David C. Stanziale (NJ #017241991) DAVID C. STANZIALE, LLC 552 High Mountain Road, Suite 3 North Haledon, New Jersey 07508 Phone: (973) 955-0470 Fax: (973) 955-0473

Thomas L. Duston (Pro Hac Vice) (IL #6196612) Julianne M. Hartzell (Pro Hac Vice) (IL #6275093) **MARSHALL, GERSTEIN & BORUN LLP** 233 South Wacker Drive, 6300 Willis Tower Chicago, Illinois 60606 Phone: (312) 474-6300 Fax: (312) 474-0448

Attorneys for Plaintiff Canfield Scientific, Inc.

UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

)

CANFIELD SCIENTIFIC, INC.,

Plaintiff,

v.

MELANOSCAN, LLC and DR. RHETT DRUGGE,

Defendants.

Civil Action No.: 2:16-cv-04636

Honorable John Michael Vazquez, USDJ

Honorable James B. Clark, USMJ

ANSWER AND COUNTERCLAIM OF CANFIELD SCIENTIFIC, INC. TO MELANOSCAN, LLC'S COUNTERCLAIM

For its reply to the counterclaims of Defendant Melanoscan, LLC ("Melanoscan"),

Plaintiff Canfield Scientific, Inc. ("Canfield"), states as follows:

Melanoscan LLC Exhibit 2003 Canfield Scientific, Inc. v. Melanoscan LLC IPR 2017-02125

CANFIELD'S ANSWER TO MELANOSCAN'S COUNTERCLAIMS

PARTIES

1. Melanoscan is a limited liability corporation organized and existing under the laws of the State of Connecticut, with a principal place of business at 50 Glenbrook Road, Unit 1C, Stamford, CT 06902.

ANSWER: Admitted.

2. Upon information and belief, Canfield is a corporation organized and existing under the laws of New Jersey, with a principal place of business at 4 Wood Hollow Road, Parsippany, New Jersey 07054.

ANSWER: Admitted.

JURISDICTION AND VENUE

3. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because the action involves claims arising under the patent laws of the United States, 35 U.S.C. § 1 *et seq*.

ANSWER: Admitted.

4. This Court also has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1332 because the action involves claims between a citizen of Connecticut (Melanoscan) and a citizen of New Jersey (Canfield), and the amount in controversy exceeds the sum or value of \$75,000.00, exclusive of interest and costs.

ANSWER: Canfield denies that it is liable in damages to Melanoscan in any amount and

demands strict proof thereof and therefore denies that that the amount in controversy relating to

Melanoscan's claims exceeds \$75,000. Canfield otherwise admits that there is diversity of

citizenship between Melanoscan and Canfield.

5. This Court may declare the rights and other legal relations of the parties pursuant to 28 U.S.C. §§ 2201 and 2202 because this is a case of actual controversy within the Court's jurisdiction.

ANSWER: Admitted.

6. This Court has personal jurisdiction over Canfield because Canfield has a place of business in and otherwise does business in this District, has committed acts of patent infringement in this District, and has consented and submitted itself to such jurisdiction by filing its Complaint in this District.

ANSWER: Canfield admits that this Court has personal jurisdiction, but denies that it has

committed any acts of patent infringement in this District.

7. Venue is appropriate in this district as to Canfield pursuant to 28 U.S.C. § 1391 and § 1400(b).

ANSWER: Canfield admits that venue is proper in this district under § 1400(b). Canfield

denies any other factual allegations implied by paragraph 7.

BACKGROUND

8. U.S. Patent No. 7,359,748 ("the '748 Patent'), attached hereto as Exhibit A, issued to Dr. Rhett Drugge as the inventor thereof on April 15, 2008. Melanoscan is the assignee and owner of all right, title and interest in the '748 Patent.

ANSWER: Admitted.

