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8
 9 **UNITED STATES DISTRICT COURT**
 10 **FOR THE EASTERN DISTRICT OF CALIFORNIA**

KAYE SCHOLER LLP

12 ICONFIND, INC.,)

Case No. 2:11-CV-00319 GEB JFM

13 Plaintiff,)

**DEFENDANT GOOGLE INC.'S
 14 REPLY IN SUPPORT OF ITS MOTION
 FOR JUDGMENT ON THE PLEADINGS
 15 OF INVALIDITY OF U.S. PATENT NO.
 7,181,459**

16 v.)

17 GOOGLE INC.,)

Date: May 16, 2011
 Time: 9:00am
 Location: Courtroom 10
 The Honorable Garland E. Burrell, Jr.

18 Defendant.)
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NOTES ON CITATIONS

The patent-in-suit, U.S. Patent No. 7,181,459 (“the ’459 patent”), is attached as Exhibit 1 to the Declaration of Kenneth Maikish (the “Maikish Decl.”) in Support of Google’s Motion for Judgment on the Pleadings of Invalidity of U.S. Patent No. 7,181,459 (“Maikish Decl.”) (Dkt. 32).

References to the ’459 patent are indicated by column and line number. A reference to “3:15” means column 3, line 15.

Defendant Google Inc.’s Memorandum in Support of Its Motion for Judgment on the Pleadings of Invalidity of U.S. Patent No. 7,181,459, Dkt. 30, is cited as “Mot.” Plaintiff Iconfind’s Response in Opposition to Defendant’s Motion on the Pleadings, Dkt. 44, is cited as “Opp.”

1 **I. INTRODUCTION**

2 The patent-in-suit, U.S. Patent No. 7,181,459 (“the ’459 patent”) is invalid as being
3 directed towards an abstract idea contrary to 35 U.S.C. § 101 and the Supreme Court’s controlling
4 precedent relating to patentable subject matter. Rather than address this issue now, Plaintiff
5 would have the parties and the Court waste their time and resources by ignoring this threshold
6 issue. The question of invalidity under 35 U.S.C. § 101 is a question of law. The resolution of
7 this threshold question does not require claim construction, nor does it require discovery. There
8 are no factual issues in dispute. Before embarking on a long, resource-consuming, and expensive
9 litigation matter, and in the interests of judicial economy, Google respectfully requests that this
10 Court decide whether the ’459 patent meets the § 101 threshold for patentability.

11 Plaintiff’s Opposition fails to rebut Google’s arguments relating to the patentability of
12 what is clearly an abstract idea. It is categorically false that the United States Patent and
13 Trademark Office (“PTO”) “has indeed heard and has vetted the exact same argument that
14 Google now asserts.” (Opp. at 1.) In fact, the exact opposite is true. As described in Google’s
15 Opening Brief, and is clear from the prosecution history, the Patent Examiner expressly rejected
16 all of the claims of the patent-in-suit as being directed towards an abstract idea. The only reason
17 the Examiner then allowed these claims was because Plaintiff added the phrase “a computer
18 implemented method” to the preamble of each of the claims. But, the Supreme Court recently has
19 made clear that such a “cure,” which simply attempts to exult form over function, is not viable.

20 Google’s Memorandum in Support of Its Motion appropriately applies the standards for
21 addressing the question of patentable subject matter under 35 U.S.C. § 101 as articulated by the
22 Federal Circuit and the Supreme Court and appropriately concludes that the ’459 patent is invalid.
23 As illustrated below, Plaintiff’s arguments to the contrary are unavailing. Accordingly, Google’s
24 Motion should be granted.

25 **II. PLAINTIFF’S PROCEDURAL ARGUMENTS ARE WITHOUT MERIT**

26 Google’s Motion for Judgment on the Pleadings is ripe for adjudication. In its attempt to
27 delay the Court in dealing with the substance of Google’s Motion, Plaintiff makes three
28

1 procedural arguments. Each of these procedural arguments are premised on the idea that further
2 development of the record in the case is needed to resolve this motion. But no newly pleaded or
3 discovered facts would be relevant to the determination of validity pursuant to § 101. Nor is there
4 any claim construction that would change the analysis. In fact, plaintiff does not and cannot point
5 to any such facts or any such claim construction that would be relevant to this motion. Thus, the
6 motion should be considered by this Court now.

