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22 UNITED STATES DISTRICT COURT
 23 NORTHERN DISTRICT OF CALIFORNIA
 24 OAKLAND DIVISION

24 ORACLE USA, INC., *et al.*,

25 Plaintiffs,

26 v.

26 SAP AG, *et al.*,

27 Defendants.

Case No. 07-CV-01658 PJH (EDL)

JOINT FINAL JURY INSTRUCTIONS

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**INTRODUCTORY INSTRUCTION
(JOINT)**

Proposed Instruction No. 1 (Joint)

PRELIMINARY INSTRUCTION

Over the course of this trial, you have heard evidence on Oracle’s damages claims against TomorrowNow, SAP AG, and SAP America. As reflected in the stipulations between the Parties contained in your jury notebook, the Parties agree that TomorrowNow is liable for the copyright infringement asserted by Oracle, and that SAP AG and SAP America are also vicariously and contributorily liable for that copyright infringement.

You must now decide the amount of damages that should be awarded to Oracle for Defendants’ stipulated infringement of Oracle’s copyrights. You must make this determination based on the instructions I will give you regarding the law on copyright infringement, and the damages you may award based on the agreed copyright infringement in this case.

Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 17.0 (Civil) (modified)

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**INTRODUCTORY COPYRIGHT
INSTRUCTIONS
(ORACLE MODULE)**

2 **COPYRIGHT—DEFINED**

3 A copyright is the exclusive right to copy. This right to copy includes the
4 exclusive rights to:

- 5 1) reproduce the copyrighted work;
- 6 2) prepare derivative works based upon the copyrighted work by adapting or
7 transforming it; and
- 8 3) distribute copies of either the copyrighted work or any unauthorized
9 derivative work; and
- 10 4) display publicly a copy of either the copyrighted work or any unauthorized
11 derivative work.

12 It is the owner of a copyright who may exercise these exclusive rights. The
13 “owner” refers to the author of the work, or one who has been assigned the ownership of
14 exclusive rights in the work. In general, copyright law protects against the production,
15 adaptation, distribution, or public display of the owner’s copyrighted work without the owner’s
16 permission. An owner may enforce these rights to exclude others in an action for copyright
17 infringement. Even though one may acquire a copy of the copyrighted work, the copyright
18 owner retains certain rights and control of that copy, including uses that may result in additional
19 copies or alterations of the work.

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21 Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 17.1 (Civil) (modified).
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Proposed Instruction No. 3 (Plaintiffs)

COPYRIGHT INTEREST—DERIVATIVE WORK

A copyright owner is entitled to exclude others from creating derivative works based upon the owner’s copyrighted work. The term derivative work refers to a work based on one or more pre-existing works, and includes any form in which the pre-existing work is recast, transformed, or adapted. Accordingly, the owner of a copyrighted work is entitled to exclude others from recasting, transforming or adapting the copyrighted work without the owner’s permission.

The owner of a derivative work may enforce the right to exclude others in an action for copyright infringement.

Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 17.13 (Civil) (modified)

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Proposed Instruction No. 4 (Plaintiffs)

COPYRIGHT—STIPULATED DIRECT INFRINGEMENT

Here, TomorrowNow agrees that it directly infringed Oracle’s copyrights in 120 works, which include Oracle software programs and related support materials. Specifically, TomorrowNow agrees that it made thousands of copies of Oracle’s applications and database software, and downloaded millions of Oracle support materials. The stipulations between the parties containing this agreement can be found in the notebooks that were provided to you.

Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 17.2 (Civil) (modified).

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**SECONDARY LIABILITY
(COPYRIGHT INFRINGEMENT)
ORACLE MODULE**

2 **SECONDARY COPYRIGHT LIABILITY— STIPULATED VICARIOUS**
3 **INFRINGEMENT**

4 SAP AG and SAP America agree they are liable for all of TomorrowNow’s
5 infringement based on principles of vicarious liability. By agreeing to vicarious liability, SAP
6 AG and SAP America agreed that:

- 7 1) They both received a direct financial benefit from the infringing activity of
8 TomorrowNow; and,
9 2) They both had the right and ability to supervise or control the infringing
10 activity of TomorrowNow.

11
12 Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 17.20 (Civil)
13 (modified); *Perfect 10 v. Amazon.com, Inc.*, 508 F.3d 1146 (9th Cir. 2007); *Ellison v. Robertson*,
14 357 F.3d 1072, 1076 (9th Cir. 2004) (“A defendant is vicariously liable for copyright
15 infringement if he enjoys a direct financial benefit from another’s infringing
16 activity and ‘has the right and ability to supervise’ the infringing activity.”) (quoting *A&M*
17 *Records, Inc. v. Napster, Inc.*, 239 F.3d 1004 (9th Cir. 2001)); *Fonovisa, Inc. v. Cherry Auction,*
18 *Inc.*, 76 F.3d 259, 262-63 (9th Cir. 1996) (“one may be vicariously liable [for infringement] if he
19 has the right and ability to supervise the infringing activity and also has a direct financial interest
20 in such activities”).