9. The '748 Patent is directed to "Total Immersion Photography" or "TIP." Exhibit A at Abstract; column 3, line 25. The invention relates to "the detection, diagnosis and treatment of skin cancer" to address a need recognized by Dr. Drugge "for a practical device that allows for the rapid screening of individuals for skin cancer and other maladies of the skin in early stages of development" and to "diagnose skin pre-cancer or skin cancer at an early stage when it is curable," so as to "improve the clinical diagnosis of suspected skin lesions so as to avoid unnecessary skin biopsies." Exhibit A at column 1, lines 22-23, 51-53 and 62-65. Dr. Drugge's invention was "a substantial advancement in improving public health by automating the imaging of potentially cancerous lesions in a more rapid and complete method," so that "[1]arge populations can be effectively screened in a short period of time for skin cancers and related maladies." Exhibit A at column 3, lines 24-28 and column 6, lines 4-10.

ANSWER: Canfield admits that the '748 patent employs the words and phrases quoted in the this paragraph, but denies that Dr. Drugge made any new invention or that what Dr. Drugge described in his patent was "a substantial advancement in improving public health by automating the imaging of potentially cancerous lesions in a more rapid and complete method," so that "[1]arge populations can be effectively screened in a short period of time for skin cancers and related maladies." Canfield denies the underlying factual assertions made in the '748 patent and denies all remaining allegations of paragraph 9.

10. Melanoscan offers for sale and sells the Melanoscan whole-body photographic imaging system, which is covered by the '748 Patent. Melanoscan also offers scanning and

diagnostic services to patients using the Melanoscan imaging system. Melanoscan has made substantial investment in researching, developing, marketing, manufacturing and selling the Melanoscan imaging system.

ANSWER: Canfield admits that Melanoscan has offered an imaging system, as well as

scanning and diagnostic services using an imagining system, but lacks knowledge or information

sufficient to form a belief as to the truth of the remaining allegations of paragraph 10, and

therefore denies the same.

ALLEGED INFRINGEMENT

11. Canfield makes, uses, sells and offers for sale, within the United States, imaging systems that infringe one or more claims of the '748 Patent. The infringing systems include, but are not limited to, Vectra WB360 imaging systems that have been shown on Canfield's website and in other Canfield promotional literature and offered for sale by Canfield, and imaging systems Canfield provided to Memorial Sloan Kettering Cancer Center and Princess Alexandra Hospital (collectively, the "Infringing Products"). Upon information and belief, at least four Infringing Products have been sold by or on behalf of Canfield for delivery to, and for installation and use in, the United States, including at least one in this District.

ANSWER: Canfield denies that it has made, used, sold, or offered for sale any product that infringes any claim of the '748 Patent. Canfield admits that it sells a product called the Vectra WB360 imaging system. Canfield admits that the Vectra WB360 imaging system has been shown on Canfield's website [and in other Canfield promotional literature?]. Canfield admits that it has offered the Vectra WB360 for sale and that it has installed an imaging system at Memorial Sloan Kettering Cancer Center and at Princess Alexandra Hospital. [I don't know the

answer to the allegation of at least 4 products being sold?]

12. The Infringing Products infringe at least independent claim 1 of the '748 Patent because they have all the features of claim 1:

Claim 1 of the '748 Patent	Infringing Products
1. A device for the identification of maladies that	The Infringing Products are for use for, and upon
effect human tissue comprising:	information and belief, have been and are used for,
	among other things, identifying skin cancers, which
	are maladies that effect human tissue.
an enclosure configured to receive a person or	The Infringing Products include a frame or
portion thereof for imaging the person or portion	scaffolding that defines an enclosure. A person or
thereof, wherein the enclosure defines a specified	portion thereof enters into and is thus received

