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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

FULLVIEW, INC.,
Plaintiff,
v.
POLYCOM, INC.,
Defendant.

Case No. [18-cv-00510-EMC](#)

**ORDER GRANTING DEFENDANT’S
PARTIAL MOTION TO DISMISS**

Docket No. 80

I. INTRODUCTION

Plaintiff FullView, Inc. (“FullView”) filed this lawsuit against Defendant Polycom, Inc. (“Polycom”) alleging patent infringement. FullView is the owner of a patent disclosing technology involving the creation of composite images—*i.e.*, a device capable of producing panoramic photographs. Pending before the Court is Polycom’s partial motion to dismiss on the grounds that all claims in FullView’s patent are nonpatentable. Polycom also argues that the complaint fails to state a claim for global infringement under 35 U.S.C. section 271(g). For the reasons discussed below, the Court **GRANTS** Polycom’s motion to dismiss because the claims are directed at nonpatentable subject matter and seeks protection of an abstract idea without an inventive concept. Polycom’s motion to dismiss FullView’s Section 271(g) claim for failure to plead sufficient facts is therefore moot.

II. BACKGROUND

A. Factual Background

FullView’s Second Amended Complaint alleges as follows. Dr. Nishvjit Singh Nalwa owns numerous patents and is the co-founder and current president of FullView. Docket No. 75

1 (“SAC”) ¶ 7. FullView is the owner of U.S. Patent No. 6,700,711 (“’711 Patent”), which is
2 entitled “Panoramic viewing system with a composite field of view” *Id.* ¶ 10. It is also the
3 owner of U.S. Patent 6,128,143 (“’143 Patent”) entitled “Panoramic viewing system with support
4 stand” *Id.* ¶ 10. Polycom’s motion only challenges the ’711 Patent.

5 The ’711 Patent is comprised of thirty-nine claims that covers “an omni-directional or
6 panoramic viewer.” In other words, “[i]t describes several cameras looking out in different
7 directions off mirrors, from offset rather than coincident viewpoints, to provide the user with
8 seamless 360° composite images to the view’s eye that allow the user to look in any direction
9” *Id.* ¶ 12. The ’711 Patent is made up of the following claims:

- 10 • Claim 25 and its dependent claims—*e.g.*, 26, 28, 29, 33, 35, 37, and 39—are the
11 “Composite Image Claims.”
- 12 • Claim 1 and its dependent claims—*e.g.*, 2, 4, 5, 9, 11, 13, and 15—are the “Method
13 Claims.”
- 14 • Claim 16 and 18 are the “Apparatus Claims.”¹

15 SAC ¶ 34 (“FullView asserts only the following 18 claims here: 1, 2, 4, 5, 9, 11, 13, 15, 16, 18,
16 25, 26, 28, 29, 33, 35, 37 and 39.”); Mot. at 2. The ’143 Patent is made up of eighteen claims
17 covering a “system and apparatus for a compact and non-instructive omni-directional or
18 panoramic viewer in which several cameras look off a mirrored pyramid, this pyramid and these
19 cameras secured to a support member that intersects an inner volume of the pyramid.” *Id.* ¶ 13.

20 On April 1, 2011, FullView licensed the ’711 and ’143 Patents to Polycom, which allowed
21 Polycom to manufacture its CX5000 camera that provides for 360° video conferencing. *Id.* ¶ 14.
22 On July 2, 2012, Polycom gave notice to FullView that it intended to terminate their agreement;
23 however, Polycom terminated the agreement earlier than required under the agreement’s 90-day-
24 notice provision. *Id.* ¶ 16. Although Polycom ceased manufacturing its CX5000, FullView
25 alleges that Polycom continued to sell the CX5000 without reporting these sales and, thus,
26 foregoing payment of royalties owed to FullView. *See id.* ¶¶ 20, 31.

27 _____
28 ¹ The Composite Image Claims, Method Claims, and Apparatus Claims are hereinafter
collectively referred to as the “Asserted Claims.”