Proposed Instruction No. 5-B (Plaintiffs)

SECONDARY LIABILITY—STIPULATED CONTRIBUTORY INFRINGEMENT

SAP AG and SAP America also agree they are liable for all of TomorrowNow’s infringement based on principles of contributory infringement. By agreeing to contributory infringement, SAP AG and SAP America agreed that:

- 1) They knew or had reason to know of the infringing activity of TomorrowNow; and,
- 2) They intentionally and materially contributed to TomorrowNow’s infringing activity.

Authority: Dkt. No. 762 (Order RE Motions for Partial Summary Judgment) at 8; Ninth Circuit Manual of Model Jury Instructions, Instruction 17.21 (Civil) (modified).

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**SECONDARY LIABILITY
(COPYRIGHT INFRINGEMENT)
DEFENDANTS' MODULE**

1 **Proposed Instruction No. 5-A (Defendants)**

2 **VICARIOUS AND CONTRIBUTORY INFRINGEMENT**

3 Plaintiffs claim in this suit that the Defendants have violated federal copyright
4 laws by infringing on their registered copyrights. TomorrowNow has admitted that it is liable for
5 copyright infringement. SAP AG and SAP America have stipulated that they are vicariously and
6 contributorily liable for copyright infringement.

7 In general, to prove vicarious infringement, a plaintiff must show that a defendant
8 received a direct financial benefit from the infringing activity of another and had the right and
9 ability to supervise or control the infringing activity.

10 In general, to prove contributory infringement, a plaintiff may show that the
11 defendant reasonably should have known of the infringing activity and that the defendant had the
12 ability to prevent further infringement and failed to take such steps.

13
14 Authority: Ninth Circuit Manual of Model Jury Instructions, Instructions 17.20 and 17.21 (Civil)
15 (modified); Dkt. No. 762 (Order Re Motions for Partial Summary Judgment) at 8; *Fonovisa, Inc.*
16 *v. Cherry Auction, Inc.*, 76 F.3d 259, 264 (9th Cir. 1996).

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**COPYRIGHT DAMAGES
ORACLE MODULE**

Proposed Instruction No. 6-A (Plaintiffs)

COPYRIGHT DAMAGES—INTRODUCTION

You must determine Oracle International’s damages resulting from the copyright infringement agreed to by the Defendants. Oracle International is entitled to recover the actual damages suffered as a result of the infringement from all of the defendants liable for infringement, whether directly or indirectly. As the measure of its actual damages, Oracle International, as the plaintiff, has the right to seek to recover the fair market value of a license for the rights infringed or its lost profits. In addition to its actual damages, Oracle International is also entitled to recover any profits that each defendant made that are attributable to their infringement and that have not already been taken into account in computing the actual damages. Oracle must prove damages by a preponderance of the evidence.

Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 17.22 (Civil) (modified); Order re Motions for Partial Summary Judgment (Dkt. No. 762) at 20-21; 17 U.S.C. § 504(b).

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1 **Proposed Instruction No. 6-B (Plaintiffs)**

2 **COPYRIGHT DAMAGES—ACTUAL DAMAGES**

3 As the copyright owner, Oracle International is entitled to recover the actual
4 damages suffered as a result of Defendants’ stipulated infringement. “Actual damages” means
5 the amount of money adequate to compensate Oracle for the reduction of the fair market value of
6 the copyrighted work caused by the infringement.

7 The reduction of the fair market value of the copyrighted work is the amount a
8 willing buyer would have been reasonably required to pay a willing seller at the time of the
9 infringement for the actual use made by the defendants of Oracle’s works.

10 You must determine what would have been the result of this negotiation in order
11 to establish the fair market value. The fair market value is an objective measure of Oracle
12 International’s damages that is meant to approximate the fair market value of a license for all of
13 the copyrights defendants infringed, calculated at the time the infringement commenced, which
14 the Parties agree is January 19, 2005 for the PeopleSoft, JD Edwards and database copyrights
15 infringed, and September 29, 2006 for the Siebel copyrights infringed.

16 The fair market value of a license for the rights infringed does not depend on
17 whether any specific defendant in this case would have actually chosen to pay that amount, or
18 whether Oracle would have actually agreed to sell a license to that specific defendant at those
19 terms. The fact the parties have different views on the value of a potential license does not
20 prevent Oracle International from recovering the full fair market value of the rights that were
21 infringed.