7 **A. Google’s Motion On The Pleadings Is Timely Filed And**
8 **No Newly Pleaded Facts Could Change The Analysis**

9 Google’s motion was filed as early as possible so as not to delay trial as required by FED.
10 R. Civ. P. 12(c). Furthermore, “[t]he obvious purpose of Rule 12(c) of the Rules of Civil
11 Procedure is to save time and expenses in cases wherein the ultimate facts are not in dispute.”
12 *Ulen Contracting Corporation v. Tri-County Electric Cooperative*, 1 F.R.D. 284, 285 (W.D.
13 Mich.1940); *Hebert Abstract Co. v. Touchstone Properties, Ltd.*, 914 F. 2d 74 (5th Cir. 1990) (“A
14 motion brought pursuant to FED.R.CIV.P. 12(c) is designed to dispose of cases where the material
15 facts are not in dispute and a judgment on the merits can be rendered by looking to the substance
16 of the pleadings and any judicially noticed facts.”). Because the facts in this matter are not in
17 dispute, Google’s Motion for Judgment on the Pleadings is ripe and should be adjudicated in
18 order to save time and expenses consistent with the Federal Rules of Civil Procedure.

19 Google is challenging the sufficiency of Plaintiff’s complaint, and, therefore, Plaintiff’s
20 outstanding response to Google’s counterclaims is irrelevant. *See Morgan v. County of Yolo*, 436
21 F. Supp. 2d 1152, 1154-55 (E.D. Cal. 2006) (“A Rule 12(c) motion challenges the legal
22 sufficiency of the *opposing party's pleadings* and operates in much the same manner as a motion
23 to dismiss under Rule 12(b)(6).”) (emphasis added). Because all allegations in support of, and
24 defenses raised against, Plaintiff’s claims have been asserted, the pleadings regarding the issues
25 raised in Google’s motion are, in fact, closed for purposes of Rule 12(c). *See Keithly v. Intelius,*
26 *et al.*, No. 09-1485, 2011 WL 538480, at *1 n. 1 (W.D. Wash. Feb. 8, 2011) (ruling on
27 defendant’s 12(c) motion even though the pleadings were not technically closed because the

1 remaining pleadings were not relevant to the 12(c) motion). Plaintiff's responses to Google's
2 counterclaims are not relevant to any of Plaintiff's claims which are the subject of Google's
3 Motion on the Pleadings. There is nothing that Plaintiff would say in its answer to Google's
4 counterclaims that would change any of the facts or law relevant to resolution of this motion.

5 In any event, the Court may convert Google's Motion for Judgment on the Pleadings to a
6 Rule 56 Motion for Summary Judgment pursuant to FED. R. CIV. PRO. 12(d). Because all the
7 relevant facts for a motion for such a motion for summary judgment (*i.e.*, the patent and the
8 prosecution history) are already before the Court and are not in dispute, the net effect – that
9 Google's Motion is timely and ripe for decision – is the same. *See Rose v. Chase Manhattan*
10 *Bank USA*, 396 F. Supp. 2d 1116, 1119 (C.D. Cal. 2005); FED. R. CIV. P. RULE 56.

11 **B. Determination Of Google's Motion Does Not Require Claim Construction**

12 Plaintiff argues that claim construction is necessary in order for the Court to reach the
13 substance of Google's Motion. However, claim construction is only necessary where the Court's
14 ability to rule on the Motion hinges on how one or more terms from the claims are construed. As
15 the Court in *Ultramercial, LLC v. Hulu, LLC* explained:

16 . . . the Court rejects Plaintiff's argument that this Motion should not be decided
17 before claim construction. While the Court (and the parties) consulted the
18 claims and the specification, there is no need to formally construe any of the
19 claims. **The patent terms are clear, and Plaintiff has not brought to the
20 Court's attention any reasonable construction that would bring the patent
21 within patentable subject matter.**