1 B. Procedural Background

2 1. History of Inter Partes Reexamination (“IPR”)

3 In January 2012, Polycom filed an IPR petition challenging the validity of the ’711 Patent.
4 *Id.* ¶ 19. On January 4, 2017, the Patent Trial and Appeal Board (“PTAB”) of the United States
5 Patent and Trademark Office (“PTO”) upheld each of the thirty-nine claims that make up the ’711
6 Patent. *Id.* ¶ 21. The Court of Appeals for the Federal Circuit affirmed the PTAB’s decision on
7 April 29, 2019. *Id.* ¶ 23. The narrow subject of this litigation was obviousness. *See Polycom,*
8 *Inc. v. Fullview, Inc.*, 767 F. App’x 970, 983 (Fed. Cir. 2019) (“After careful analysis of the
9 parties’ arguments and the Board’s determination, we affirm the Board’s finding that claims 1–21
10 and 25–39 of the ’711 patent would not have been obvious We also find that Polycom waived
11 its argument regarding anticipation for failing to raise it below.”).

12 On January 31, 2019, Polycom sought review of the ’143 Patent. *Id.* ¶ 24. The PTAB
13 denied the petition, as well as Polycom’s request for rehearing on September 10, 2019. *Id.* ¶ 25.

14 2. History of the Instant Litigation

15 On January 23, 2018, FullView filed its initial complaint. *See* Docket No. 1. On March 7,
16 2018, this Court stayed this action pending the resolution of the IPR of the ’711 Patent. Docket
17 No. 16. Following the Federal Circuit’s opinion upholding the PTAB’s decision, FullView
18 amended its complaint to include a fraudulent concealment allegation to toll the statute of
19 limitations for an additional year of liability. Docket No. 51 (“FAC”). Polycom moved to
20 partially dismiss the fraud allegations for failure to satisfy Rule 9(b). Docket No. 52. Before the
21 parties fully briefed Polycom’s motion, FullView sought leave to file an amended pleading in
22 order to enhance its factual allegations with respect to the fraudulent concealment theory, as well
23 as include a false marketing claim. Docket No. 68. This Court partially denied FullView’s
24 request for leave to amend because the fraudulent concealment and false marketing claims were
25 futile, thereby rendering Polycom’s then-pending motion to dismiss moot. Docket No. 72. The
26 Court, however, permitted FullView to file the remainder of its proposed SAC, which contained
27 unopposed amendments. *Id.*

28 FullView filed its SAC on July 2, 2020, alleging one claim for relief: infringement of the

1 '711 and '143 Patents under 35 U.S.C. section 271 in the form of (1) direct infringement; (2)
2 infringement by inducement; and (3) infringement via the doctrine of equivalents. SAC ¶¶ 59–66.
3 Polycom moved to dismiss the SAC. *See* Mot. The Court heard oral argument on August 20,
4 2020, wherein counsel for FullView discussed a Federal Circuit decision not cited in the parties'
5 briefs. The Court permitted supplemental briefing on *Thales Visionix Inc. v. United States*, 850
6 F.3d 1343 (Fed. Cir. 2017). *See* Docket No. 101.

7 **III. LEGAL STANDARD**

8 Federal Rule of Civil Procedure 8(a)(2) requires a complaint to include “a short and plain
9 statement of the claim showing that the pleader is entitled to relief.” Fed. R. Civ. P. 8(a)(2). A
10 complaint that fails to meet this standard may be dismissed pursuant to Federal Rule of Civil
11 Procedure 12(b)(6). *See* Fed. R. Civ. P. 12(b)(6). To overcome a Rule 12(b)(6) motion to dismiss
12 after the Supreme Court’s decisions in *Ashcroft v. Iqbal*, 556 U.S. 662 (2009), and *Bell Atlantic*
13 *Corp. v. Twombly*, 550 U.S. 544 (2007), a plaintiff’s “factual allegations [in the complaint] ‘must
14 . . . suggest that the claim has at least a plausible chance of success.’” *Levitt v. Yelp! Inc.*, 765
15 F.3d 1123, 1135 (9th Cir. 2014). The court “accept[s] factual allegations in the complaint as true
16 and construe[s] the pleadings in the light most favorable to the nonmoving party.” *Manzarek v. St.*
17 *Paul Fire & Marine Ins. Co.*, 519 F.3d 1025, 1031 (9th Cir. 2008). But “allegations in a
18 complaint . . . may not simply recite the elements of a cause of action [and] must contain sufficient
19 allegations of underlying facts to give fair notice and to enable the opposing party to defend itself
20 effectively.” *Levitt*, 765 F.3d at 1135 (internal quotation marks omitted).² “A claim has facial
21 plausibility when the Plaintiff pleads factual content that allows the court to draw the reasonable
22 inference that the Defendant is liable for the misconduct alleged.” *Iqbal*, 556 U.S. at 678. “The
23 plausibility standard is not akin to a probability requirement, but it asks for more than a sheer
24 possibility that a defendant has acted unlawfully.” *Id.* (internal quotation marks omitted).