22 In determining the fair market value of the rights infringed, you must consider the
23 entire scope of infringement, including all works infringed, whether or not any Defendant made
24 any additional use of the work after copying it.

25
26 Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 17.23 (Civil)
27 (modified); *Polar Bear Prods., Inc. v. Timex Corp.*, 384 F.3d 700, 709 (9th Cir. 2004); *Frank*
28 *Music Corp. v. Metro-Goldwyn-Mayer, Inc.*, 772 F.2d 505, 513 (9th Cir. 1985); *Wall Data, Inc.*

1 v. *Los Angeles County Sheriff's Dept.*, 447 F.3d 769, 775 n.3, 786-87 (9th Cir. 2006) (upholding
2 damages award based on 6,007 software copies where the evidence showed that some of the
3 copies of the “software would remain installed, but unused” in the defendant’s workstations);
4 see also *On Davis v. The Gap*, 246 F.3d 152, 171-72 (2d Cir. 2001); *Getaped.com, Inc. v.*
5 *Cangemi*, 188 F. Supp.2d 398, 404-06 (S.D.N.Y. 2002); II Paul Goldstein, *Copyright* 12.1.1.1 at
6 12:13 (2d ed. 2000); Order Denying Defendants’ Motion for Partial Summary Judgment Dkt.
7 628 at 4-5.

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2 **COPYRIGHT DAMAGES—ACTUAL DAMAGES CONTINUED**

3 While it is Oracle International’s burden to prove actual damages by a
4 preponderance of the evidence, there is no precise formula for determining actual damages.
5 Determining the fair market value of the rights infringed may involve some uncertainty, and
6 Oracle International is not required to establish its actual damages with precision.

7 In general, you should construe actual damages to favor the victims of
8 infringement; keeping in mind the objective of copyright law is to enable copyright owners to
9 capture the full value of their rights.

10
11 Authority: ABA Model Jury Instruction 1.7.2 (Copyright); *On Davis v. The Gap*, 246 F.3d 152,
12 166-67 (2d Cir. 2001); *Polar Bear Prods., Inc. v. Timex Corp.*, 384 F.3d 700, 709 (9th Cir.
13 2004); Order Denying Defendants’ Motion for Partial Summary Judgment, Dkt. No 628 at 4-5

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Proposed Instruction No. 6-D (Plaintiffs)

COPYRIGHT DAMAGES—ACTUAL DAMAGES CONTINUED

Your calculation of the fair market value of the rights infringed must be based on the negotiation that would have taken place at the time the infringement first occurred, rather than a negotiation taking place now or one using information that would not have been available to the parties at the time.

You may consider the value the parties assigned to the rights that were infringed at the time of the infringement, including any reasonable predictions made by any party about the financial value or other non-monetary benefits they expected to receive from the rights that were infringed. You may also consider whether any defendant knew of TomorrowNow’s infringing activity and permitted it to proceed despite known legal risks; a defendant’s willingness to proceed with infringing activity in the face of substantial legal risks may be viewed as evidence that defendant considered the rights infringed to be very valuable.

In this trial, you have heard evidence of things that happened after the infringement first began. That evidence can be considered only to the extent that it might provide some insight into the expectations of the parties at the time the infringement first began, or some insight into the amount a willing buyer would have been reasonably required to pay a willing seller at the time of the infringement.

You may not limit or increase the fair market value of the rights infringed based on the actual profits TomorrowNow or any other defendant made, or did not make, as a result of the actual, vicarious and contributory infringement. So if, for example, you conclude that TomorrowNow was unsuccessful in exploiting its infringement and did not make a profit by virtue of its infringement, or that SAP America or SAP AG did not make a profit by virtue of their vicarious and contributory infringement, that should not diminish the fair market value of the rights infringed, and consequently should not diminish the amount of damages that you award.

Authority: Model Patent Jury Instructions for the Northern District of California, Instruction 5.7;