imaging position for placing the person or portion thereof within the enclosure for imaging, and the specified imaging position defines a centerline;	within the frame or scaffolding, in order to image the person or portion thereof. The enclosure includes markings or indicia defining a specified imaging position for placing the feet or portion of the person within the enclosure for imaging, and the specified imaging position defines a centerline, as further indicated by markings or indicia.
a plurality of imaging devices, wherein a plurality of the imaging devices are vertically spaced relative to each other, a plurality of the imaging devices are laterally spaced relative to each other, a plurality of the imaging devices are located on opposite sides of the centerline of the specified imaging position relative to each other, and each imaging device is located a predetermined distance relative to the specified imaging position;	The Infringing Products include an array of imaging devices or cameras mounted in or on the frame or scaffolding, a plurality of which are vertically spaced relative to each other, a plurality of which are laterally spaced relative to each other, and a plurality of which are located on opposite sides of the centerline of the specified imaging position relative to each other. Each imaging device or camera is located a predetermined distance relative to the specified imaging position defined by the markings or indicia.
and a plurality of light sources spaced relative to each other and peripheral to the plurality of imaging devices that illuminate the person or portion thereof located at the specified imaging position and generate refraction and reflectance light therefrom;	The Infringing Products include a plurality of light sources that are located and arranged to direct light onto the person or a portion thereof in the enclosure. These light sources are spaced relative to each other and peripheral to the imaging devices or cameras. The light sources illuminate a person or portion thereof that is located at the specified imaging position. The light sources generate refraction and reflectance light from the person or portion thereof.
wherein each of said imaging devices generates an image of the illuminated person or portion thereof located at the specified imaging position,	Each of the imaging devices or cameras generates an image of the person or portion thereof that is located at the specified imaging position when illuminated by the light sources.
and defines respective coordinates and said respective predetermined distance relative to the specified imaging position, and defines a respective focal length and resolution information,	Each imaging device or camera in the plurality defines coordinates and is located a predetermined distance relative to the specified imaging position. Each predetermined distance is defined beforehand based on the distance between the respective imaging device or camera and the specified imaging position. Each such imaging device or camera defines a focal length and resolution information.
allowing precise measurement of imaged features of the person or portion thereof located at the specified imaging position.	The foregoing features of the Infringing Products allow precise measurement of imaged features. When a person stands at or a portion of the person is located at the markings or indicia defining the specified imaging position, and images are generated by the imaging devices or cameras, the images include features of the person or portion thereof. The Infringing Products then make or can be used to make, and, upon information and belief,

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have been and are used to make, precise
 measurements of the imaged features.

ANSWER: Denied.

COUNT I - THE '748 PATENT

13. Melanoscan incorporates the allegations of paragraphs 1-12, as though fully set forth herein at length.

ANSWER: Canfield incorporates its responses to the allegations of paragraphs 1-12, as

though fully set forth herein at length.

14. Canfield has infringed the '748 Patent by, among other things, making, using, selling and/or offering to sell products in this District and elsewhere in the United States that infringe at least claim 1 of the '748 Patent, without permission or authorization, including but not limited to the Infringing Products.

ANSWER: Denied.

15. Upon information and belief, Canfield will continue to infringe the '748 Patent by making, using, offering to sell and/or selling products that infringe at least claim 1 of the '748 Patent, unless and until it is enjoined by this Court to stop the infringement.

ANSWER: Denied.

16. Upon information and belief, Canfield's infringement of the '748 Patent has been with and continues to be with knowledge of the '748 Patent.

ANSWER: Denied.

17. Upon information and belief, Canfield's infringement of the '748 Patent has been and is willful.

ANSWER: Denied.

18. Melanoscan has been and continues to be damaged by, and has suffered and will continue to suffer irreparable harm and injury by, Canfield's infringing activities. As a result, Melanoscan is entitled to damages for infringement, treble damages, attorneys' fees and costs, as well as a preliminary and permanent injunction against further infringement.

ANSWER: Denied.

