

1 KEKER & VAN NEST, LLP  
 JOHN W. KEKER - #49092  
 2 DARALYN J. DURIE - #169825  
 CHRISTINE P. SUN - #218701  
 3 710 Sansome Street  
 San Francisco, CA 94111-1704  
 4 Telephone: (415) 391-5400  
 Facsimile: (415) 397-7188

5 Attorneys for Defendant and Counterclaimant  
 6 GOOGLE TECHNOLOGY INC., sued under its former name  
 GOOGLE INC.  
 7

8 UNITED STATES DISTRICT COURT  
 9 NORTHERN DISTRICT OF CALIFORNIA  
 10 SAN FRANCISCO DIVISION

12 OVERTURE SERVICES, INC., a Delaware  
 corporation,  
 13  
 Plaintiff and Counterdefendant,  
 14  
 v.  
 15 GOOGLE INC., a California corporation,  
 16  
 Defendant and Counterclaimant.  
 17

Case No. C 02-01991 JSW (EDL)

**GOOGLE'S OPPOSITION TO  
 OVERTURE'S MOTION FOR  
 PROTECTIVE ORDER (REDACTED)**

Date: August 19, 2003  
 Time: 9:30 a.m.  
 Courtroom: E, 15th Floor  
 Judge: Hon. Elizabeth Laporte

**REDACTED VERSION**

**(UNREDACTED VERSION FILED UNDER SEAL)**

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**FEDERAL STATUTES**

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**I. INTRODUCTION**

Overture has sued Google for infringement of United States Patent 6,269,361 (“the ‘361 patent”).<sup>1</sup> Essentially, the ‘361 patent discloses a “pay for placement” Internet search engine. When a user conducts a search for information on the Internet, the patented system returns a list of advertisements which are ranked pursuant to the amount that the advertiser is willing to pay.

Based on the evidence it has gathered thus far, Google believes that the ‘361 patent is invalid because the patented invention was in public use more than one year prior to May 28, 1999, the filing date of the application (“the critical date”). 35 U.S.C. §102(b). Beginning in early 1998, Overture offered a pay-for placement search engine to the public on its website that Google believes embodied some or all of the claims of the ‘361 patent (the “pre-critical date system”).

Google has served subpoenas on entities that advertised on the pre-critical date system, seeking information about the features of that system. Overture does not contest the relevance of the information sought. Rather, Overture contends that the mere number of subpoenas *in and of itself* justifies limiting Google’s ability to seek this information.

Overture has admitted to Google during meet-and-confer that, to its knowledge, none of the advertisers subpoenaed by Google has objected to the scope or the subject matter of the subpoenas. Nor any advertiser complained to Overture that it felt harassed, overly burdened, or otherwise by the subpoenas. Indeed, Overture’s only “evidence” that *Overture* is harassed or burdened by the subpoenas is the argument of its attorneys.

The requested information is relevant and is not duplicative of the discovery already provided. Google will continue to serve the subpoenas in batches until it obtains the information necessary to support its public use defense. But Overture’s motion to prevent Google from gathering highly relevant information from third parties – which is based purely on unsupported allegations of harm – does not satisfy its heavy burden under Rule 26.

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<sup>1</sup> GoTo.com is the assignee of the patent, and changed its name to Overture in 2001. For simplicity, we refer to the company as “Overture” throughout.

## II. RELEVANT BACKGROUND

### A. The '361 Patent

The '361 patent claims "a system and method for influencing a position on a search result list generated by a computer network search engine." See '361 patent, attached as Exh. A to the Declaration of Christine P. Sun in Support of Google's Opposition ("Sun Decl."). Essentially, the '361 patent discloses a system where advertisers can pay to have their listings ranked higher in the results displayed to the individual seeking information on the search engine. As described in the '361 specification, the advertiser influences its position in the search result list by participating in "an online competitive bidding system." *Id.* at Col. 4:65 to 5:1. Typically, the bid is a price that will be charged for a "click" on the advertiser's listing. Predictably, the "higher the bid, the more advantageous the placement" of an advertiser's listing on the search result list. *Id.* at Col. 5:35-37.

