

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF TEXAS  
MARSHALL DIVISION

CANON, INC.,

Plaintiff,

vs.

TCL ELECTRONICS HOLDINGS LTD.,  
TCL CORPORATION,  
SHENZHEN NEW TECHNOLOGIES CO. LTD.,  
TCL KING ELECTRICAL APPLIANCE (HUIZHOU)  
CO. LTD.,  
TCL KING ELECTRONICS (CHENGDU) CO., LTD.,  
TCL KING ELECTRICAL APPLIANCES  
(NANCHANG) CO., LTD.,  
TCL TONGLI ELECTRONICS (HUIZHOU) CO.,  
LTD., and  
TONLY ELECTRONICS HOLDINGS LTD.,

Defendants.

Civil Action No. 2:18-cv-00546-JRG

Jury Trial Demanded

**DEFENDANTS' SUPPLEMENTAL INVALIDITY CONTENTIONS AND ELIGIBILITY  
CONTENTIONS PURSUANT TO PATENT RULES 3-3 AND 3-4 AND JUDGE  
GILSTRAP'S JULY 25, 2019 STANDING ORDER REGARDING SUBJECT MATTER  
ELIGIBILITY CONTENTIONS<sup>1</sup>**

<sup>1</sup> Seven of the named defendants—TCL Electronics Holdings Ltd. (“TCL Holdings”), TCL Corporation (“TCL Corp.”), Shenzhen TCL New Technologies Co. Ltd. (“Shenzhen TCL”), TCL King Electronics (Chengdu) Co., Ltd. (“TCL King Chengdu”), TCL King Electrical Appliances (Nanchang) Co., Ltd. (“TCL King Nanchang”), TCL Tongli Electronics (Huizhou) Co., Ltd. (“Tongli”), and Tonly Electronics Holdings Ltd. (“Tonly”)—dispute personal jurisdiction in this forum and have moved to dismiss for lack of personal jurisdiction under Fed. R. Civ. P. 12(b)(2). Dkt. Nos. 19, 48. In response, Canon does not dispute that personal jurisdiction is lacking over four of these defendants—TCL King Chengdu, TCL King Nanchang, Tongli, and Tonly—and has stated it would agree to dismiss them without prejudice. Dkt. No. 54 at 1 n.1. Defendants do not waive their defenses of lack of personal jurisdiction and/or failure to state a claim by providing these contentions.

Pursuant to the Court’s August 20, 2019 Order (Dkt. No. 51) (the “Scheduling Order”), the Rules of Practice for Patent Cases for the Eastern District of Texas (“Patent Rules” or “P.R.”), and the Standing Order Regarding Subject Matter Eligibility Contentions Applicable to All Patent Infringement Cases Assigned to Chief District Judge Rodney Gilstrap (“Standing Order”), Defendants TCL Electronics Holdings Ltd., TCL Corporation, Shenzhen New Technologies Co. Ltd., TCL King Electrical Appliance (Huizhou) Co. Ltd., TCL King Electronics (Chengdu) Co., Ltd., TCL King Electrical Appliances (Nanchang) Co., Ltd., TCL Tongli Electronics (Huizhou) Co., Ltd., and Tonly Electronics Holdings Ltd. (collectively, “Defendants”) hereby disclose their Supplemental Invalidity Contentions and Eligibility Contentions (“Supplemental Invalidity Contentions” and “Eligibility Contentions” respectively, and collectively, “Contentions”). Defendants contend that each of the claims asserted by Plaintiff Canon, Inc. (“Canon”) is invalid under at least 35 U.S.C. §§ 101, 102, 103, and/or 112.

## **I. GENERAL STATEMENT AND RESERVATION OF RIGHTS**

### **A. General Reservation of Rights**

These Contentions, along with the information and documents that Defendants produce herewith, are based on information currently available to Defendants and subject to further revision. Consistent with the Patent Rules, Defendants reserve the right to amend these Contentions should Canon: (1) provide any information that it failed to provide in its P.R. 3-1 and 3-2 disclosures or otherwise properly produce; (2) amend its P.R. 3-1 and 3-2 disclosures in any way; or (3) attempt to rely upon any information during claim construction proceedings, at trial, in a hearing, or during a deposition that it failed to provide in its P.R. 3-1 and 3-2 disclosures or otherwise properly produce. Moreover, Defendants further reserve the right to amend these contentions based on further discovery or Court rulings (or any other related reason). Defendants

provide these Contentions, as well as the accompanying production of documents, for the sole purpose of complying with P.R. 3-3 and 3-4 and the Standing Order.