ADDITIONAL DEFENSES

FIRST DEFENSE

Canfield has not infringed and is not infringing, directly or indirectly, any valid claim of the '748 patent. Specifically, Canfield's products lack at least the claim limitation requiring an enclosure or means for enclosing a person, a specified imaging position defining a centerline or means for specifying an imaging position, imaging devices located a predetermined distance relative to the specified imaging position, and each imaging device that "defines respective coordinates and said respective predetermined distance relative to the specified imaging position, and defines a respective focal length and resolution information, allowing precise measurement of imaged features of the person or portion thereof located at the specified imaging position."

SECOND DEFENSE

The claims of the '748 patent are invalid for failing to satisfy one or more of the conditions of patentability of Title 35 of the United States Code, including, but not limited to, Sections 102 and 103 in view of, alone or in combination, at least WO 98/28908 (Crampton), Body Measurement System Using White Light Projected patterns for Made-to-Measure Apparel authored by Jeffrey Dl. Hurley, Michelle H. Demers, Richard C. Wulpern, and John R. Gring published on July 7, 1997 (Proc. SPIE 3131 Optical Scanning Systems: Design and Applications, 212), U.S. Patent No. 6,546,356 (Genest), and/or U.S. Patent No. 6,301,549 (Barney). In light of Melanoscan's apparent interpretation of the claims of its patent, one or more claims of the '748 Patent are indefinite and/or lacking written description with regard their use of the following "optimally function," "centerline," "adequate illumination," limitations, among others: "sufficient illumination," "accurate image," "manipulating," "manipulation," "defines respective coordinates," "predetermined distance," "imaging position," "defines a respective focal length and resolution information," "enclosing ... in a radius," and "allowing precise measurement of imaged features." Additionally, based upon Melanoscan's apparent interpretation of the claims of its patent, the claims of the '748 Patent would not be enabled by its written description.

THIRD DEFENSE

On information and belief, the '748 patent is unenforceable as the result of inequitable conduct relating to the improper revival of the intentionally abandoned patent application.

FOURTH DEFENSE

Melanoscan has failed to state claim against Canfield on which relief can be granted.

FIFTH DEFENSE

On information and belief, some or all of the relief sought by Melanoscan is barred by the doctrine of prosecution history or judicial estoppel.

SIXTH DEFENSE

On information and belief, the relief sought by Plaintiffs is barred in whole or in part by the terms of 35 U.S.C. section 287.

PRAYER FOR RELIEF

WHEREFORE, Canfield respectfully requests that the Court enter judgment in its favor and against Melanoscan.

Canfield further requests that the court find this case exceptional under 35 U.S.C. § 285 and award to Canfield its attorney's fees.

JURY DEMAND

Canfield demands trial by jury for all issues so triable.

COUNTERCLAIM

Canfield Scientific, Inc. ("Canfield") asserts the following counterclaim against Melanoscan, LLC ("Melanoscan") and alleges as follows:

This is a complaint for a declaratory judgment of patent invalidity and of U.S.
Patent No. 7,359,748. This action arises under the provisions of the Declaratory Relief Act, 28
U.S.C. §§ 2201 and 2202, and the patent laws of the United States, 35 U.S.C. § 1 et seq.

PARTIES

2. Melanoscan is a limited liability corporation organized and existing under the laws of the State of Connecticut, with a principal place of business at 50 Glenbrook Road, Unit 1C, Stamford, CT 06902.

3. Canfield is a corporation organized and existing under the laws of New Jersey, with a principal place of business at 4 Wood Hollow Road, Parsippany, New Jersey 07054.

4. U.S. Patent No. 7,359,748 ("the '748 Patent'), attached hereto as Exhibit A, issued to Dr. Rhett Drugge as the inventor thereof on April 15, 2008. Upon information and belief, Melanoscan is the assignee and owner of all right, title and interest in the '748 Patent.

JURISDICTION AND VENUE

5. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because the action involves claims arising under the patent laws of the United States, 35 U.S.C. § 1 *et seq*.