1 *Interactive Pictures Corp. v. Infinite Pictures, Inc.*, 274 F. 3d 1371, 1384-85 (Fed. Cir. 2001);
2 *Snellman v. Ricoh Co., Ltd.*, 862 F.2d 283, 289-90 (Fed. Cir. 1989); *Hanson v. Alpine Valley Ski*
3 *Area, Inc.*, 718 F.2d 1075 (Fed. Cir. 1988); *Panduit Corp. v. Stahl Bros. Fiber Works, Inc.*, 575
4 F.2d 1152, 1158-59 (6th Cir. 1978); *Georgia-Pacific Corp. v. U.S. Plywood Corp.*, 318 F. Supp.
5 1116, 1120 & 1131 (S.D.N.Y. 1970), modified and aff'd, 446 F.2d 295 (2nd Cir. 1971), cert.
6 denied 404 U.S. 870 (1971) (“GP was willing to assume substantial risks and costs in order to
7 make and sell striated fir plywood without authority from USP. The Court finds that GP would
8 have been willing to pay a substantial royalty to USP in order to obtain reasonably anticipated
9 large profits without the risk of infringement liability.”); *Gyromat Corp. v. Champion Spark Plug*
10 *Co.*, 735 F.2d 549, 552 (Fed. Cir. 1984); *Pentech Int'l v. Hayduchok*, 931 F. Supp. 1167, 1175
11 (S.D.N.Y. 1996) (In applying the *Georgia-Pacific* factors holding, “The fact that the product was
12 already on the market demonstrates the success and value of the product at the time the patent
13 issued. Furthermore, the fact that Pentech would risk the expense of a law suit implies that the
14 product is valuable.”)

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2 **COPYRIGHT DAMAGES—ACTUAL DAMAGES CONTINUED**

3 While Oracle International is entitled to the full fair market value of the rights
4 Defendants infringed as damages, a portion of Oracle International’s damages may be
5 represented by the profits Oracle would have made absent the infringement. Oracle International
6 is not required to pursue or prove lost profits in order to recover the full fair market value of the
7 rights Defendants infringed.

8 In determining the amount of Oracle International’s actual damages you may
9 consider evidence of Oracle International’s lost profits presented by either party, but Oracle
10 International’s lost profits do not serve as a limit on the amount of Oracle International’s actual
11 damages, as measured by the fair market value of all of the rights defendants infringed, directly,
12 vicariously and contributorily. To show lost profits, Oracle International must establish the
13 existence of a causal connection between the infringement and lost profits.

14
15 Authority: Model Instruction 12.8.2 Damages — Actual Damages, Federal Civil Jury
16 Instructions of the Seventh Circuit (citing *Taylor v. Meirick*, 712 F.2d 1112, 1120-1121 (7th Cir.
17 1983)); *Lucky Break Wishbone Corp. v. Sears Roebuck & Co.*, 2010 WL 1391358, *3 (9th Cir.
18 2010) (unpublished) (finding that “[t]he jury is not restricted . . . to awarding lost profits” where
19 evidence of lost profits and a fair market value of a lost license fee were presented to the jury,
20 defendant claimed that lost profits were appropriate actual damage measurement, and defendant
21 claimed jury award was too high to account for appropriate deduction of costs to arrive at lost
22 profits); *Polar Bear Prods. Inc. v. Timex Corp.*, 384 F.3d 700, 708-710 (9th Cir. 2004)
23 (evaluating a claim for both a fair market value lost license fee and lost profits as additive actual
24 damages); *Harper & Row Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 567 (1985)
25 (“once a copyright holder establishes with reasonable probability the existence of a causal
26 connection between the infringement and a loss of revenue, the burden properly shifts to the
27 infringer to show that this damage would have occurred had there been no taking of copyrighted
28 expression”); Order on Denying Defendants’ Motion for Partial Summary Judgment, Dkt. No.

1 628 at 2-3 (“General tort principles of causation and damages apply when analyzing
2 compensatory damage awards for copyright infringement.”).

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Proposed Instruction No. 6-F (Plaintiffs)

COPYRIGHT DAMAGES—INFRINGEMENTS’ PROFITS

In addition to actual damages, Oracle International is entitled to any profits made by any defendant that are attributable to the actual, vicarious, and contributory infringement.

You may not include in an award of infringers’ profits any amount that you took into account in determining actual damages.

You may make an award of the Defendants’ profits only if you find that Oracle International has shown a defendant received revenue related directly or indirectly to the infringement. That Defendant’s profit is then determined by subtracting all expenses from the defendant’s gross revenue.

The Defendant’s gross revenue is all of the Defendant’s receipts associated with the actual, vicarious, and contributory infringement. Oracle International has the burden of proving the Defendant’s gross revenue by a preponderance of the evidence.

Expenses are all costs incurred in producing the Defendant’s gross revenue. The Defendant has the burden of proving the defendant’s expenses by a preponderance of the evidence.

Unless you find that a portion of the profit from the use of the copyrighted work is attributable to factors other than use of the copyrighted work, all of the profit is to be attributed to the infringement. The Defendant has the burden of proving the portion of the profit, if any, attributable to factors other than infringing the copyrighted work.

Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 17.24 (Civil) (modified); *Polar Bear Prods., Inc. v. Timex Corp.*, 384 F.3d 700, 709 (9th Cir. 2004).