22 No. 09-06918, 2010 U.S. Dist. LEXIS 93453, at *18-19 (C.D. Cal. Aug. 13, 2010) (emphasis
23 added).¹ Numerous other courts have likewise ruled on § 101 motions without claim

24 ¹ Plaintiff's reliance on *Deston Therapeutics LLC v. Trigen Laboratories Inc.*, 723 F. Supp. 2d
25 665, 670 (D. Del. 2010) to suggest the contrary is misplaced. The court in *Deston* was faced with
26 a motion to dismiss for non-infringement. As infringement is a question of fact, and as claim
27 construction is routinely required for the determination of the question of infringement, the
28 court's reluctance to reach decisions of claim construction on motion to dismiss is immaterial to
the question of whether claim construction is required for the determination of *invalidity* on a
motion to dismiss.

1 construction. *Graff/Ross Holdings LLP v. Fed. Home Loan Mortg. Corp.*, No. 07-796, 2010 U.S.
2 Dist. LEXIS 141399, at *6-7 (D.D.C. Aug. 27, 2010) (“The undersigned finds it is unnecessary to
3 construe the terms before deciding the issue of validity, and thus forgoes claim construction
4 pending resolution of this motion to dismiss.”); *Cybersource Corp. v. Retail Decisions, Inc.*, 620
5 F. Supp. 2d 1068, 1073 (N.D. Cal. 2009) (“In this case, ruling on defendant’s § 101 motion does
6 not require that the claims actually be construed.”); *Fuzzysharp Techs., Inc. v. 3D Labs Inc., Ltd.*,
7 No. 07-5948, 2009 U.S. Dist. LEXIS 115493, at *6-7 n. 1 (N.D. Cal. Dec. 11, 2009) (“Claims
8 construction is not a prerequisite to ruling on the [motion for summary judgment of invalidity
9 pursuant to 35 U.S.C. § 101].”). In this instance, there are no claim terms requiring construction
10 for the Court to rule on the validity of the ‘459 patent under § 101. The most telling evidence of
11 this is that Plaintiff – while devoting long sections of its Opposition to this point – fails to point
12 out a single specific term that requires construction.

13 Evidencing how far it must reach to try to avoid a ruling on this motion, Plaintiff further
14 argues that, because Google has engaged in a good faith Rule 26 conference that includes a
15 proposed claim construction schedule, this motion is premature. (Opp. at 7.) But Google
16 proposes a claim construction process be a part of the schedule in this matter, not because Google
17 believes it is necessary for the analysis of validity under 35 U.S.C. § 101 (*i.e.*, the issue currently
18 before this Court), but because Google believes the process is necessary for, among other issues,
19 reaching a determination of non-infringement in this matter (if, this case progresses to that stage).

20 In other words, there are reasons wholly independent of this motion that require claim
21 construction, and Plaintiff’s attempt to conflate the two issues should be ignored. Indeed, if
22 Plaintiff’s argument were taken to its logical conclusion, Google should have refused to offer any
23 schedule or otherwise participate in the Rule 26 conference because this motion should dispose of
24 this case.

1 **C. Determination of Google’s Motion Does Not Require Discovery,
2 Nor The Application Of The “Clear And Convincing” Standard,
3 Because There Are No Disputed Facts**

4 Likewise, Plaintiff’s arguments that further unspecified factual determinations are
5 required before ruling on this motion fall flat. In its Opposition, Plaintiff correctly points out that
6 a determination of invalidity under 35 U.S.C. § 101 is a question of law. (Opp. at 5) (citing *In re*
7 *Bilski*, 545 F.3d 943, 950 (Fed. Cir. 2008).) Plaintiff goes on to rely on *In re Comiskey* for the
8 proposition that the issue of invalidity may nevertheless “turn on subsidiary factual issues.”
9 (Opp. at 5) (quoting *In re Comiskey*, 554 F.3d at 975.) However, the full quote from *Comiskey* is
10 instructive: “[w]hile there may be cases in which the legal question as to patentable subject matter
11 may turn on subsidiary factual issues, Comiskey has not identified any relevant fact issues that
12 must be resolved in order to address the patentability of the subject matter of Comiskey’s
13 application.” *In re Comiskey*, 554 F.3d at 975. Such is the case here. Plaintiff has not and cannot
14 point to any facts outside the judicially noticeable patent and file history that would even be
15 relevant to this inquiry.