This Court may declare the rights and other legal relations of the parties pursuant to
28 U.S.C. §§ 2201 and 2202 because this is a case of actual controversy within the Court's jurisdiction.

7. This Court has personal jurisdiction over Melanoscan because it has consented and submitted itself to such jurisdiction by filing its Counterclaim in this District.

8. Venue is appropriate in this district as to Canfield pursuant to 28 U.S.C. § 1391(b) because a substantial part of the events giving rise to the claims occurred in this district.

COUNT I— DECLARATORY JUDGMENT OF INVALIDITY (as to Melanoscan)

9. Canfield repeats and realleges Paragraphs 1 through 8 of the Counterclaim set out above.

10. There is an actual and justiciable controversy between the parties concerning the validity of the patent-in-suit.

11. The claims of the '748 patent are invalid for failing to satisfy one or more of the conditions of patentability of Title 35 of the United States Code, including, but not limited to, Sections 102 and 103 in view of, alone or in combination, at least WO 98/28908 (Crampton),

Body Measurement System Using White Light Projected patterns for Made-to-Measure Apparel authored by Jeffrey Dl. Hurley, Michelle H. Demers, Richard C. Wulpern, and John R. Gring published on July 7, 1997 (Proc. SPIE 3131 Optical Scanning Systems: Design and Applications, 212), U.S. Patent No. 6,546,356 (Genest), and/or U.S. Patent No. 6,301,549 (Barney). In light of Melanoscan's apparent interpretation of the claims of its patent, one or more claims of the '748 Patent are indefinite and/or lacking written description with regard their use of the following limitations, among others: "optimally function," "centerline," "adequate illumination," "sufficient illumination," "accurate image," "manipulating," "manipulation," "defines respective coordinates," "predetermined distance," "imaging position," "defines a respective focal length and resolution information," "enclosing . . . in a radius," and "allowing precise measurement of imaged features." Additionally, based upon Melanoscan's apparent interpretation of the claims of its patent, the claims of the '748 Patent would not be enabled by its written description.

12. Canfield is entitled to a declaration by the Court that each claim of the patent-insuit is invalid.

WHEREFORE, Canfield, respectfully prays that judgment be entered in its favor and against Melanoscan as follows:

A. That the Court declare and adjudicate, pursuant to 28 U.S.C. §§ 2201 and 2202, the respective rights and relations of the parties with respect to the matters in issue, including a declaration that the patent-in-suit and the claims thereof are invalid;

B. That the Court adjudge this case to be an exceptional case under 35 U.S.C. § 285 and order Melanoscan to pay Canfield's attorneys' fees;

C. That Canfield recover from Melanoscan all costs incurred in this action;

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D. That the Court grant to Canfield such other and further relief as it deems just and

proper.

JURY DEMAND

Canfield demands trial by jury of all issues properly so triable.

Respectfully submitted,

Dated: June 30, 2017

By: // /s/ David C. Stanziale

David C. Stanziale (NJ #017241991) **DAVID C. STANZIALE LLC** 552 High Mountain Road, Suite 3 North Haledon, New Jersey 07508 Phone: (973) 955-0470 Fax: (973) 955-0473

Thomas L. Duston (Pro Hac Vice) (IL #6196612) Julianne M. Hartzell (Pro Hac Vice) (IL #6275093) **MARSHALL, GERSTEIN & BORUN LLP** 233 South Wacker Drive 6300 Willis Tower Chicago, Illinois 60606-6357 Telephone: (312) 474-6300 Facsimile: (312) 4747-0448

Attorneys for Plaintiff CANFIELD SCIENTIFIC, INC.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that true copies of the foregoing ANSWER OF CANFIELD SCIENTIFIC, INC. TO MELANOSCAN, LLC'S COUNTERCLAIM was served on June 30, 2017 via email and/or the ECF system upon all counsel of record.

// /s/ David C. Stanziale David C. Stanziale