

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION

E-WATCH INC., et al.,	§	
	§	
<i>Plaintiff,</i>	§	
	§	
v.	§	Case No. 2:13-CV-1061-JRG-RSP
	§	LEAD CASE
APPLE, INC.,	§	
	§	
<i>Defendant.</i>	§	

MEMORANDUM OPINION AND ORDER

On January 16, 2015, the Court held a hearing to determine the proper construction of the disputed claim terms in United States Patent Nos. 7,365,871 (“the ‘871 Patent”) and 7,643,168 (“the ‘168 Patent”) (collectively “the Asserted Patents”). After considering the arguments made by the parties at the hearing and in the parties’ claim construction briefing (Dkt. Nos. 216, 224, and 231), the Court issues this Claim Construction Memorandum and Order.

Apple Inc.

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Exhibit

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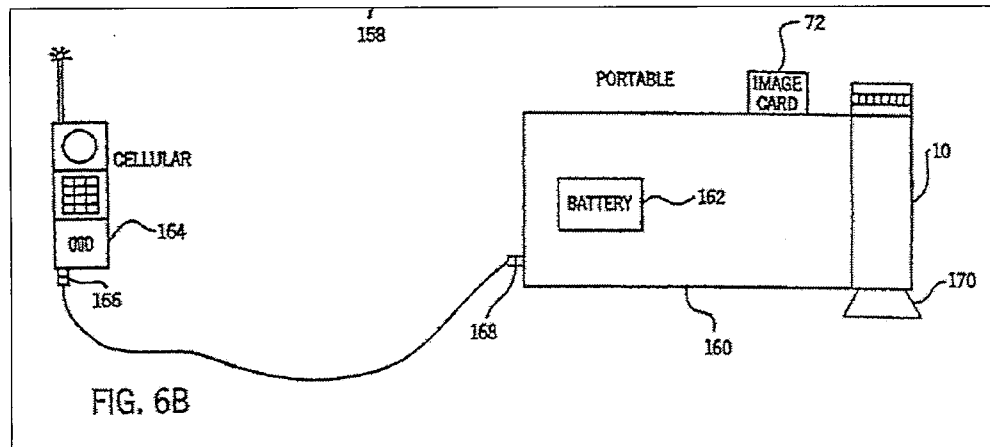
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I. BACKGROUND

The Asserted Patents are titled “Apparatus for Capturing, Converting and Transmitting a Visual Image Signal via a Digital Transmission System,” and generally share a common specification. The Asserted Patents relate to an apparatus used for image capture, conversion, compression, storage, and transmission. *See* ‘168 Patent at Abstract.¹ The specification states that a camera and a signal converter may be incorporated into an integrated unit “wherein the converted signal may be transmitted on a real time basis or may be stored in memory for later recall and transmission.” *Id.* at 2:28–31. The specification adds that this design “permits maximum flexibility, with the camera/converter/telephone or other transmission device being designed in a modular configuration wherein any or all of the devices may exist as integrated or independent units.” *Id.* at 2:32–36. For example, Figure 6B illustrates “a basic portable system, with a battery powered portable module 160 having a self-contained power source 162.” *Id.* at 11:24–26.

¹ The Abstract of the ‘168 Patent follows:

An image capture, conversion, compression, storage and transmission system provides a data signal representing the image in a format and protocol capable of being transmitted over any of a plurality of readily available transmission systems and received by readily available, standard equipment receiving stations. In its most comprehensive form, the system is capable of sending and receiving audio, documentary and visual image data to and from standard remote stations readily available throughout the world.



The specification adds that this system “may include an integral RAM and/or the removable memory module as indicated by the image card 72,” and that “camera 10 may be an integral feature of the portable module 160, or may be a detached unit, as desired.” *Id.* at 11:26–30. The specification further states that “cellular telephone 164 is provided with a data jack 166 for connecting to the output jack 168 of the module, whereby the image data signal may be transmitted via the cellular telephone to a remote facsimile machine over standard cellular and telephone company facilities.” *Id.* at 11:30–35. As an alternate embodiment, the specification states that “where desired, an integral cellular phone can be incorporated in the camera housing and transmission can be sent directly from the camera housing to a remote receiving station.” *Id.* at 12:1–4.

Regarding the camera, the specification states that the video image may be captured “using a digital camera, an analog camera, or a video camera such as a camcorder.” *Id.* at 2:37–39. The specification adds that “[t]he captured video image is then converted into still frame digitized format for transmission over any of a variety of transmission systems.” *Id.* at 2:39–41. The specification further states that “once the signal is digitized, the transmission protocols are virtually endless.” *Id.* at 2:43–45.

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