

United States District Court
For the Northern District of California

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

EMBLAZE LTD.,)	Case No. 5:11-cv-01079-PSG
)	
Plaintiff,)	ORDER GRANTING-IN-PART
v.)	APPLE’S MOTION FOR PARTIAL
)	SUMMARY JUDGMENT OF
APPLE INC.,)	NON-INFRINGEMENT OF
)	EMBLAZE’S ACCUSED METHOD
Defendant.)	CLAIMS
)	(Re: Docket No. 469)

Before the court is Defendant Apple Inc.’s motion for partial summary judgment of non-infringement of Plaintiff Emblaze Ltd.’s asserted method claims in this patent case. Emblaze opposes Apple’s motion, but only in-part. Emblaze now concedes it may not pursue certain method claims in light of the Supreme Court’s recent opinion in *Limelight Networks, Inc. v. Akamai Technologies, Inc.*¹ After considering the arguments, both in the papers and at the pre-trial conference, the court GRANTS Apple’s motion, but only IN-PART.²

¹ 134 S.Ct. 2111, 2117 (2014).

² In the interests of providing expedient guidance to the parties on the eve of trial, the court turns directly to the motion before it. Background information on the case can be gleaned from the docket. *See, e.g.*, Docket No. 424

I. LEGAL STANDARDS

1 The Patent Act provides four categories of statutory subject matter eligible for patent
2 protection: process, machine, manufacture, and composition of matter.³ If a claim is not directed to
3 one of the four subject matter categories, it is invalid. At issue here are process or “method” patent
4 claims. The Patent Act also provides for both direct and indirect infringement.⁴

5
6 Direct infringement, codified in Section 271(a), provides: “Except as otherwise provided in
7 this title, whoever without authority makes, uses, offers to sell, or sells any patented invention,
8 within the United States or imports into the United States any patented invention during the term of
9 the patent therefor, infringes the patent.”

10
11 Induced infringement, found in Section 271(b), continues: “Whoever actively induces
12 infringement of a patent shall be liable as an infringer.”

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14 ³ See 35 U.S.C. 101 (“Whoever invents or discovers any new and useful process, machine,
15 manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a
16 patent therefor, subject to the conditions and requirements of this title.”); see also MPEP § 2106.

17 A summary of the four categories of invention, as they have been defined by the courts, are:

- 18 i. Process – an act, or a series of acts or steps. See *Gottschalk v. Benson*, 409 U.S.
19 63, 70, (1972) (“A process is a mode of treatment of certain materials to produce a
20 given result. It is an act, or a series of acts, performed upon the subject-matter to
21 be transformed and reduced to a different state or thing.” (quoting *Cochrane v.*
22 *Deener*, 94 U.S. 780, 788 (1876)); *NTP, Inc. v. Research in Motion, Ltd.*, 418 F.3d
23 1282, 1316 (Fed. Cir. 2005) (“A process is a series of acts.” (quoting *Minton v.*
24 *Natl. Ass’n. of Securities Dealers*, 336 F.3d 1373 (Fed. Cir. 2003))).
25 See also 35 U.S.C. 100(b); *Bilski v. Kappos*, 130 S. Ct. 3218 (2010).
- 26 ii. Machine – a concrete thing, consisting of parts, or of certain devices and
27 combination of devices. *Burr v. Duryee*, 68 U.S. (1 Wall.) 531 (1863). This
28 includes every mechanical device or combination of mechanical powers and
devices to perform some function and produce a certain effect or result. *Corning v.*
Burden, 56 U.S. 252, 267, 14 L. Ed. 683 (1854).
- iii. Manufacture – an article produced from raw or prepared materials by giving to
these materials new forms, qualities, properties, or combinations, whether by
handlabor or by machinery. *Diamond v. Chakrabarty*, 447 U.S. 303, 308 (1980)
(quoting *Am. Fruit Growers, Inc. v. Brogdex Co.*, 283 U.S. 1, 11 (1931)).
- iv. Composition of matter – all compositions of two or more substances and all
composite articles, whether they be the results of chemical union, or of mechanical
mixture, or whether they be gases, fluids, powders or solids, for example.
Chakrabarty, 447 U.S. at 308.