During the prosecution of the '361 patent, the Patent Examiner rejected the claims based upon a May 19, 1998 press release describing the pre-critical date system ("the May 19, 1998 press release"). See Sun Decl., Exh. B (Office Action dated January 17, 1999) at GOG 31636-637; see also Sun Decl., Exh. C (May 19, 1998 press release) at OVG 015852.<sup>2</sup> The press release explained that "advertisers only pay for actual visits to their sites." Sun Decl., Exh. C at OVG\_001402. The Examiner concluded that the May 19, 1998 press release was itself a public disclosure that anticipated the pending claims. Sun Decl., Exh. B at GOG 31636-637; see also 35 U.S.C. § 102(b). The Examiner also noted that, according to the press release, Overture's system had been in public use prior to the critical date. Sun Decl., Exh. B at GOG 31637; see also 35 U.S.C. § 102(b).

In response, the prosecuting attorneys argued that the press release did not disclose at least one limitation of each of the pending independent claims. See Sun Decl., Exh. F (April 6, 2000 Response) at GOG 31653-654. For example, for Claim 1, attorney John Rauch ("Rauch")

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<sup>2</sup> Although Overture had previously represented that it had submitted a copy of each of the prior art references it deemed most closely related to the pending claims, see Sun Decl., Exh. D (Pet. to Make Special dated Oct. 22, 1999) at OVG\_016112, Overture had failed to provide the Patent Office with a copy of this press release. See Sun Decl., Exh. E (Info. Discl. Stmt. dated Aug. 27,

1 of Brinks Hofer Gilson & Lione (“Brinks Hofer”) asserted that the press release did not disclose  
2 “recording a retrieval request event” (i.e., a click on a particular advertisement). Id. at GOG  
3 31653.

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14 As to Claim 15, Mr. Rauch argued that the press release did not disclose determining a  
15 position for an “updated search listing.” See Exh. F to Sun Decl. (Response dated April 6, 2000)  
16 at GOG 31653 (emphases added).

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24 At the Examiner’s request, Mr. Rauch submitted a declaration from the lead inventor,  
25 Darren Davis, attesting to the features of the pre-critical date system. See Exh. I to Sun Decl.  
26 (Declaration of Darren Davis, dated Sept. 16, 2000, regarding Patent Application No.  
27 09/322,677). Based on the purported identification of missing features in the pre-critical date  
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1999).



1 system, the Examiner allowed the independent claims that ultimately issued. See Exh. J to Sun  
2 Decl. (Notice of Allowability) at GOG 31824-832.

3 **B. The Discovery Sought By Google**

4 On September 20, 2002, Google served Overture with requests for production that  
5 sought, *inter alia*, information related to its prior public use defense. See Sun Decl., ¶ 12, Exh.  
6 K. These included requests for all advertising and promotional materials and other statements  
7 made to third parties about the features, advantages, and use of the pre-critical date system. Id.  
8 After meet and confer, Overture eventually agreed to produce documents responsive to those  
9 requests. See id., ¶ 13, Exh. L. However, Overture has not produced any billing statements to  
10 customers of the pre-critical date system, or information sufficient to determine what Overture  
11 told customers about the features and costs of the pre-critical date system. Id., ¶ 14. Nor does  
12 the source code produced by Overture fully answer the question; for example, it does not  
13 disclose whether Overture customers could make telephonic requests to change a search listing.

14 On December 11, 2002, Google asked Overture to identify all customers of the pre-  
15 critical date system. See Sun Decl., Exh. M at 2. On January 10, 2003, Overture responded to  
16 Google's interrogatory with a list of approximately 500 names and addresses. See id., Exh. N.  
17 Google eventually culled down the list to about 300 advertisers that, based on Google's research,  
18 are still in business. Id., ¶ 15.

19 In May, 2003, Google took the deposition of the lead inventor, Darren Davis. Mr. Davis  
20 twice submitted to the Examiner declarations attesting to his personal knowledge of the features  
21 of the pre-critical date system. See Exh. O to Sun Decl. (Declaration of Darren Davis, dated  
22 October 22, 1999, In Support Of Petition To Make Special); id., Exh. I.

