujifilm was careful to respect the intellectual property rights of others."
20 (Yamada Declaration at ¶12.) A different advertisement announces the ability of
21 the LAS-4000 to do fluorescence imaging with "small animal *in vivo* imaging," with
22 availability from a variety of fluorescent coloring, including green. The ad states
23 "small animal *in vivo* imaging...the LAS-4000 provides a powerful tool for *in vivo*
24 imaging." (Hoffman Declaration at ¶ 9.) This particular advertisement markets a
25 variety of LED illumination from UV, including green, for imaging fluorescent
26 labels. (Id.) Dr. Hoffman also points to Fujifilm's marketing of the "*In Vivo* Imaging
27 Accessory Kit for Small Animal Imaging," as circumstantial evidence that Fujifilm
28 has directly infringed the patent claims. Fujifilm confirms that "[t]o facilitate live

1 animal imaging, Fujifilm developed and began to market the LAS in vivo Assist
2 Kit...which included a heated stage to keep the animal warm and a means to sedate
3 the animal...in order to use the LAS-4000 for in vivo imaging using GFP or other
4 fluorescent proteins, additional components would be necessary on top of the
5 machine itself and in vivo Assist Kit.” (Yamada Declaration at ¶10.)

6 These marketing materials are at best circumstantial evidence that the LAS-
7 4000 has the capability to conduct AntiCancer’s patent process. The materials say
8 nothing, however, about whether somebody at Fujifilm or a customer of Fujifilm
9 used AntiCancer’s patent method claim processes. Thus, the marketing materials do
10 not provide a reasonable jury adequate grounds on which to find direct infringement
11 by Fujifilm. See Mirror Worlds, LLC v. Apple Inc., 692 F.3d 1351, 1359 (testimony
12 confirming that an accused product functioned in a specific way that could infringe
13 upon the patent was insufficient evidence to support a reasonable jury finding direct
14 infringement.)

15 In sum, the Court finds that AntiCancer has failed to provide substantial
16 evidence to support a finding of direct infringement by Fujifilm of the ‘038 and
17 ‘159 patent claims.

18 **B. Induced Infringement**

19 In addition to alleging direct infringement by Fujifilm and GE, AntiCancer
20 also alleges that Fujifilm induced its customers to infringe the patent claims. The
21 Patent Act provides that a party who “actively induces infringement of a patent shall
22 be liable as an infringer.” 35 U.S.C. § 271 (b). Inducement of infringement
23 requires that there be a showing of an underlying act of direct infringement. Linear
24 Tech. Corp. v. Impala Linear Corp., 379 F. 3d 1311, 1326 (Fed. Cir. 2004).
25 Liability for induced infringement requires (1) proof of direct infringement and (2)
26 the patentee shows that defendant knew of the patent and induced others to perform
27 some or all of steps of the methods claimed in the patent. Akamai Techs., Inc. 692
28 F.3d at 1311, 1318. The Supreme Court also recently confirmed that the accused

1 inducer must know that the third party conduct it induced constituted infringement.
2 Global-Tech Appliances, Inc., 131 S.Ct. at 2068.

3 Here, AntiCancer relies on the marketing materials detailed above to support
4 a claim for induced infringement. AntiCancer submits that together these materials
5 show that Fujifilm has actively induced third parties to violate the methods claimed
6 in the patents: Fujifilm produced and distributed “Application Note No. 6”,
7 advertised that the LAS-4000 has the proper filter and reagents for GFP imaging,
8 marketed one specific advertisement that announces the ability of the LAS-4000 to
9 conduct *in vivo* imaging, and created and advertised the In Vivo Kit which gives the
10 LAS-4000 the ability to perform live animal imaging. (Dkt. No. 105 at 4-5; See also
11 Hoffman Declaration ¶¶ 8-11.) As previously found by the Court, these facts are
12 insufficient evidence to support a claim for direct infringement. Having failed to
13 provide any additional information showing that Fujifilm or GE used AntiCancer’s
14 methods claimed in the patents, AntiCancer has failed to provide proof of direct
15 infringement - an element necessary to sustain a claim for induced infringement.
16 Accordingly, the Court finds that AntiCancer has failed to make a showing
17 sufficient to establish the existence of each element essential to its case.