16 Plaintiff’s repeated reference in its Opposition to the “clear and convincing” evidentiary
17 standard² for establishing that a patent is invalid is a red herring. This standard only applies to
18 disputed factual matters, and, as discussed above, there are no facts in dispute in this matter.
19 Accordingly, because all that remains is for the Court to apply the law to the undisputed facts in
20 this case, the question of what standard of proof applies is a moot issue. *See, e.g., Bancorp*
21 *Servs., L.L.C. v. Sun Life Assur. Co. of Can.*, No. 00-1073, 2011 U.S. Dist. LEXIS 14272, at *9
22 (E.D. Mo. Feb. 14, 2011) (“[Plaintiff] argues that to establish invalidity [Defendant] must present
23 clear and convincing evidence of facts underlying the invalidity. However, whether asserted
24 claims are invalid for failure to claim statutory subject matter under 35 U.S.C. § 101 is a question

25 _____
26 ² Recently, the Supreme Court took certiorari and, on April 18, 2011, heard oral argument in the matter
27 *Microsoft Corp. v. i4i LP* (Case No. 10-290) dealing with the applicability of the clear and convincing
28 evidentiary standard for proving invalidity in patent cases. A decision from the Supreme Court is
29 forthcoming.

1 of law.”) (citing *In re Comiskey*, 554 F.3d 967, 975 (Fed. Cir. 2009)); *Prometheus Labs. v. Mayo*
2 *Collaborative Servs.*, No. 04-1200, 2008 U.S. Dist. LEXIS 25062, at *45-46 (S.D. Cal. Mar. 28,
3 2008) (reversed on other grounds) (Discussing the “clear and convincing” standard and
4 concluding that plaintiff’s arguments “do not represent factual disputes, and instead concern
5 interpretation of the claims and the proper application of § 101 to the facts of this case. These are
6 clearly questions of law, and are thus appropriate for summary judgment.”).

7 Whether brought now, or in three months, or in twelve months, this motion will rise and
8 fall on the application of the law to the claims of the ’459 patent. Because Google’s Motion is
9 timely, because there are no terms requiring construction by the Court, and because there are no
10 factual issues in dispute, in the interest of saving this Court and the parties a great deal of time
11 and expense in litigating a patent that is invalid, Google requests that the Court reach the
12 substance its Motion.

13 **III. PLAINTIFF’S SUBSTANTIVE ARGUMENTS ARE WITHOUT MERIT**

14 **A. The Prosecution History Support Google’s – Not Plaintiff’s – Position**

15 As the prosecution history and Google’s Opening Brief make clear, the limited back-and-
16 forth between the Patent Examiner and the patentee regarding the § 101 rejection ended when the
17 patentee took the Patent Examiner’s suggestion and amended its claims to include the language “a
18 computer implemented method.”³ At no time during the prosecution did Plaintiff dispute the § 101
19 rejection. Under the guidance of recent case law, it is clear that the allowance of the ’459 patent
20 was in error. The error made by the Patent Office in allowing the ’459 patent to issue is
21 unmistakable.

22 ³ In footnote 2 of its Opposition, Plaintiff points out the Google uses the words “a computer-
23 implemented method” as part of the preamble of at least one of Google’s own patents in an
24 attempt to suggest some inconsistency between Google’s arguments in its Motion and between its
25 own real-world practice. Plaintiff’s argument is sophistry. Google does not argue that a claim
26 should not contain the words “a computer-implemented method;” rather, Google argues that,
27 absent additional elements within the claims themselves, the mere invoking of the words in the
28 preamble is not sufficient to meet the machine prong of the machine-or-transformation test.