25 “Patent eligibility can be determined at the Rule 12(b)(6) stage ‘when there are no factual
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27 _____
28 ² A court “need not . . . accept as true allegations that contradict matters properly subject to
judicial notice or by exhibit.” *Sprewell v. Golden State Warriors*, 266 F.3d 979, 988 (9th Cir.
2001).

1 allegations that, taken as true, prevent resolving the eligibility question as a matter of law.” *Voter*
 2 *Verified, Inc. v. Election Sys. & Software LLC*, 887 F.3d 1376, 1384 (Fed. Cir. 2018), *cert. denied*,
 3 139 S. Ct. 813 (2019); *Aatrix Software, Inc. v. Green Shades Software, Inc.*, 882 F.3d 1121, 1125
 4 (Fed. Cir. 2018). Evaluation of a patent claim's subject matter eligibility under 35 U.S.C. section
 5 101 can proceed even before a formal claim construction. *Genetic Techs. Ltd. v. Merial L.L.C.*,
 6 818 F.3d 1369, 1373–74 (Fed. Cir. 2016); *see also Aatrix*, 882 F.3d at 1125.

7 **IV. DISCUSSION**

8 In its motion to dismiss, Polycom contends the Composite Image Claims are invalid
 9 because they are not directed at patent-eligible subject matter delineated in 35 U.S.C. section 101
 10 (“Section 101”). It also contends the Asserted Claims seek to patent abstract ideas without an
 11 inventive concept. In response to Polycom’s argument regarding failure to fit into statutory
 12 patent-eligible subject matter, FullView argues that Composite Image Claims fall under the
 13 “manufacture” category of Section 101. FullView also takes the position that every claim within
 14 the ’711 Patent contains an inventive concept and is not directed to an abstract idea. *Id.* at 7.

15 A. Patentable Subject Matter under 25 U.S.C. Section 101

16 Polycom argues that the Composite Image Claims (Claim 25 and dependent claims) are
 17 invalid under Section 101 because they fit in none of the statutory categories for patent eligibility.
 18 Under Section 101, “[w]hoever invents or discovers any new and useful process, machine,
 19 manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a
 20 patent therefor[.]” 35 U.S.C. § 101. While FullView appears to argue that the Composite Image
 21 Claims are a “manufacture” under Section 101, much of FullView’s opposition brief recounts the
 22 PTAB and Federal Circuit’s decisions that pertained to whether the ’711 Patent was novel and
 23 sustainable under Section 102—not whether it was directed at patent-eligible subject matter under
 24 Section 101. Polycom correctly contends that novelty bears no relevance for Section 101
 25 purposes. *See Intellectual Ventures I LLC v. Symantec Corp.*, 838 F.3d 1307, 1315 (Fed. Cir.
 26 2016) (“[t]he ‘novelty’ of any element or steps in a process, or even of the process itself, is of **no**
 27 **relevance** in determining whether the subject matter of a claim falls within the § 101 categories of
 28 possibly patentable subject matter.”) (emphasis in original) (quoting *Diamond v. Diehr*, 450 U.S.

1 175, 188–89 (1981)); *see also Two-Way Media Ltd. v. Comcast Cable Commc'ns, LLC*, 874 F.3d
2 1329, 1340 (Fed. Cir. 2017) (“Eligibility and novelty are separate inquiries.”); *accord*
3 *RingCentral, Inc. v. Dialpad, Inc.*, 372 F. Supp. 3d 988, 994 (N.D. Cal. 2019) (PTO’s decision
4 regarding anticipation are “determinations [] not relevant to the Court’s analysis of patent
5 eligibility.”). Thus, despite the Federal Circuit concluding that the technology in this litigation—
6 as a whole—is novel, that does not mean that the Composite Image Claims are directed at patent-
7 eligible subject matter under Section 101. *See SAP Am., Inc. v. InvestPic, LLC*, 898 F.3d 1161,
8 1163 (Fed. Cir. 2018), *cert. denied*, 139 S. Ct. 2747, *reh'g denied*, 140 S. Ct. 27 (2019) (“We may
9 assume that the techniques claimed are groundbreaking, innovative, or even brilliant, but that is
10 not enough for eligibility.”) (internal quotations omitted).