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28 In June 2003, Google served 25 subpoenas to advertisers located in California. Sun

1 Decl., ¶ 17. The subpoenas asked for two categories of documents: all documents relating to the  
 2 pre-critical date system, and all documents reflecting payments from advertisers to Overture for  
 3 the use of that system. See Declaration of Charles McMahon In Support Of Motion For  
 4 Protective Order, Exh. B. With each subpoena, Google enclosed a letter advising the advertiser  
 5 that it could contact Google’s attorneys or Google’s vendor, Compex Legal Services, if the  
 6 advertiser had any concerns about the subpoena. See Sun Decl., Exh. P. No advertiser has  
 7 contacted Google or its vendor to express any such concern. Id., ¶ 17. The letter also advised  
 8 that the advertiser could contact Google’s attorneys or Google’s vendor, Compex Legal Services,  
 9 if it desired an extension of time to respond to the subpoena. Id., Exh. P. Google has granted  
 10 extensions of time to each third party who has made such a request. See Sun Decl., ¶ 17.

11 Google has received only one substantive response to the 25 subpoenas served in June,  
 12 which consists of a bill for month ending January 31, 2000. See Sun Decl., Exh. Q.<sup>3</sup>. The  
 13 remaining responses indicated that the requested records either did not exist, could not be found,  
 14 or were destroyed. See id., Exh. R. As a result, in July 2003, Google served an additional 46  
 15 subpoenas to advertisers located in California. See McMahon Decl., Exh. C. The response date  
 16 for those subpoenas is August 12, 2003. Id. Google intends to serve any additional subpoenas in  
 17 waves until it gathers sufficient information related to its defense. See Sun Decl., ¶ 19.

### 18 III. ARGUMENT

19 Overture has moved for a protective order pursuant to Rule 26(c), under which “the court  
 20 . . . may make any order which justice requires to protect a party or person from annoyance,  
 21 embarrassment, oppression or undue burden or expense.” Rule 26(c), Fed. R. Civ.P. Overture  
 22 has the burden of establishing that there is “good cause” to issue the requested order. See United  
 23 States ex rel Bagley v. TRW, Inc., 204 F.R.D. 170, 175 (C.D. Cal. 2001) (“The party seeking a  
 24 protective order has the burden of showing the existence of good cause.”). To establish the  
 25 existence of “good cause” a party must make a particularized showing of facts, and cannot rely  
 26 on broad allegation or on conjecture. See Beckman Indus. v. International Ins. Co., 966 F.2d

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 28 <sup>3</sup> The dearth of substantive responses presumably results from the fact that the requested records  
 are more than five years old.

1 470, 476 (9<sup>th</sup> Cir. 1992) (“Broad allegations of harm, unsubstantiated by specific examples or  
2 articulated reasoning, do not satisfy the Rule 26(c) test.”) (internal citation omitted).

3 Moreover, “[e]ven if ‘good cause’ is shown, the court must balance the competing  
4 interests of allowing discovery and the relative burdens to the parties.” Cobb v. Danzig, 190  
5 F.R.D. 564, 566 (S.D. Cal. 1999) (citing Wood v. McEwen, 644 F.2d 797, 801-802 (9th Cir.  
6 1981)). Thus, the Court should not grant Overture’s motion unless it concludes that it has shown  
7 good cause and that any burden caused by the discovery it seeks to prevent outweighs the harm  
8 caused to Google by being unable to serve additional third party subpoenas related to the pre-  
9 critical date system.<sup>4</sup>

10 **A. Overture Does Not Have Standing To Object To The Subpoenas On Behalf Of**  
11 **Third Parties, and, Even If It Did, Overture Has Admitted That, To Its Knowledge,**  
12 **No Advertisers Have Complained About The Subpoenas.**

13 Overture contends that Google’s subpoenas constitute harassment to Overture’s  
14 customers, “many of [them which are] small businesses without the resources to properly defend  
15 themselves against Google’s subpoenas.” Opening Brief at 6:4-6. The Court should reject this  
16 argument for two reasons.