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**COPYRIGHT DAMAGES
DEFENDANTS' MODULE**

Proposed Instruction No. 6-A (Defendants)

COPYRIGHT—DAMAGES

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3 You must determine Oracle International’s damages resulting from the stipulated
4 copyright infringement. Oracle International is entitled to recover the actual damages suffered as
5 a result of the infringement, if any. In addition to its actual damages, Oracle International is also
6 entitled to recover any profits that each defendant made that are attributable to the infringement.
7 However, you may not include an award of defendant’s profits if you already took that amount
8 into account in determining actual damages. Oracle International must prove damages by a
9 preponderance of the evidence. Your award must be based upon evidence and not upon
10 speculation, guesswork, or conjecture.

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12 Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 17.22 (Civil) (modified).
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Proposed Instruction No. 6-B (Defendants)

COPYRIGHT—ACTUAL DAMAGES

As the copyright owner, Oracle International is entitled to recover the actual damages suffered as a result of the stipulated infringement. Actual damages are determined by the loss in the fair market value of the copyright, measured by the profits lost due to the infringement or by the value of use of the copyrighted work to the infringer

The value of use of the copyrighted work may be measured by a hypothetical license, which is the amount a willing buyer would have been reasonably required to pay a willing seller at the time of the infringement for the actual use made by the defendant.

A copyright owner may elect to pursue either a hypothetical license or a lost profits calculation of its actual damages. Similarly, a defendant may elect to offer its own calculation of a hypothetical license or lost profits calculation of actual damages

If you determine that a hypothetical license best represents the actual damages suffered as a result of the infringement, you must determine what would have been the result of a hypothetical negotiation. In determining the value of a hypothetical license, you must consider the actual scope of infringement, which is the actual use made by the defendant of the copyrighted works.

The hypothetical license must be an objective measure of actual damages. The value of a hypothetical license is not necessarily the amount the defendants in this case would have agreed to pay, or that the plaintiff would have actually agreed to accept. Rather, it is the amount that a prudent licensee would have agreed to pay and a prudent licensor would have agreed to accept.

You may consider evidence regarding a hypothetical license only if the amount is not based on undue speculation.

If, instead of a hypothetical license, you determine that lost profits best represent the actual damages suffered as a result of the infringement, you must determine what Oracle International's lost profits actually were.

1 Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 17.23 (Civil)
2 (modified); *Polar Bear Prods., Inc. v. Timex Corp.*, 384 F.3d 700, 709 (9th Cir. 2004); *Frank*
3 *Music Corp. v. Metro-Goldwyn-Mayer, Inc.*, 772 F.2d 505, 513 (9th Cir. 1985); *see also On*
4 *Davis v. The Gap*, 246 F.3d 152, 171-72 (2d Cir. 2001); *Getaped.com, Inc. v. Cangemi*, 188 F.
5 Supp.2d 398, 404-06 (S.D.N.Y. 2002); *Wall Data, Inc. v. Los Angeles County Sheriff's Dept.*,
6 447 F.3d 769, 786 (9th Cir. 2006); II Paul Goldstein, *Copyright* 12.1.1.1 at 12:13 (2d ed. 2000);
7 Order Denying Defendants' Motion for Partial Summary Judgment (Dkt. No. 628) at 4-5 ("So
8 long as 'the amount is not based on undue speculation,' the jury can consider evidence regarding
9 a hypothetical lost license fee").

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Proposed Instruction No. 6-C (Defendants)

COPYRIGHT DAMAGES—ACTUAL DAMAGES CONTINUED

You heard witnesses from each side discuss the so-called “Georgia-Pacific factors” that relate to the measurement of a hypothetical license fee. You should consider each of these factors, and any other factors presented to you on the question of hypothetical license fee, so long as you conclude a particular factor is informative to your decision and not unduly speculative. A hypothetical license fee should not be considered speculative if it is sufficiently supported by evidence.

Authority: *Polar Bear Prods., Inc. v. Timex Corp.*, 384 F.3d 700, 709 (9th Cir. 2004) (“In our review of Timex’s challenge to the actual damages award, we must assess whether the award is non-speculative—that is, whether it is sufficiently supported by evidence.”); *McRoberts Software, Inc. v. Media 100, Inc.*, 329 F.3d 557, 566-67 (7th Cir. 2003); *Georgia-Pacific Corp. v. U.S. Plywood Corp.*, 318 F. Supp. 1116, 1120 (S.D.N.Y. 1970).