11 According to FullView, the only claim term within the Composite Image Claims that is
12 disputed by the parties is “image.” It contends the claimed term “image” is a “manufacture” under
13 Section 101. In support of this argument, FullView cites to the *Merriam-Webster Dictionary*
14 because “image” invokes seven definitions, two of which read as follows:

15 **Image**, noun

- 16 **1 a:** a visual representation of something: such as
17 (1): a likeness of an object produced on a
18 photographic material
19 (2): a picture produced on an electronic display (such
20 as a television or computer screen)
21 **b:** the optical counterpart of an object produced by an
22 optical device (such as a lens or mirror) or an electronic
23 device
- 24 **2 a:**
25 (1): a mental picture or impression of something
26 (2): a mental conception held in common by
27 members of a group and symbolic of a basic attitude
28 and orientation
b: IDEA, CONCEPT

23 <https://www.merriam-webster.com/dictionary/image> (emphasis in original). According to
24 FullView, definition numbers 1a & 1b describe “image” as used in the Composite Image Claims.
25 Thus, FullView explains that the composite image—produced on a photographic material or on an
26 electronic display—is both tangible and a manufacture under Section 101. In response, Polycom
27 contends that the fact that there seven dictionary definitions of “image” buttresses its position that
28 the Composite Image Claims are too broad and, thus, not a “manufacture” since these definitions

1 encompass intangible embodiments, such as transitory mental images and data.

2 Here, Claim 25 of the '711 Patent reads as follows:

3 A composite image produce[d] with a plurality of sensors each
4 having an individual field of view, by following the method of:

5 for at least one of the plurality of sensors, redirecting at least a
6 portion of its individual field of view with a reflective area; and

7 merging images corresponding to the individual fields of view to
8 produce the composite image having a corresponding field of
9 view, wherein each one of at least two fields of view
10 corresponding to images that are merged has a portion, where
11 the images are merged, that has viewing directions that are
12 substantially similar to the viewing directions of the other
13 portion, and wherein the viewing directions within each one of
14 such two portions appear to originate substantially from a point
15 that is offset from the point for the other one of such two
16 portions.

12 SAC, Ex. A, cl 25. The Composite Image Claims are broad enough to cover intangible images—
13 *i.e.*, it can include mental images or optical counterparts of an object produced by a lens, mirror, or
14 electronic device, like a reflection.

15 Two Federal Circuit decisions provide guidance on the definition of a “manufacture.” The
16 first, *In re Nuijten*, 500 F.3d 1346 (Fed. Cir. 2007), involved an appeal from the PTAB in which
17 the agency found the patent sought protection of subject matter outside the scope of Section 101.
18 The Court of Appeals held that the patent application for a signal with embedded digital
19 watermark encoded according to a given encoding process was not directed to statutory subject
20 matter. *Id.* at 1357. “If a claim covers material not found in any of the four statutory categories,
21 that claim falls outside the plainly expressed scope of § 101 even if the subject matter is otherwise
22 new and useful.” *Id.* In analyzing whether the claimed signal constituted a “manufacture” in
23 *Nuijten*, the court held that the definition of a “manufacture” is a “tangible article[] or
24 commodity[y].” *Id.* The claimed signal was therefore not a manufacture—and thus not directed at
25 a statutorily patent-eligible subject matter—because “[a]ll signals within the scope of the claim do
26 not themselves comprise some tangible article or commodity.” *Id.* at 1356. As noted above, the
27 Composite Image Claims are not confined to a tangible article or commodity.

28 Second, in *Mentor Graphics Corp. v. EVE-USA, Inc.*, 851 F.3d 1275, 1294 (Fed. Cir.

1 2017), the Federal Circuit held that the patent’s claims regarding electromagnetic carrier waves
2 were non-patentable subject matter under Section 101. The *Mentor* court held that the at-issue
3 claims “present a scenario where there are multiple covered embodiments, and not all covered
4 embodiments are patent-eligible.” *Id.* at 1294. Relying on the non-binding Manual of Patent
5 Examining Procedure (“MPEP”), the Court of Appeals concluded “that when a claim covers ‘both
6 statutory and non-statutory embodiments,’ it is not eligible for patenting.” *Id.* (quoting MPEP §
7 2106 (9th ed. Mar. 2014)). As noted above, that is the situation here.