17 First, Overture does not have standing to object to the subpoenas on behalf of the  
18 advertisers, regardless of whether they are “small businesses.” In re Seagate Tech. II Sec. Litig.,  
19 1993 WL 293008, \*1 (N.D. Cal. June 10, 1993) (no right for movant to object to subpoenas  
20 directed towards its investment banks); see also Dean v. Anderson, 2002 WL 1377729, \*3 (D.  
21 Kan. June 6, 2002) (husband has no right to object to subpoena for bank records on behalf of  
22 wife); Vogue Instrument Corp. v. Lem Instruments Corp., 41 F.R.D. 346, 348 (S.D.N.Y. 1967)  
23 (denying motion to quash as movants, “being neither persons in possession or control of the  
24 documents, nor the persons to whom the subpoenas are directed, lack standing to attack the  
25 subpoenas.”). Rule 45 of Federal Rules of Civil Procedure limits the right to challenge

26 <sup>4</sup> Even if the Court were inclined to grant Overture’s motion, the proposed order is  
27 overbroad. Although Overture proclaims, *inter alia*, that the order will prevent harassment of  
28 Overture customers caused by Google’s requests for documents, the order it has proposed  
ostensibly prevents Google from seeking documents from any third party, which could include  
Overture vendors and former Overture employees, related to Overture’s cost-per-click system  
prior to June 1998.

1 document requests to non-parties to the person or entity to whom the subpoena is directed. Rule  
2 45, Fed. R. Civ.P. Accordingly, Overture may not challenge the subpoenas on its customers'  
3 behalf.

4 Second, when asked point blank during its meet and confer with Google, Overture could  
5 not name a single advertiser who believed that the subpoenas constituted harassment. Sun Decl.,  
6 ¶ 20. Nor could Overture identify one single customer who believed that the subpoenas were  
7 overly burdensome. *Id.* Not one advertiser has complained to Google or its vendor about these  
8 subpoenas. *Id.*, ¶ 20. Now, Overture has brought this motion, claiming again that its customers  
9 are being harassed, but again with no evidence to support its allegations. Overture has had at  
10 least two opportunities to put forth *some* evidence of this purported harassment and failed to do  
11 so. The Court should reject Overture's unsupported allegations outright.

12 **B. Overture Has Provided No Evidence That Google's Subpoenas Constitute**  
13 **Harassment Of Overture For An Improper Purpose**

14 Overture also claims that Google's subpoenas are unduly burdensome and harassing to  
15 Overture. First, Overture has put forth no evidence of this proclaimed "burden" or "harassment."  
16 Indeed, Overture does not even *attempt* to articulate why the subpoenas will cause or have  
17 caused harm to Overture's ongoing business. This broad and unsubstantiated allegation of harm  
18 does not meet Overture's heavy burden of proving that it is entitled to a protective order. See  
19 Beckman Industrial v. International Insurance Co., 966 F.2d 470, 476 (9th Cir. 1992).

20 Diamond State Insur. Co. v. Rebel Oil Co., Inc., 157 F.R.D. 691, 695 (D. Nev. 1994) is  
21 illustrative of Overture's heavy burden even where the disputed subpoenas seem on their face  
22 duplicative of other requests. In Diamond State, the defendant, the insured party, sought  
23 identical documents from plaintiff, the insurer, and the agent who issued the policy to defendant,  
24 which was not a party to the suit. *Id.* at 693-94. The agent brought a motion to quash  
25 defendant's subpoena on the grounds that compliance would be burdensome, expensive, and  
26 duplicative of documents available from the plaintiff. *Id.* at 696. The court rejected all three  
27 grounds, noting first that the agent had failed to substantiate its generalized allegations of harm  
28 with an affidavit or other evidence. *Id.* With respect to the argument that the subpoena was

1 duplicative, the court noted the “apparent duplication” of portions of requests made to the agent  
2 and the plaintiff. Id. Nonetheless, the court denied the motion to quash, recognizing that the  
3 discovery requests were made to two separate business entities and “the documents actually  
4 maintained in the files of each entity may not be identical.” Id. at 697. See also Wright v.  
5 Montgomery County, 1999 WL 145205, \*9 (E.D.Pa. March 15, 1999) (denying motion to quash  
6 where movant failed to show undue burden) ; Rosen v. Tabby, 1996 WL 636158, \*2 (E.D.Pa.  
7 Oct. 29, 1996) (same).

8 Like the movant in Diamond State, here, Overture relies on unsupported, generalized  
9 allegations of harm. Overture also relies on the mere fact that the contested discovery requests  
10 are apparently duplicative of requests to other parties as the primary reason to grant its motion.  
11 But, as the court recognized in Diamond State, Google seeks documents from separate business  
12 entities that will not necessarily have documents that are responsive to Google’s requests.  
13 Moreover, once Google does receive sufficient documents related to its infringement defense, it  
14 will stop serving additional subpoenas related to that defense on advertisers. Thus, Overture’s  
15 assertions of burden and harassment are not only devoid of any factual support, but also  
16 inapplicable as a matter of logic to the circumstances here.

