

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

HUMANEYES TECHS., LTD.,)	
)	
Plaintiff,)	
)	
v.)	
)	C.A. No. 12-398-GMS
SONY ELECS., INC., SONY CORP., SONY)	
CORP. OF AMERICA, SONY MOBILE)	
COMMS. AB, SONY MOBILE COMMS.)	REDACTED - PUBLIC VERSION
(USA), INC.,)	
)	
Defendants.)	

**DECLARATION OF VERED LEVY-RON IN SUPPORT
OF HUMANEYES TECHNOLOGIES, LTD.'S ANSWERING BRIEF IN
OPPOSITION TO SONY'S MOTION TO STAY LITIGATION PENDING THE
OUTCOME OF *INTER PARTES* REVIEW OF THE PATENTS-IN-SUIT**

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Dated: May 6, 2013

I, Vered Levy-Ron, hereby declare under penalty of perjury under the laws of the United States of America that the following statements are true and correct:

1. The facts set forth below are based on my personal knowledge and/or information provided to me by HumanEyes employees at my request and direction and I am competent to testify to the same.

2. I am Chief Executive Officer of HumanEyes Technologies, Ltd. (“HumanEyes”). I am submitting this declaration in connection with Human Eyes’ Opposition Brief In Response to Sony’s Motion to Stay Litigation Pending the Outcome of *Inter Partes* Review of the Patents-in-Suit.

3. I have served as CEO of HumanEyes since February 1, 2010. As part of my job responsibilities as CEO, I have also familiarized myself with the history of HumanEyes’ business operations prior to my arrival at the company.

4. HumanEyes was founded in 2000 by Shmuel Peleg, Moshe Ben-Ezra, Yael Pritch, and their business partner Gideon Ben-Zvi to commercialize the research breakthroughs of Professor Peleg and his team, including the inventions protected by U.S. Patents Nos. 6,665,003 and 7,477,284 (“the Asserted Patents”). Building on the research conducted by Professor Peleg and his team, HumanEyes was able to develop and market the first software to allow creation of panoramic 3D images from images captured from a single-lens, standard digital camera.

5. Today, HumanEyes’ commitment to commercializing these discoveries and growing and developing the nascent 3D printing and imaging industry continues with the development and sale of HumanEyes’ Capture 3D, Creative3D, Producer3D, and iPhone App Snapily3D software products (collectively “HumanEyes Software” or “the Software”), its

Snapily and SnapilyPro printing services (collectively “Snapily”), and its extensive software licensing program. HumanEyes has been developing a similar Snapily3D application for use on Android phones and recently displayed the prototype at the 2012 and 2013 Mobile World Congress in Barcelona.

6. HumanEyes has made substantial investments in licensing efforts designed to identify and cultivate partnerships with companies interested in incorporating HumanEyes’ technology into their products. Since its founding, I and other HumanEyes employees, including Founder Shmuel Peleg, former CEOs Gideon Ben-Zvi and Duby Hodd, former and current Vice Presidents of R&D Assaf Zomet and Anton Bar, Head of Sales for the Americas Jeff Miller, and others have had licensing discussions with dozens of U.S. or multi-national companies with substantial operations and/or sales in the United States, including, for example, [REDACTED]

7. HumanEyes’ licensing efforts have also included multiple meetings and other communications with representatives of Sony regarding the inventions protected by the Asserted Patents at least as early as 2004 and as recently as 2010. For example, Professor Peleg, I, and others at HumanEyes have discussed the technologies protected by the Asserted Patents with employees of Sony including at least Dr. Kenji Tanaka, Toshiyuki Ogura, and Atsushi Iizuka at Sony Corporation; Sony Electronics Inc. marketing director Mary Abram; and Senior Vice President of Sony Corporation of America’s “Sony 3D Technology Center” Buzz Hays. Dr. Kenji Tanaka even referred to Professor Peleg as “one of the most famous people in this field” in correspondence between Dr. Tanaka and Professor Peleg in 2004.

8. Sony's marketing, importation, and sale of devices that include the 3D Sweep Panorama and Sweep Multi-Angle features have already negatively impacted HumanEyes' efforts toward licensing the Asserted Patents. For example, promising licensing discussions ██████████ ██████████ it believed the accused Sony devices were infringing the Asserted Patents. Sony's ongoing infringement is believed to have negatively affected negotiations with other potential licensees as well. HumanEyes has also sought to license the Asserted Patents to companies interested in 3D display technology, including printing technology, to provide a vehicle for such companies' customers to generate 3D content. Sony's devices provide a competing vehicle for the generation of such 3D content.

9. Sony's ongoing infringement and use of HumanEyes' intellectual property and technology continues to harm HumanEyes' business even outside of the licensing context. For example, the continuing perceived uncertainty in the market regarding the strength and value of HumanEyes' intellectual property is harming HumanEyes' ability to find licensing partners as well as HumanEyes' ability to raise investment capital. The greater the delay in resolving this dispute regarding Sony's infringement, the greater this uncertainty becomes.

10. The impact of Sony's infringement on HumanEyes' licensing efforts, as well as the management attention that has had to be diverted from HumanEyes' core business to attend to this litigation, have harmed HumanEyes' ██████████ ██████████. In addition, the significant cost to HumanEyes as a small company battling a global conglomerate is overwhelming and Sony's requested delay would hurt us even more—the forecast is that ██████████ of HumanEyes' 2013 annual expenses will be attributable to costs associated with the defense and enforcement of HumanEyes' intellectual property in this litigation and the related proceedings. Depending on the timing of the trial in the District Court

the ratio of expenses spent on litigation could be even higher. In fact, HumanEyes needed to raise an additional [REDACTED] above and beyond its ongoing expenses in order to defend its IP, and drawing the process out longer will increase the financial burden, as well as the burden on the company's personnel.

11. The financial harm Sony's infringement has caused was a substantial driver of major budget cuts and a reduction of force that I was forced to implement in January 2013. I reduced HumanEyes' workforce by a third—laying off 8 of HumanEyes' formerly 23 employees. Today, 15 employees remain at HumanEyes. A reduction in force of that magnitude directly impacts the viability of a small business like HumanEyes, limiting our ability to grow, attract new customers, pursue licensing partners, implement projects, and maintain investor commitment.

12. HumanEyes and I provided additional details about these and other harms to HumanEyes' business resulting from Sony's ongoing infringement through the production of confidential documents and through confidential deposition testimony during the ITC Investigation.

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