8 FullView offers no persuasive response to *Nuijten* or *Mentor*. Instead, FullView takes the
9 conclusory position that “in accordance with the ordinary and customary meaning of such claim as
10 understood by one of ordinary skill in the art and the prosecution history pertaining to the patent . .
11 . the claimed ‘image’ is not a transitory signal—and neither does the ’711 Patent describe or claim
12 or embrace a transitory signal or wave as a potential storage medium for its claimed composite
13 image.” Docket No. 84 (“Opp.”) at 13. But this fails to deal with *Nuijten* and *Mentor*. Moreover,
14 it is inconsistent with FullView’s own argument: FullView argues that the transmission of
15 composite images in the form of intangible data into the United States via worldwide
16 communication networks infringes under Section 271(g). Opp. at 19 (“the *purpose* of a video
17 conferencing product is to allow user to communicate by transmitting images captured at one
18 location to another location.”) (emphasis in original). This makes the claims at issue comparable
19 to *Mentor*.

20 Accordingly, the Court **GRANTS** Polycom’s motion to dismiss the Composite Image
21 Claims as patent ineligible under Section 101.

22 B. Patentability under The Two-Step *Alice* Test

23 Moreover, all the Asserted Claims raise fundamental questions about patentability under
24 Section 101. Polycom alleges all claims within the ’711 Patent are directed at an abstract idea
25 without offering an inventive concept under *Alice Corp. Pty. v. CLS Bank Int’l*, 573 U.S. 208
26 (2014). This Court agrees.

27 In *Alice*, the Supreme Court recognized that it has “long held that [Section 101] contains
28 an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not

1 patentable.” *Id.* at 216 (citing *Association for Molecular Pathology v. Myriad Genetics, Inc.*, 569
2 U.S. 576, 589 (2013)). However, because all inventions will eventually touch upon laws of
3 nature, natural phenomena, or abstract ideas, “an invention is not rendered ineligible for patent
4 simply because it involves an abstract concept.” *Id.* (citing *Diamond v. Diehr*, 450 U.S. 175, 187
5 (1981)). If the abstract concept incorporates a new and useful end, then it remains patent eligible.
6 *Id.* (citing *Gottschalk v. Benson*, 409 U.S. 63, 67 (1972)). Therefore, the *Alice* Court held that
7 courts must (1) first determine whether the claims at issue are directed to an abstract idea; then (2)
8 if the claims are directed to an abstract idea, determine whether the patent transforms that abstract
9 idea into a patent-eligible invention. *Id.* at 218, 221.

10 1. Step 1: Whether the Patent is Directed to an Abstract Idea

11 Polycom argues the Asserted Claims are directed at an abstract idea because the concept of
12 merging or redirecting multiple images to form a composite image is something “that humans
13 have been creating in their visual cortex since the dawn of humanity” because “each eye sees a
14 slightly different image (including blind spots) that the brain combines to form a composite
15 image.” Mot. at 1–2. FullView’s response, like its response to statutory-patent eligibility, relies
16 exclusively on the Federal Circuit’s decision on novelty: “as clear from the Federal Circuit’s
17 treatment of the ’711 invention . . . , both it and the PTAB clearly understood the claims to be
18 directed to a specific means or method for improving technology and not simply directed to an
19 abstract end-result.” Opp. at 7. But as stated above, novelty is separate from eligibility. *See, e.g.*,
20 *Intellectual Ventures*, 838 F.3d at 1315; *Two-Way Media*, 874 F.3d at 1340; *SAP Am., Inc.*, 898
21 F.3d at 1163. The parties cite to two cases that are analogous and discuss the abstractness of
22 technology similar FullView’s: (1) *RecogniCorp, LLC v. Nintendo Co.*, 855 F.3d 1322 (Fed. Cir.
23 2017); and (2) *Yanbin Yu v. Apple Inc.*, 392 F. Supp. 3d 1096 (N.D. Cal. 2019).