17 Second, the cases cited by Overture do not apply here. Marvin Lumber & Cedar Co. v.  
18 PPG Indus., Inc., 177 F.R.D. 443, 445 (D. Minn. 1997), involved a concern about excessive  
19 “travel time,” which will not result from Google’s subpoenas for documents. In Joy Techs. v  
20 Flakt, Inc., 772 F. Supp. 842 (D. Del. 1991) and Harris v. Wells, 1990 WL 150445 (D. Conn.  
21 Sept. 5, 1990), the courts concluded that there had been a showing of actual, competitive injury,  
22 and that the document requests were wholly duplicative of information available from the  
23 parties. Finally, in Perry v. Best Lock, 1999 WL 33494858 (S.D. Ind. Jan. 21, 1999), the  
24 subpoenas broadly sought sensitive employment information which impinged on the plaintiff’s  
25 right of privacy. Even if Overture could claim that documents produced by advertisers are  
26 somehow confidential to Overture, any such concern is addressed by the Protective Order  
27 entered in this case.  
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1 **C. The Requested Information Is Relevant To Google’s Infringement Defense and**  
2 **Cannot Be Ascertained By The Discovery Provided By Overture**

3 Google contends that the ‘361 patent is invalid because the invention was in public use  
4 within the meaning of 35 U.S.C. § 102(b) more than one year prior to the filing date of the  
5 application. The first step in determining whether a patent is invalid under the section 102(b) is  
6 to determine whether the pre-critical date product met or inherently possessed each of the  
7 limitations of the claims. See Abbott Laboratories v. Geneva Pharmaceuticals, Inc., 182 F.3d  
8 1315, 1319 (Fed. Cir. 1999).

9 Overture has asserted that the source code for the pre-critical date system “provides the  
10 best evidence of exactly which features were present in Overture’s system prior to June 1998.”  
11 Opening Brief at 4:24-26. Overture’s assertion is wrong on at least two counts. First, it is not  
12 clear that all of the relevant features of the pre-critical date system were embodied in computer  
13 code, and thus determinable by examination of the source code. Second, Google cannot be  
14 limited to one form of evidence, and in any event evidence obtainable from third parties may  
15 well be more persuasive to a jury than the source code.

16 Overture's archived source code at best discloses what aspects of the pre-critical date  
17 system were embodied in computer code. Although Claim 14 of the '361 patent includes several  
18 limitations that must be implemented in computer code, none of the other claims expressly  
19 requires the use of computer code. Thus, the archived source code may not reflect aspects of the  
20 pre-critical date system that were manually implemented by Overture employees.

21 For example, Claim 15 recites a method that, among other things, comprises "receiving . .  
22 . a change request for a search listing" and "updating the search listing . . . in response to the  
23 change request." Sun Decl., Exh. A. at Col. 25:47-54.

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28 However, the archived source code will not indicate

1 whether, prior to the critical date, Overture made changes to advertisers' search listings in  
2 response to change requests that were submitted by telephone or electronic mail.

3 A jury could find evidence obtained from third parties easier to understand than expert  
4 testimony about the details of what thousands of lines of computer code mean. Source code will  
5 rarely if ever be clear on its face to a layperson; its significance usually must be presented  
6 through expert testimony. Google is entitled to seek discovery that would allow it to prove what  
7 features were present in the pre-critical date system by way of non-expert testimony. The  
8 subpoenas at issue are designed to seek exactly that sort of evidence. For example, Claim 1  
9 recites a limitation of "recording a retrieval request event," *i.e.* recording clickthroughs. See  
10 Sun Decl., Exh. A at Col. 23:17-20; Davis Depo. (Exh. G) at 119:11-120:3.

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14 Google is  
15 entitled to find out from the advertisers whether they were invoiced, and whether those invoices  
16 were paid.

17 By its motion, Overture seeks to limit the sources of evidence Google can rely upon in  
18 proving the features of Overture's pre-critical date system. However, it is not up to Overture to  
19 decide what evidence Google is entitled to rely upon, especially given that Overture has pointed  
20 to nothing other than its own attorneys' speculation to support its charges of burden and  
21 harassment.