2 **COPYRIGHT—ACTUAL DAMAGES—CONSIDERATION OF USAGE AFTER**
3 **INFRINGEMENT BEGAN**

4 If you decide that the best measure of actual damages is a hypothetical license,
5 you should consider the information known to the parties on the dates of the hypothetical
6 negotiations, which are the dates on which infringement began. You should also consider
7 evidence of events and facts that happened after the date of the hypothetical negotiation to the
8 extent that it provides insight into the expectations of the parties at the time the infringement first
9 began, or insight into the amount a willing buyer would have been reasonably required to pay a
10 willing seller at the time of the infringement. In this regard, you may consider evidence of actual
11 sales and profits, if any, made from the infringing use and evidence of the extent to which the
12 infringing product was actually used by consumers. Oracle International has the burden to prove
13 that the extent to which the copyrighted works were used supports the hypothetical license fee.

14
15 Authority: *Lucent Tech. Inc. v. Gateway Inc.*, 580 F.3d 1301 (Fed. Cir. 2009) (“Consideration of
16 evidence of usage after infringement started can, under appropriate circumstances, be helpful to
17 the jury and the court in assessing whether a royalty is reasonable”; “The damages award ought
18 to be correlated, in some respect, to the extent the infringing method is used by consumers”;
19 Plaintiff “had the burden to prove that the extent to which the infringing method has been used”
20 supports the damages award”); *Sinclair Refining Co. v. Jenkins Petroleum Process Co.*, 289
21 U.S. 689, 698 (1933) (recognizing that factual developments occurring after the date of a
22 hypothetical negotiation can inform damages calculation); *Trell v. Marlee Elec. Corp.*, 912 F.2d
23 1443, 1446 (Fed. Cir. 1990) (“In determining the result of . . . a hypothetical negotiation, the
24 district court may consider the infringer’s anticipated profits, as indicated by evidence of actual
25 profits.”); *Lindemann Maschinenfabrik v. Am. Hoist & Derrick Co.*, 895 F.2d 1403, 1406-08
26 (Fed. Cir. 1990) (same); *Trans-World Mfg. Co. v. Al Nyman & Sons, Inc.*, 750 F.2d 1552, 1568
27 (Fed. Cir. 1984) (“Evidence of the infringer’s actual profits generally is admissible as probative
28 of the alleged infringer’s anticipated profits”); *W.L. Gore & Associates, Inc. v. Tetratex Corp.*,

1 15 U.S.P.Q.2d 1048, 1052 (E.D. Pa. 1989) (same).

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2 **COPYRIGHT—DAMAGES—**

3 **ORACLE INTERNATIONAL’S LOST PROFITS**

4 Oracle International’s actual damages may be calculated by the profits Oracle
5 International would have made absent the infringement. To show lost profits, Oracle
6 International must show that but for the infringement, it would not have suffered lost support
7 profits.

8 A but for cause is the cause without which the harm could not have occurred. A
9 plaintiff must therefore prove that the plaintiff would not have suffered the harm had it not been
10 for the defendant’s conduct.

11 If you find that Oracle International would have suffered the complained-of harm
12 whether or not TomorrowNow engaged in the complained-of conduct, you may not award
13 damages based on that conduct.

14 If you find that Oracle International carried its initial burden, then the burden
15 shifts to the defendants to show that this damage would have occurred had there been no
16 copyright infringement.

17 In determining causation of alleged lost profits, you may take into account all the
18 diverse factors which might bear upon why customers cease purchasing support services from
19 Oracle International.

20
21 Authority: Model Instruction 12.8.2 Damages — Actual Damages, Federal Civil Jury
22 Instructions of the Seventh Circuit (citing *Taylor v. Meirick*, 712 F.2d 1112, 1120-1121 (7th Cir.
23 1983)); *Lucky Break Wishbone Corp. v. Sears Roebuck & Co.*, 2010 WL 1391359, *3 (9th Cir.
24 2010) (unpublished) (finding that “[t]he jury is not restricted . . . to awarding lost profits” where
25 evidence of lost profits and a fair market value of a lost license fee were presented to the jury,
26 defendant claimed that lost profits were appropriate actual damage measurement, and defendant
27 claimed jury award was too high to account for appropriate deduction of costs to arrive at lost
28 profits); *Polar Bear Prods. Inc. v. Timex Corp.*, 384 F.3d 700, 708-710 (9th Cir. 2004)

1 (evaluating a claim for both a fair market value lost license fee and lost profits as additive actual
2 damages); Order on Denying Defendants’ Motion for Partial Summary Judgment (Dkt. No. 628)
3 at 2-3 (“General tort principles of causation and damages apply when analyzing compensatory
4 damage awards for copyright infringement.”); *Data Gen. Corp. v. Grumman Sys. Support Corp.*,
5 36 F.3d 1147, 1172 n.44 (1st Cir. 1994) (affirming “the adequacy of the district court’s
6 instructions on causation,” particularly an instruction that the jury may consider “all the diverse
7 factors which . . . might bear upon” causation”); *Harper & Row Publishers, Inc. v. Nation*
8 *Enters.*, 471 U.S. 539, 567 (1985); Cal. Civ. Code § 3333; *Creative Computing v. Getloaded.com*
9 *LLC*, 386 F.3d 930 (9th Cir. 2004).