24 In *RecogniCorp*, the Federal Circuit decided whether a patent that was directed at building
25 a composite facial image using encoding and decoding—*i.e.*, mathematics—passed the *Alice* test
26 for patentability. *RecogniCorp*, 855 F.3d at 1324. Claim 1 of the patent read as follows:

- 27 1. A method for creating a composite image, comprising:
28 displaying facial feature images on a first area of a first display via a

1 first device associated with the first display, wherein the facial
feature images are associated with facial feature element codes;

2 selecting a facial feature image from the first area of the first display
3 via a user interface associated with the first device, wherein the first
4 device incorporates the selected facial feature image into a
5 composite image on a second area of the first display, wherein the
6 composite image is associated with a composite facial image code
7 having at least a facial feature element code and wherein the
8 composite facial image code is derived by performing at least one
multiplication operation on a facial code using one or more code
factors as input parameters to the multiplication operation; and

reproducing the composite image on a second display based on the
composite facial image code.

9 *Id.* The district court, prior to claim construction, granted the defendant’s motion for judgment on
10 the pleadings under *Alice* because the claims were directed at the abstract idea of coding
11 composite facial images without an inventive concept. *Id.* at 1325. The Federal Circuit affirmed.
12 *Id.* at 1328. With respect to the patent vis-à-vis an abstract idea, the court held that “assign[ing]
13 image codes to images through an interface using a mathematical formula, and then reproducing
14 the image based on the codes . . . [is] an abstract concept long utilized to transmit information.”
15 *Id.* According to the Court of Appeals, it was analogous to Morse code or ordering food at a
16 restaurant via a numbering system. *Id.* The *RecogniCorp* court relied on a previous decision from
17 the Federal Circuit that held a claim that “recites a process of taking two data sets and combining
18 them into a single data set simply by organizing existing data into a new form” was an abstract
19 concept. *Id.* at 1327 (citing *Digitech Image Technologies, LLC v. Electronics for Imaging, Inc.*,
20 758 F.3d 1344, 1351 (Fed. Cir. 2014)).

21 Similarly, in *Yanbin*, a district court concluded that the patent-in-suit similar to the
22 disputed technology here failed the *Alice* test. There, Mr. Yu brought an action against Apple and
23 Samsung alleging that both companies infringed his patent, which “claims an invention of a digital
24 camera capable of producing high resolution images with better colors and details in a greater
25 range The patent proposes an arrangement of multiple image sensors, lenses, and a processor
26 to produce high quality and film-like true color digital images.” *Id.* at 1101. The court concluded
27 that the claim was directed at “the abstract idea of taking two pictures and using those pictures to
28 enhance each other in some way.” *Id.* at 1104. The court reached this conclusion because “[s]ince

1 the earliest years of the photographic medium, those having skills in the art have used multiple
2 exposures, or the combining of multiple images, to enhance image Such a fundamental and
3 long prevalent practice is a quintessential abstract idea.” *Id.* (internal quotations and alterations
4 omitted).

5 Here, the ’711 Patent is directed to what the courts in *RecogniCorp* and *Yanbin* found to be
6 an abstract concept under *Alice*—the technology taught by the ’711 Patent combines one picture
7 with another picture to form a larger picture, albeit a seamless one. FullView’s attempt to
8 distinguish *Yanbin* misses the point. FullView argues that the district court refused to consider the
9 defendant’s assertion that the claim was the same process as viewing images from a human’s two
10 eyes. This is true—the defendant in *Yanbin* did, in fact, make a broad challenge that the patent
11 should be invalidated because the “same idea can be found in the mental processes that produce
12 human vision from inputs from two eyes[.]” *Yanbin*, 392 F. Supp. 3d at 1104. However, the court
13 did not employ that broad test: holding that “the Court need not go so far afield,” it found the
14 patent was directed at an abstract concept because of historical photographic techniques of
15 “combining of multiple images, to enhance images.” *Id.* So too here.

16 Polycom has demonstrated that the ’711 Patent is aimed at an abstract concept. It is
17 therefore non-patentable unless it involves an inventive concept. As explained below, no
18 inventive concept exists to transform the abstract idea of creating composite images into
19 patentable subject matter.

20 2. Step 2: Whether the Patent Offers an Inventive Concept to the Abstract Idea

21 This Court then turns to the second step articulated by the Supreme Court. FullView
22 reasserts the Federal Circuit’s finding of non-obviousness in response to the second step in *Alice*
23 that requires an inventive concept. The Federal Circuit found “counterintuitive” that the “nature
24 of using mirrors to make the viewpoints of multiple sensors coincide . . . only to turn around and
25 deliberately offset the viewpoints, such that the offset is perceptible to the viewer.” *Polycom*, 767
26 F. App’x at 982. Although it could be argued this position is relevant here, the Federal Circuit has
27 held that the inventive concept must be “in the non-abstract application realm.” *SAP*, 898 F.3d
28 1168. “If a claim’s only ‘inventive concept’ is the application of an abstract idea using