1 Plaintiff's allegation that the PTO would somehow arrive at the same result today in
2 analyzing this question as it did back in 2005, prior to the *Bilski II* decision, is spurious. (Opp. at
3 26-27.) As discussed at length in Google's Opening Brief, the Patent Examiner correctly
4 identified the claims as being directed towards non-patentable subject matter. (Google's Br. at 3-
5 4.) The only "cure" implemented to address this issue by the patentee was to add the phrase
6 "computer implement method" to each of the independent claims. The recent cases dealing with
7 patentable subject matter under § 101 make clear that simply taking – as the patentee in this
8 instance did – an abstract idea and adding the phrase "a computer implemented method" does not
9 make the abstract idea patentable. *See*, Google's Br. at 8. If the application leading to the
10 issuance of the '459 patent were to be prosecuted today, and if the Patent Examiner, as she did
11 here, were to identify that the claims are directed to an abstract idea, Plaintiff cannot realistically
12 expect this Court to believe that merely adding the words "a computer implement method" would
13 resolve the rejection. It would not.

14 Further, Plaintiff attempts to misdirect this Court with its discussions relating to the
15 subsequent prosecution history (*i.e.*, the back-and-forth that occurred after the "resolution" of the
16 § 101 rejection). (Opp. at 25-26.) It is certainly accurate that additional amendments to the
17 claims were made by the patentee after the Patent Examiner withdrew her objection relating to
18 § 101. However, as is clear from a review of the subsequent prosecution history, all of these
19 amendments were done to overcome the examiner's objections under 35 U.S.C. §§ 102 and 103
20 (*i.e.*, objections relating to the prior art identified by the Patent Examiner as related the patentee's
21 application). In short, the subsequent back-and-forth between the patentee and the Patent
22 Examiner and the resulting amendments had nothing to do with the Patent Examiner's initial
23 rejection under § 101 (which had already been withdrawn at this point of the prosecution) and did
24 nothing to obviate the § 101 analysis.

25 As Google points out in its Opening Brief, because the issue raised here is a question of
26 law, the prosecution history corroborates that the patent claims are invalid for failure to claim
27

1 patentable subject matter. It is also useful, insofar as it provides insight into where the Patent
2 Examiner and patentee went wrong during the prosecution of this patent. Because of the
3 presumption of validity afforded an issued patent, it is useful for this Court to understand (with
4 the benefit of further clarification from the Supreme Court on the question of patentable subject
5 matter) how the Patent Examiner allowed an invalid patent to issue. Here, as the prosecution
6 history demonstrates, in attempting to cure the § 101 objection correctly raised by the examiner in
7 the first instance, Plaintiff adopted (and the Patent Examiner allowed) a cure, that under recent
8 case law, fails as a matter of law.

9 **B. Plaintiff Misapplies The Machine-Or-Transformation Test**

10 While both Google and Plaintiff agree that under *Bilski II*, the machine-or-transformation
11 is *an* appropriate test to analyze the question of patentable subject matter, Plaintiff’s misapplies
12 the test to conclude that the claims of the ’459 pass both prongs of the test. The reality is that the
13 claims pass neither.

14 **1. The Claims Of The ’459 Patent Are Not Tied To A Machine**

15 The machine prong of the machine-or-transformation tests posits a simple question: are
16 the claims tied to “a particular machine or apparatus.” *Bilski I*, 545 F.3d at 954 (emphasis added).
17 As subsequent cases have clarified and expounded, the answer to this question is negative
18 where – as here – the claims are simply tied to, without more, a general purpose computer. *CLS*
19 *Bank Int’l v. Alice Corp. Pty, Ltd.*, No. 07-974, 2011 U.S. Dist. LEXIS 23669, at *43 (D.D.C.
20 Mar. 9, 2011) (“The Court concludes that nominal recitation of a general-purpose computer in a
21 method claim does not tie the claim to a particular machine or apparatus or save the claim from
22 being found unpatentable under §101”); *Bancorp Servs., L.L.C. v. Sun Life Assur. Co. of Can.*,
23 No. 00-1073, 2011 U.S. Dist. LEXIS 14272, at *26-27 (E.D. Mo. Feb. 14, 2011) (“The claims do
24 not refer to a specific machine by reciting structural limitations that narrow the computer
25 implemented method to something more specific than a general purpose computer [or] recite any
26 specific operations performed that would structurally define the computer.”) (internal quotations
27