⁴ See 35 U.S.C. § 271.

1 The interplay of those two sections is at issue in Apple’s motion. Liability “for inducement
2 must be predicated on direct infringement.”⁵ “A method patent claims a number of steps; under
3 [the Supreme Court’s] case law, the patent is not infringed unless all the steps are carried out.”⁶ A
4 “method’s steps have not all been performed as claimed by the patent unless they are all
5 attributable to the same defendant, either because the defendant actually performed those steps or
6 because he directed or controlled others who performed them.”⁷ Apple thus cannot be liable for
7 inducement if “performance of all the claimed steps cannot be attributed to a single” actor.⁸

9 II. DISCUSSION

10 Apple urges summary judgment of non-infringement of the ’473 patent as to method claims
11 1-2, 8-14, 21 and 23-24 is warranted because Emblaze’s induced infringement theory attributes
12 performance of the various steps of the method claims to multiple entities. Emblaze concedes that
13 dependent “claims 2 and 8-14, require multiple parties, e.g., a content provider and someone
14 operating a client computer (i.e., an iPhone, iPads etc.), and therefore Emblaze agrees to withdraw
15 those claims from this case in view of *Akamai*.”⁹ While Emblaze’s offer is appreciated, in light of
16 its concession that it has insufficient proof, the appropriate outcome regarding those claims is not
17 withdrawal, but summary judgment in favor of Apple.
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20 ⁵ *Akamai*, 134 S. Ct. 2111, 2117 (explaining that “inducement liability may arise ‘if, but only if,
21 [there is] . . . direct infringement”’) (quoting *Aro Mfg. Co. v. Convertible Top Replacement Co.*,
22 365 U.S. 336, 341 (1961)); *id.* (Where “there has been no direct infringement, there can be no
23 inducement of infringement under § 271(b).”).

24 ⁶ *Akamai*, 134 S. Ct. 2111, 2117 (citing *Aro*, *supra*, at 344, 81 S.Ct. 599 (a “patent covers only the
25 totality of the elements in the claim and . . . no element, separately viewed, is within the grant”)).

26 ⁷ *Id.* (citing *Muniauction, Inc. v. Thomson Corp.*, 532 F.3d 1318, 1329-30 (Fed. Cir. 2008) (“In this
27 case, Thomson neither performed every step of the claimed methods nor had another party perform
28 steps on its behalf, and Muniauction has identified no legal theory under which Thomson might be
vicariously liable for the actions of the bidders. Therefore, Thomson does not infringe the asserted
claims as a matter of law.”)

⁸ *Id.* at 1218.

⁹ Docket No. 500 at 2.

1 What Emblaze does dispute is Apple’s suggestion that performance of the steps of method
2 claims 1, 21, 23 and 24 has only been attributed to more than a single actor. According to
3 Emblaze, its expert Vijay Madiseti tendered an analysis supporting infringement by the content
4 providers acting alone. Because Madiseti’s solo theory survives *Akamai*, Emblaze says, summary
5 judgment as to claims 1, 21, 23 and 24 is not warranted.