1 conventional and well-understood techniques, the claim has not been transformed into a patent-
 2 eligible application of an abstract idea.” *BSG Tech LLC v. Buyseasons, Inc.*, 899 F.3d 1281,
 3 1290–91 (Fed. Cir. 2018). “[T]he relevant inquiry is not whether the claimed invention *as a*
 4 *whole* is unconventional or non-routine” but “whether *the claim limitations other than the*
 5 *invention's use of the ineligible concept to which it was directed* were well-understood, routine
 6 and conventional. *Id.* at 1290 (emphasis added).

7 FullView has not pointed to anything inventive in the '711 Patent that is separate and apart
 8 from the abstract idea of merging images. At the hearing, it became clear that the arrangement of
 9 cameras, sensors, and mirrors is the only concept that FullView purports to be inventive. But the
 10 putative invention here is simple geometry, a branch of mathematics—and math is not patentable.
 11 In *RecogniCorp*, the owner of the patent argued, unsuccessfully, that the mathematical formula
 12 associated with the coding and decoding of composite images was the inventive concept that
 13 transformed the otherwise abstract idea into a patent-eligible application. *See RecogniCorp*, 855
 14 F.3d at 1328. The Federal Circuit rejected this argument. *Id.* (“Claims that are directed to a non-
 15 abstract idea are not rendered abstract simply because they use a mathematical formula. But the
 16 converse is also true: A claim directed to an abstract idea does not automatically become eligible
 17 merely by adding a mathematical formula.”).

18 At the hearing, FullView relied on *Thales Visionix Inc. v. United States*, 850 F.3d 1343
 19 (Fed. Cir. 2017), in support of its argument that the arrangement of its sensors adds an inventive
 20 concept to the otherwise abstract idea of creating composite images—but that decision is
 21 distinguishable. In *Thales*, the Federal Circuit reversed the lower court’s order that found a patent
 22 ineligible for protection under Section 101. *Id.* at 1349. The patent disclosed “an inertial tracking
 23 system for tracking the motion of an object relative to a moving reference frame.” *Id.* at 1344. It
 24 contained inertial sensors that measured forces associated with changes in a sensor’s position and
 25 orientation relative to a known starting position; when mounted on a moving object, these sensors
 26 calculate the position, orientation, and velocity of the object in three-dimensional space, based on
 27 a specified starting point, without the need for any other external information. *Id.* at 1344–45.
 28 The lower court granted the defendants' motion for judgment on the pleadings and found all claims

1 directed to patent-ineligible subject matter under Section 101 because the claims (1) were directed
2 to the abstract idea of using laws of nature governing motion to track two objects, and (2)
3 provided no inventive concept beyond the abstract idea. *Id.* at 1446.

4 The Federal Circuit reversed on the grounds that the patent was not directed at an abstract
5 idea, relying heavily on the Supreme Court’s decision in *Diamond v. Diehr*, 450 U.S. 175, 177
6 (1981), which “confirmed the eligibility of patent claims despite the inclusion of a mathematical
7 formula in a claimed method for molding raw, uncured rubber into cured rubber products.” *Id.* at
8 1347. The Court of Appeals held the patent was not directed at an abstract idea, which thereby
9 ended the *Alice* inquiry at Step 1. Specifically, the *Thales* court held that “[t]he claims specify a
10 **particular configuration** of inertial sensors and a **particular method** of using the raw data from
11 the sensors in order to more accurately calculate the position and orientation of an object on a
12 moving platform. *Id.* at 1349 (emphasis added).

13 Polycom argues that the Methods Claims here lack the particularity present in the *Thales*
14 patent’s claims with respect to configuration or method. Here again, Claim 1 of the Methods
15 Claims broadly states that ’711 Patent claims:

16 A method of producing a composite image with **a plurality of**
17 **sensors** each having an individual field of view, comprising the
steps of:

18 **for at least one** of the plurality sensors, redirecting at least a
19 portion of its individual field of view with a reflective area; and

20 merging images corresponding to the individual fields of view to
21 produce the composite image having a corresponding field of
22 view, wherein each one of at least two fields of view
23 corresponding to images that are merged has a portion, where
24 the images are merged, that has viewing directions that are
substantially similar to the viewing directions of the other
portion, and wherein the viewing directions within each one of
such two portions appear to originate substantially from a point
that is offset from the point for the other one of such two
portions.