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1 **Proposed Instruction No. 6-F (Defendants)**

2 **COPYRIGHT—DAMAGES—INFRINGEMENTER’S PROFITS**

3 In addition to actual damages, the copyright owner is entitled to profits of any
4 defendant attributable to the infringement. You may not include in an award of defendants’
5 profits any duplicative profits, that is, any amount that you took into account in determining
6 actual damages.

7 Oracle International must establish a causal relationship between the infringement
8 and the profits generated from such infringement.

9 Oracle International has the burden of proving a causal relationship between the
10 alleged infringement and the specifically identified revenues of defendant. If you find that
11 Oracle International has not carried its initial burden, then you shall not make an award of
12 infringer’s profits.

13 If you find that Oracle International has carried its initial burden, then the burden
14 shifts to the defendant to show that some or all of the those revenues were not caused by the
15 alleged infringement.

16 The defendant’s profits are then determined by subtracting all expenses from any
17 revenues that you find to be attributable to the infringement.

18 You may award infringers’ profits only to the extent that Oracle International
19 carried its initial burden and defendants failed to carry their burden.

20 In determining causation of alleged lost profits, you may take into account all the
21 diverse factors which might bear upon why customers cease purchasing support services from
22 Oracle International.

23
24 Authority: Ninth Circuit Model Jury Instruction 17.24 (modified); 17 U.S.C. § 504(b); *Polar*
25 *Bear Prods., Inc. v. Timex Corp.*, 384 F.3d 700, 709 (9th Cir. 2004); *Data Gen. Corp. v.*
26 *Grumman Sys. Support Corp.*, 36 F.3d 1147, 1172 n.44 (1st Cir. 1994) (affirming “the adequacy
27 of the district court’s instructions on causation,” particularly an instruction that the jury may
28 consider “all the diverse factors which . . . might bear upon” causation”).

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NON-COPYRIGHT CLAIMS

1 **Proposed Instruction No. 7 (Plaintiffs)**

2 **NON-COPYRIGHT CLAIMS**

3 In addition to the copyright claims I have just described to you, Defendants agree
4 that TomorrowNow (but not SAP AG or SAP America) is also liable on the following claims:

5
6 1. Federal Computer Fraud and Abuse Act (18 U.S.C. § 1030 et seq.)

7 Defendants agree that TomorrowNow committed computer fraud in violation of
8 five separate sections of the Federal Computer Fraud and Abuse Act, Section 1030 of Title 18 of
9 the United States Code (the “CFAA”). Those agreed violations include that TomorrowNow
10 intentionally and knowingly accessed Oracle USA’s and Oracle International’s computer
11 systems, without authorization and with intent to defraud Oracle USA and Oracle International,
12 and thereby obtained information of value from Oracle USA and Oracle International and
13 intentionally and recklessly damaged Oracle USA’s and Oracle International’s computer
14 systems.

15
16 2. California Computer Data Access and Fraud Act (Cal. Penal Code § 502 et seq.)

17 Defendants agree that TomorrowNow violated four sections of California Penal
18 Code Section 502, known as the California Computer Data Access and Fraud Act (“CDAFA”).
19 Those agreed violations of the CDAFA include that TomorrowNow knowingly accessed and
20 without permission took, copied, and/or made use of data, computer systems and computer
21 services from Oracle USA and/or Oracle International, causing damage or loss.

22
23 3. Breach of Contract

24 Defendants agree that TomorrowNow agreed to and then breached certain
25 customer and website user contracts when accessing Oracle’s customer support websites.

26
27 4. Intentional Interference With Prospective Economic Advantage

28 Defendants agree that TomorrowNow intentionally interfered with relationships

1 between, on the one hand, Oracle USA and Oracle International and, on the other hand, current
2 and prospective purchasers and licensees of Oracle’s support services and software.

3
4 5. Negligent Interference With Prospective Economic Advantage

5 Defendants agree that TomorrowNow negligently interfered with relationships
6 between, on the one hand, Oracle USA and Oracle International and, on the other hand, current
7 and prospective purchasers and licensees of Oracle’s support services and software.