1 omitted); *Graff/Ross Holdings LLP v. Fed. Home Loan Mortg. Corp.*, No. 07-796, 2010 U.S.
2 Dist. LEXIS 141399, at *18-19 (D.D.C. Aug. 27, 2010) (“The undersigned finds that independent
3 claim 101 is not drawn to patentable subject matter because it recites nothing more than an
4 abstract idea on a general purpose computer.”); *DealerTrack, Inc. v. Huber*, 657 F. Supp. 2d
5 1152, 1156 (C.D. Cal. 2009) (“The Court finds that none of these devices constitutes a ‘particular
6 machine’ within the meaning of *Bilski*. The ’427 Patent does not specify precisely how the
7 computer hardware and database are ‘specially programmed,’ and the claimed central processor is
8 nothing more than a general purpose computer that has been programmed in some unspecified
9 manner.”); *Fuzzysharp*, 2009 U.S. Dist. LEXIS 115493 at *12-13 (“The salient question is not
10 whether the claims are tied to a computer. Rather, as [Bilski I] makes clear, the question is
11 whether the claims are ‘tied to a particular machine.’”) (citing *Bilski I*, 545 F.3d at 961).

12 In its Opposition, Plaintiff argues “[t]he system could not be implemented without the use
13 of the computer: the very heart of the invention is to categorize and label network pages (e.g.
14 Internet web pages).” This statement is, at best, half correct. The “very heart” may be to
15 categorize and label network pages, but the categorizing and labeling described in the claims does
16 not require a computer. Claim 1, which is illustrative of the other claims of the ’459 patent, has
17 steps for providing a list of categories, assigning a network page to a list of categories, providing
18 a label to a network page, and controlling usage of the network page using the label. (The ’459
19 patent, 12: 24-38.) None of these steps explicitly or implicitly require the use of a computer. In
20 fact, the Patent Examiner made this same observation in her initial § 101 rejection: “Note as
21 presently written **the claim simply recites a series of steps [of] an abstract idea that can be
22 implemented with a pen and paper.**” Maikish Decl., Ex. 6 (emphasis added). Because the
23 claims do not mention a particular machine or apparatus and because the claims do not require the
24 use of a computer, the claims do not meet the machine prong of the machine-or-transformation
25 test.
26
27

1 In a similar vein, Plaintiff argues that, “. . . in the context of the Internet, the claimed
2 inventions may run on one or more server machines, or more specifically, Web servers.” (Opp. at
3 15.) Plaintiff goes on to argue that “[t]he inventions of the ‘459 Patent, to the contrary, not only
4 explicitly recite that the inventions are ‘computer implemented,’ but the computer (e.g. a web
5 server in the context of the Internet), which consists of hardware and software, is essential to the
6 inventions.” (Opp. at 17.) Plaintiff’s argument, however, makes the same mistakes the above-
7 cited cases specifically counsel against. The claims are not directed to “a particular machine” as
8 the machine-or-transformation test requires. Here, Plaintiff’s argument that the claims might run
9 on “server machines” or “web servers” is no less problematic than saying that the claims run on
10 “a computer” (*i.e.*, Plaintiff has just merely substituted the notion of a general purpose computer
11 for a general purpose web server). As pointed out above, this argument has been soundly rejected
12 by various courts and this Court should do so here.

13 Perhaps the most telling indication that Plaintiff’s argument with respect to the machine
14 prong of the machine-or-transformation test is incorrect is Plaintiff’s complete inability to point to
15 anything in the claims that firmly tie the claims to a particular machine or apparatus. Plaintiff
16 would have this Court, in contradistinction to well-established case law, ignore the plain language
17 of the claims (which recite no particular machine or apparatus) and essentially read-in an element
18 of a “particular machine.” However, because no such element is present in the claims, the claims
19 fail the machine prong of the machine-or-transformation test.