25 SAC, Ex. A, cl 1 (emphasis added). Polycom contends the claim does not offer any specifics as to
26 what a plurality of sensors are or how many sensors are necessary. By contrast, in *Thales*, the
27 patent specifically describes the arrangement with particularity:

28 1. A system for tracking the motion of an object relative to a moving

1 reference frame, comprising:

2 a first inertial sensor mounted on the tracked object;

3 a second inertial sensor mounted on the moving reference frame;
4 and

5 an element adapted to receive signals from said first and second
6 inertial sensors and configured to determine an orientation of the
7 object relative to the moving reference frame based on the signals
8 received from the first and second inertial sensors.

9
10 22. A method comprising determining an orientation of an object
11 relative to a moving reference frame based on signals from two
12 inertial sensors mounted respectively on the object and on the
13 moving reference frame.

14
15 *Thales*, 850 F.3d at 1345–46. But this Court need not identify the line regarding how specific or
16 particular an arrangement need be in order for it to transform an abstract idea into patentable
17 subject matter under *Thales*, because *Thales* never reached Step 2 under *Alice*. It is therefore not
18 instructive to the Step 2 analysis herein. Even if *Thales* were to inform the Step 2 analysis, it
19 would not change the conclusion that the basic teaching of the '711 Patent hinges on nothing more
20 than geometry. The same cannot be said for the patent in *Thales*.

21
22 Lastly, the Apparatus Claims also do not disclose inventive technology. Here, *Yanbin* is
23 once again instructive. The district court found that “[o]nce the abstract idea is removed from the
24 claim, all that is left here is the ‘conventional technology’ of a digital camera, such as image
25 sensors, lenses, circuitry, memory and a processor being used in conventional ways.” *Id.* at 1106.
26 The patent-in-suit offered no inventive concept because “[t]here are no allegations that the
27 asserted combination and arrangement of well-understood, routine and conventional digital
28 camera components goes beyond the abstract idea of using multiple images to enhance one
image.” *Id.* (internal quotations and alterations omitted). Here, after eliminating the abstract idea
of a composite image, the Apparatus Claims and Method Claims describe sensors, reflective areas,
mirrors, etc., that are well-known and generic. *See In re TLI Commc'ns LLC Patent Litig.*, 823
F.3d 607, 613 (Fed. Cir. 2016) (“It is well-settled that mere recitation of concrete, tangible
components is insufficient to confer patent eligibility to an otherwise abstract idea.”).

Accordingly, because there exists no inventive concept “in the non-abstract application

1 realm,” *see SAP*, 898 F. 3d at 1168–69, the Court **GRANTS** Polycom’s motion to dismiss because
2 the ’711 Patent is directed at the abstract idea of creating composite images with geometry, which
3 is not an inventive concept as a matter of law. This dismissal, however, is **without prejudice** to
4 the extent FullView can amend its pleading in a way that is not inconsistent with this order. *See*
5 *Yanbin*, 392 F. Supp. 3d at 1108 (“In light of the plain language of the claims in the patent, the
6 Court has substantial doubt that Yu can amend around this problem. Even so, the Court cannot
7 say that any amendment would necessarily be futile[.]”). Since this Court concludes that the ’711
8 Patent is invalid, Polycom’s request for dismissal of the SAC’s Section 271(g) claim is moot.

9 **V. CONCLUSION**

10 In sum, the Court rules as follows:

- 11 • Polycom’s motion to dismiss is **GRANTED without prejudice** because the
12 Composite Image Claims contained in the ’711 Patent are not a “manufacture”
13 since it seeks to patent intangible embodiments, and the Composite Image Claims
14 do not fit into any other patent-eligible category under Section 101;
- 15 • Polycom’s motion to dismiss is **GRANTED without prejudice** because the ’711
16 Patent is directed at the abstract idea of combining multiple pictures to create one
17 larger picture, and there exists no inventive concept; and
- 18 • Polycom’s motion to dismiss the SAC’s Section 271(g) claim for failure to plead
19 sufficient facts regarding importing patented processes into the United States is
20 moot.

21 This order disposes of Docket No. 80.

22
23 **IT IS SO ORDERED.**

24
25 Dated: September 10, 2020

26
27 
28 EDWARD M. CHEN
United States District Judge