8
9 6. Trespass to Chattels

10 Defendants agree that TomorrowNow wrongfully trespassed on Oracle USA’s
11 access-restricted, internet-based customer support websites, computer systems and computer
12 networks, which are Oracle USA’s personal property.

13
14 Remedy For The Above Claims

15 The jury may not award damages for these claims. The jury should compensate Oracle
16 solely through copyright damages.

17
18 **Authority:** Federal Computer Fraud and Abuse Act: Ninth Circuit Manual of Model Jury
19 Instructions, Instruction 8.79 (Criminal) (modified); 18 U.S.C. § 1030 (2006) (paraphrased);
20 Defendants’ Answer and Affirmative Defenses to First Amended Complaint, Dkt. No. 36, ¶113
21 (admitting that the computer system or systems that Defendants accessed for CFAA claim
22 constituted a “protected computer” within the meaning of 18 U.S.C. § 1030(e)(2)). California
23 Computer Data Access and Fraud Act: Cal. Penal Code §§ 502 *et seq.* (paraphrased); Cal. Penal
24 Code § 502(e) (paraphrased). Breach of Contract: CACI No. 303 (modified). Intentional
25 Interference With Prospective Economic Advantage: BAJI § 7.82; ABA Model Jury Instruction
26 2.2.2 (Business Torts); B F. O’Malley, J. Grenig & W. Lee, Federal Jury Practice and
27 Instructions §127.01 (5th ed. 2001) (modified). Negligent Interference With Prospective
28 Economic Advantage: CACI No. 2204 (modified). Trespass to Chattels: CACI Instruction No.

1 2101 (modified); *eBay, Inc. v. Bidder's Edge*, 100 F. Supp. 2d 1058, 1069-70 (N.D. Cal. 2000)
2 (“In order to prevail on a claim for trespass based on accessing a computer system, the plaintiff
3 must establish: (1) defendant intentionally and without authorization interfered with plaintiff’s
4 possessory interest in the computer system; and (2) defendant’s unauthorized use proximately
5 resulted in damage to plaintiff.”) (internal citations omitted).

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**CONCLUDING INSTRUCTIONS
(JOINT)**

Proposed Instruction No. 8 (Joint)

DUTY TO DELIBERATE

When you begin your deliberations, you should elect one member of the jury as your presiding juror. That person will preside over the deliberations and speak for you here in court.

You will then discuss the case with your fellow jurors to reach agreement if you can do so. Your verdict must be unanimous.

Each of you must decide the case for yourself, but you should do so only after you have considered all of the evidence, discussed it fully with the other jurors, and listened to the views of your fellow jurors.

Do not hesitate to change your opinion if the discussion persuades you that you should. Do not come to a decision simply because other jurors think it is right.

It is important that you attempt to reach a unanimous verdict but, of course, only if each of you can do so after having made your own conscientious decision. Do not change an honest belief about the weight and effect of the evidence simply to reach a verdict.

Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 3.1 (Civil).

**THE USE OF ELECTRONIC TECHNOLOGY TO CONDUCT RESEARCH ON OR
COMMUNICATE ABOUT A CASE**

During your deliberations, you must not communicate with or provide any information to anyone by any means about this case. You may not use any electronic device or media, such as a telephone, cell phone, smart phone, iPhone, Blackberry or computer; the internet, any internet service, or any text or instant messaging service; or any internet chat room, blog, or website such as Facebook, My Space, LinkedIn, YouTube or Twitter, to communicate to anyone any information about this case or to conduct any research about this case until I accept your verdict.

Authority: Proposed Model Jury Instruction
(<http://www.uscourts.gov/uscourts/News/2010/docs/DIR10-018-Attachment.pdf>).

Proposed Instruction No. 10 (Joint)

COMMUNICATION WITH COURT

If it becomes necessary during your deliberations to communicate with me, you may send a note through the bailiff, signed by your presiding juror or by one or more members of the jury. No member of the jury should ever attempt to communicate with me except by a signed writing; I will communicate with any member of the jury on anything concerning the case only in writing, or here in open court. If you send out a question, I will consult with the parties before answering it, which may take some time. You may continue your deliberations while waiting for the answer to any question. Remember that you are not to tell anyone—including me—how the jury stands, numerically or otherwise, until after you have reached a unanimous verdict or have been discharged. Do not disclose any vote count in any note to the court.

Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 3.2 (Civil).

Proposed Instruction No. 11 (Joint)

RETURN OF VERDICT

A verdict form has been prepared for you. After you have reached unanimous agreement on a verdict, your presiding juror will fill in the form that has been given to you, sign and date it, and advise the court that you are ready to return to the courtroom.

Authority: Ninth Circuit Manual of Model Jury Instructions, Instruction 3.3 (Civil).

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