20 **2. The Claims Of The ‘459 Patent Do Not Transform** 21 **Network Pages Into A Different State Or Thing**

22 Plaintiff’s Opposition misconstrues what it means to be transformative. As *Bilski I* clearly
23 articulates, to be transformative under the transformation prong requires that the claims
24 “transform an article into a different state or thing.” *In re Bilski*, 545 F.3d at 954 (emphasis
25 added). Plaintiff argues that the claims take a “network page” and “transform” that page by
26 adding a label to it. (Opp. at 20-21.) However, merely labeling an article does not transform that
27 article into “a different state or thing” as required by the test. *See, e.g., Prometheus Labs. v.*

1 *Mayo Collaborative Servs.*, 628 F. 3d 1347, 1356 (Fed. Cir. 2010) (“claims to methods of
2 treatment [. . .] are always transformative when one of a defined group of drugs is administered to
3 the body to ameliorate the effects of an undesired condition”); *Arrhythmia Research Technology*
4 *v. Corazonix Corp.*, 958 F. 2d 1053, 1059-60 (Fed. Cir. 1992) (finding a process that took a
5 patient’s analog electrocardiograph signals, converted them to digital, filtered them, and then
6 produced an output signal related to the patient’s heart activity was transformative and
7 patentable). Even taking Plaintiff’s argument at face value, there is no transformation here. The
8 claims start with a network page and end with a network page.

9 Trying to present this same argument from a different angle, Plaintiff argues that the
10 claims are transformative because “. . . the methods [of the ’459 patent] transform network pages
11 through the use of a ‘categorization label’ so that use of the page is restricted to the category or
12 categories to which the page is assigned, including copyright status.” (Opp. at 20.) The adding of
13 a label of the kind discussed in the claims to a network page is exactly the same kind of
14 manipulation that *Bilski I* expressly decries as not being transformative. As *Bilski I* informs,
15 “[p]urported transformations or manipulations simply of public or private legal obligations or
16 relationships, business risks, or other such abstractions cannot meet the test because they are not
17 physical objects or substances, and they are not representative of physical objects or substances.”
18 545 F.3d at 963. This assignment of a label relating to copyright status of a network page is
19 exactly the kind of manipulation of legal obligation (*i.e.*, the copyright status) and/or of abstract
20 categorization, that *Bilski I* clearly informs is not the kind of transformation required by the
21 transformation prong of the test. *Id.*; see also *In re Ferguson*, 558 F.3d 1359, 1364 (Fed. Cir.
22 2009) (“Nor do Applicants’ methods, as claimed, transform any article into a different state or
23 thing. At best it can be said that Applicants’ methods are directed to organizing business or legal
24 relationships in the structuring of a sales force (or marketing company).”).

25 Finally, Plaintiff, relying *In re Abele*, 684 F.2d 902 (CCPA 1982), argues that method of
26 the claims of the ’459 patent is analogous to transformation that took place in the patent-in-suit in
27

1 *Abele* in which “raw data” is transformed into a visual depiction of an object. The Plaintiff’s
2 reliance on *Abele* is misplaced. When faced with similar arguments regarding *Abele* as offered by
3 Plaintiff here, the court in *Bancorp Servs., L.L.C. v. Sun Life Assur. Co. of Can.*, 2011 U.S. Dist.
4 LEXIS 14272, at *30-31 (E.D. Mo. Feb. 14, 2011), explained:

5 The invention at issue [in *Abele*] was directed to an improvement in computed
6 tomography that reduced exposure to x-rays while improving the reliability of
7 the image. Several claims recited a process of graphically displaying variances
8 of data from average values; these were determined to be invalid as directed
9 solely to a mathematical algorithm. Another claim was found to be valid
10 because it specified that the data were “x-ray attenuation data produced in a two-
11 dimensional field by a computed-tomography scanner.” “This data clearly
12 represented physical and tangible objects, namely the structure of bones, organs,
13 and other body tissues. Thus, the transformation of that raw data into a particular
14 visual depiction of a physical object on a display was sufficient to render that
15 more narrowly-claimed process patent-eligible.” . . . Unlike the valid claims in
16 *Abele* and *Abstrax*, the claims here do not transform the raw data into anything
17 other than more data and are not representations of any physically existing
18 objects. The “concepts of fetching and processing data” are not patentable
19 processes but are “attempts to patent a mathematical algorithm - converting a
20 value in one format to a value in another format.”