**B. Asserted Claims**

In its Infringement Contentions, dated September 6, 2019, Canon asserts that Defendants infringe the following claims (“Asserted Claims”) of U.S. Patent Nos. 7,746,413 (“’413 patent”), 7,810,130 (“’130 Patent”); 8,078,767 (“’767 Patent”), 8,346,986 (“’986 Patent”), and 8,713,206 (“’206 Patent”) (collectively, “the Patents-In-Suit”):

- ’413 Patent: Claims 1-2, 4-8, 10-11;
- ’767 Patent: Claims 1-14;
- ’986 Patent: Claims 1-11;
- ’206 Patent: Claims 1-5, 7-11, 13-14;
- ’130 Patent: Claims 1-8.

Defendants’ Contentions address only those claims asserted in Canon’s Infringement Contentions. To the extent that the Court or the Patent Rules permit Canon to assert additional claims against Defendants, Defendants reserve the right to disclose new or supplemental contentions regarding such claims.

**C. Canon’s P.R. 3-1 and 3-2 Disclosures**

Defendants provide these Contentions consistent with the schedule set forth in the Court’s August 20, 2019 Order (Dkt. No. 51), but do so without waiving any right to receive from Canon full, complete and detailed infringement disclosures as required under P.R. 3-1 and 3-2. Defendants’ compliance with the schedule currently in place should not be viewed as a waiver of its right to seek relief regarding the deficiencies in Canon’s disclosures.

Canon’s Infringement Contentions are deficient in numerous respects. Canon’s Infringement Contentions lack the specificity required under P.R. 3-1 as would be necessary to

fairly provide Defendants notice of Canon's theories, including without limitation: (1) Canon fails to specifically identify each Accused Product; (2) Canon fails to provide claim charts for each Accused Product or support with specificity and supporting documentary or declaratory evidence its assertions that there are no material differences between the Accused Products that affect its infringement theories for the uncharted products; (3) Canon fails to identify where each element of each asserted claim is found within each Accused Instrumentality; (4) Canon alleges broadly that "[t]o the extent any claim limitation is found to not be literally present, Canon asserts that such limitation is present under the doctrine of equivalents in each of the Accused Instrumentalities" in contravention of P.R. 3-1(d), which requires doctrine-of-equivalents to be alleged on an element-by-element basis; and (5) for any claim element in which doctrine of equivalents has been raised, Canon fails to specify which component(s) or step(s) of the accused product are equivalent, much less the basis for its position.

Accordingly, Defendants understand that Canon will not rely on the doctrine of equivalents to show infringement of any limitation of any asserted claim. Defendants further specifically reserve the right to modify, amend, or supplement their Contentions should Canon be permitted to further modify, amend, or supplement its P.R. 3-1 and 3-2 disclosures or produce documents responsive to Defendants' discovery requests.

**D. Priority Applications / Priority Date of Asserted Claims**

Defendants' Contentions, including but not limited to identification of prior art, rely in part on Canon's contention that the Patents-in-Suit are entitled to claim priority to the following applications:

'413 Patent: JP2003-150212, filed May 28, 2003; JP2004-154154, filed May 25, 2004;

'767 Patent: JP2008-141678, filed May 29, 2008;

'986 Patent: JP2008-141678, filed May 29, 2008;

'206 Patent: JP2008-141678, filed May 29, 2008;

'130 Patent: JP2002-295062, filed Oct. 8, 2002.

Defendants' reserve the right to amend these Contentions to the extent that Canon is permitted to claim priority to an earlier application, assert an earlier conception or reduction to practice date than the priority application filing date, changes its alleged priority dates, or if the Court determines that any of the Patents-in-Suit are not entitled to claim priority to the earlier applications as asserted by Canon.

### **E. Claim Construction**

Claim construction proceedings for this action have not yet occurred. Accordingly, Defendants reserve the right to modify, amend, and/or supplement their Contentions in accordance with P.R. 3-6 following claim construction rulings from this Court, or to the extent permitted by this Court. Defendants also reserve the right to modify, amend, and/or supplement their Contentions upon Canon's alteration/clarification of its asserted claim constructions, including as adopted by Canon in its Infringement Contentions or any amendment thereto.

Defendants' Contentions are based in part on their present understanding of Canon's Infringement Contentions. In some instances, Canon's Infringement Contentions contradict the teachings of the Patents-In-Suit, contradict the meaning of the claim terms as would have been understood by a person of ordinary skill in the art, are internally inconsistent, and/or are vague and conclusory concerning how the claim limitations supposedly read on the accused products or activities. In addition, Canon fails (i) to specify where each limitation of the Asserted Claims is found in each accused instrumentality<sup>2</sup> and (ii) to identify whether any claim terms are governed

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<sup>2</sup> For example and without limitation, with respect to claim 7 of the '413 patent, Canon fails to identify what components of any accused products it considers to be the "acquiring unit," "determining unit," and "controlling unit," let alone within each accused product. In addition, Canon charts only a single representative product, 55R617, for each Patent-in-Suit, but fails to

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