18 Even if the Court were to find some evidence of infringing acts, the
19 marketing materials are insufficient evidence to support the finding that the
20 materials induced others to perform some or all of the steps of AntiCancer’s method
21 claims. In E-Pass Technologies, the Federal Circuit found that evidence that
22 competitors’ manuals taught their customers each step of the claimed method in
23 isolation did not prove that customers actually performed the claimed patented
24 method. E-Pass Technologies, Inc. v. 3Com Corp, 473 F.3d 1213, 1221 (Fed. Cir.
25 2007). This was especially the case when the accused product could be used for a
26 variety of purposes and in a variety of ways, where manual excerpts did not teach all
27 steps of the claimed method together, and the patent assignee otherwise did not
28 introduce evidence of even one customer who practiced steps of claimed method in

1 required order. Id. Similar to E-Pass Technologies, AntiCancer relies on
2 advertisements, an application note, and the availability of a kit that could support
3 infringing acts, without providing evidence that these materials were used to induce
4 acts that would violate the methods in the patent claims. In addition, the record
5 shows that the LAS-4000 device has multiple uses, and that Fujifilm made efforts to
6 ensure that it was not inducing customers to violate patents. (Pappas Deposition at
7 40; Yamada Declaration at ¶¶ 10-12.) Under these facts, the Court concludes that
8 there is a lack of substantial evidence on which a jury could render a verdict for
9 inducement of infringement. As such, there is insufficient evidence for induced
10 infringement of the '038 and '159 patent claims.

11 **C. Contributory Infringement**

12 As the Court previously held, AntiCancer has not pled any facts to support
13 the finding that the Fujifilm instruments are not suitable for substantial non-
14 infringing use. Patent law proves that whoever sells an apparatus for use in
15 practicing a patented method, knowing it to be “especially made or especially
16 adapted for use in an infringement of such patent, and not a staple article or
17 commodity of commerce suitable for substantial non-infringing use, shall be liable
18 as a contributory infringer.” 35 U.S.C. § 271(c). “District courts have found...that
19 non-infringing uses are substantial when they are not unusual, far-fetched, illusory,
20 impractical, occasional, aberrant, or experimental.” Vita-Mix Corp. V. Basic
21 Holding, Inc. 581 F.3d 1317, 1327 (Fed. Cir. 2009)(internal citations omitted). It is
22 undisputed that the accused products are capable of non-infringing use. The
23 question then turns on whether the non-infringing use is substantial, an element
24 which AntiCancer has not provided any supporting evidence. The Court previously
25 held that there was insufficient evidence to support a claim for contributory
26 infringement. (Dkt. No. 53 at 8, Order Denying GE’s Motion to Dismiss,
27 “AntiCancer has not pled any facts which would establish that the devices at issue
28 are ‘not suitable for substantial non-infringing use.’”) No additional or new

1 evidence has been provided to support the finding that the accused products had
2 substantial, non-infringing use. Given the continued lack of evidence supporting
3 the claim for contributory infringement, the Court finds that a reasonable jury would
4 be unable to make a finding in support of AntiCancer's contributory infringement
5 claim.

6 **D. The '384 Patent**

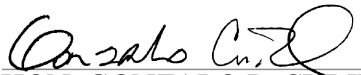
7 AntiCancer's second amended complaint includes a claim for violation of the
8 '384 patent. The record since the second amended complaint, however, is void of
9 any factual or circumstantial evidence regarding the '384 patent. AntiCancer even
10 failed to disclose the '384 patent claims in the preliminary infringement contentions.
11 Without setting forth the infringement theory, and the discovery period having
12 ended, the Court thereby grants summary judgement in favor defendants on the '384
13 patent violation claim. See Pat. LR 3.1(c).

14 **CONCLUSION**

15 For the foregoing reasons, it is hereby ordered the Defendants Fujifilm and
16 GE Healthcare, Inc.'s Motion for Summary Judgment is **GRANTED**. Accordingly,
17 the Court **DISMISSES WITH PREJUDICE** all claims in the Second Amended
18 Complaint and the Court enters summary judgment of non-infringement in favor of
19 Defendants Fujifilm and GE Healthcare. This judgment disposes of this action in its
20 entirety as to all causes of action. The clerk shall enter judgment accordingly.

21 **SO ORDERED.**

22
23 DATED: March 11, 2013

24 
25 HON. GONZALO P. CURIEL
26 United States District Judge
27
28