21 (citations omitted). The purported transformation of the ’459 patent similarly is not saved by
22 reference to *Abele*. The claims of the ’459 patent take a network page and allow that page to be
23 labeled. That the network page is, after the application of the claims of the ’459 patent, a labeled
24 network page is not analogous the kind of transformation that the court in *Abele* found took place
25 when raw data was converted into a visual depiction of an object.

26 Because any purported transformations that are occurring here are not transforming the
27 network pages into “a different state or thing” and because the purported transformation does not
28 act upon “physical objects or substances,” Plaintiff’s claims fail the machine prong of the
machine or transformation test.⁴

23 ⁴ Plaintiff’s argument that the claims are transformative because the method of the claims results
24 in “underlying code that makes up the pages” being transformed is spurious. (Plaintiff’s Op. at
25 20). Such a transformation, as discussed above is not a physical transformation as required under
26 *Bilski I*. More importantly, however, the machine-or-transformation test is appropriately applied
27 to the claims of the patent. There is no aspect of any of the claims of ’459 patent that discusses
the changing or modifying of source code. Plaintiff’s attempt to infer such language into the
claims is seemingly an attempt to disingenuously suggest a transformation where none exists.

(continued...)

1 categories and subcategories to which the network page is assigned.” Claim 31 is identical to
2 Claim 1 save that categorization of copyright status is restricted to the “public domain, fair use
3 only, use with attribution, and permission of copyright owner needed.” Plaintiff recites the text of
4 these independent claims, but makes no arguments that one is different from the other in any way
5 that is relevant to the section 101 analysis (or otherwise). These additional limitations do not
6 direct the claims to a more specific machine or apparatus or change the nature of any claimed
7 “transformation.” Claims 30 and 31, like Claim 1, are just a categorization method that could be
8 done with pen and paper as the Examiner found and as patentee did not dispute.

9 Similarly, the dependent claims 2 through 29 provide for minor variations as to the way
10 the categorization might be done including the idea that one might use “two letters” to designate a
11 category (Claim 18) or one might use a picture or “icon” to do so (Claim 17). Again, these minor
12 changes all keep the claims firmly within the “pen and paper” realm. Plaintiff finally cites to
13 dependent claim 29 which says one could practice the invention of Claim 1 but provide the list of
14 categories as a graphical user interface. Of course, the specification itself shows a “preferred
15 graphical user interface used for categorizing [a page]” in Figures 1 and 2 that can, and in these
16 examples has, been implemented on pen and paper.

17 Because none of the claims are directed to a particular machine or apparatus, none of the
18 claims transform a network page into a different state or thing, and all of the claims merely
19 represent the abstract concept of categorizing a network page and applying a label. None of the
20 claims are directed at patentable subject matter and accordingly all of the claims should be ruled
21 invalid. Plaintiff’s argument that Google fails to consider the claims of the ’459 patent as a whole
22 because Google focuses “principally on the ‘computer implemented method’ limitation” misses
23 the mark. (Opp. at 13.) As discussed above and in its opening Brief, Google’s argument is not
24 focused on the fact the claims recite “a computer implement method.” Rather, Google’s
25 argument is that each of the claims of the patent is invalid as directed towards an abstract idea and
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27

1 none is not “saved” from this fate by an insubstantial reference to a computer in the preamble of
2 the three independent claims.

3 **V. CONCLUSION**

4 Google’s Motion for Invalidity of the ’459 patent is procedurally proper, timely, and ripe
5 for adjudication. While Google acknowledges the presumption of validity afforded to issued
6 patents under 35 U.S.C. § 282, that presumption is clearly overcome where, as here, the Patent
7 Office’s error in allowing the patent to issue is manifest. The claims of the ’459 patent are
8 directed to an abstract idea. Their passing reference to being implemented on a computer does
9 not change this fact. Accordingly, the ’459 patent is invalid. Google’s Motion should be granted.

10
11 Dated: May 9, 2011

Respectfully submitted,

KAYE SCHOLER LLP

12
13 By: /s/ Michael J. Malecek

14 Michael J. Malecek
15 Attorney for Defendant
16 GOOGLE INC.
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