6 While the bulk of Madiseti’s analysis focuses on a multiple actor theory now discredited
7 by *Akamai*, there is language in Madiseti’s report that MLB Advanced Media, on its own,
8 practices all of the limitations at issue in claim 1 – and unchallenged dependent claims 21, 23 and
9 24. The key language from the report, paragraph 97, reads:

10 97. In my opinion and for the reasons discussed below, Apple has infringed Claim 1 of the
11 ‘473 Patent by inducing MLB Advanced Media LP (“MLB Advanced Media”) to carry out
12 the steps in claim 1. More particularly, Apple induced third parties such as MLB Advanced
13 Media to practice Apple’s HLS protocol in an app entitled “MLB.com AT BAT”
14 (hereinafter “MLB AT BAT”) that utilizes HLS. Apple encourages third parties (such as
15 MLB Advanced Media) to practice all of the limitations of this and each of the Asserted
16 Claims by distributing literature, such as the Apple Overview and the IETF Specification,
17 which explains how to implement Apple’s HLS, by selling Apple client devices that can
18 play multimedia live streamed using Apple’s HLS protocol, and by encouraging app
19 developers to develop apps for Apple client devices that facilitate the live streaming of
20 multimedia to Apple client devices.

21 This language, while hardly a model of conviction or clarity, is enough to avoid summary
22 judgment. Madiseti’s approach is bolstered by his deposition testimony in which he offered “two
23 parallel analyses of the claim.”¹⁰ The reason is this: the court cannot say that no reasonable jury
24 would credit Madiseti’s pleading in the alternative analysis. Perhaps this hedging will expose
25 Madiseti in cross examination. But that is Emblaze’s problem, not Apple’s. In any event, Apple
26 can examine his theories and the jury can assess whether they credit his opinion.

27 ¹⁰ See Madiseti Depo Tr. at 338-40.

28 Q. So is it your position that at least some of the Claim 1 elements for MLB are performed
by *Akamai*? A. No. It’s an opinion that I offer two parallel analyses of the claim. In the
first, MLB by itself satisfies and carries out the limitations of the transmitting computer. In
the second independent analysis, MLB, combined with an *Akamai* server that provides
these files to *Akamai*’s edge servers, is also satisfying the steps required to be performed by
the transmitting computer.

1 Because Madisetti's analysis of other streams relies on his analysis of the MLB At Bat
2 stream they, too, remain plausible even in light of *Akamai*.¹¹ Madisetti's seemingly inconsistent
3 deposition testimony with regard to these other accused live streams – that the combined actions of
4 multiple parties, rather than any one party acting alone, practice the asserted method claims – also
5 might make for an uncomfortable cross.¹² But in light of the report language and other deposition
6 testimony discussed above, summary judgment on this aspect of Emblaze's claim is not warranted.

7 **IT IS SO ORDERED.**

8 Dated: June 18, 2014

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11 PAUL S. GREWAL
12 United States Magistrate Judge
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15 ¹¹ See Docket No 469-3, Ex. B at 96.

16 In view of the foregoing, and for reasons already explained above in connection with
17 my analysis of MLB AT BAT, it is my opinion that Apple induces the direct infringement
18 by third parties of each of the Asserted Claims of the '473 patent that occurs when client
19 devices access live football games using NFL Live.

20 See also *id.* at 101 (same for the accused iTunes Festival stream), 106 (same for the accused
21 PGA stream), 111 (same for the accused Apple Keynote stream), 115 (same for the accused
22 ABC News stream), 116 (same for the accused ESPN stream).

23 ¹² See Docket No. 469-4, Ex. C at 412:1-10

24 [Q.] What particular third parties are you referring to that Apple induces in connection with
25 the NFL Live stream? A. You mean the identities of the third parties? Q. Yes. A. Based
26 on my technical analysis and my review of the deposition testimony, I would say it is NFL
27 and whoever is their content provider, which -- which may be nuelion.com.

28 *Id.* at 418:6-11

[Q.] Who are the third parties who, in your opinion, are induced with respect to the PGA
app? A. In my opinion, it would be -- it would be PGA through CBS, or CBS through
PGA. And at least Akamai.

Id. at 420:10-18

[Q.] What are -- who are the third parties that you believe are induced in connection with
the ABC news live stream? A. Based on my technical analysis and review of the
depositions for the ABC live stream, it's my opinion that ABC and Akamai would be the
third parties that were induced to infringe the asserted claims of the '473 patent.