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LTD., SAMSUNG ELECTRONICS AMERICA,

15 INC. and SAMSUNG

TELECOMMUNICATIONS AMERICA, LLC

16

17 UNITED STATES DISTRICT COURT

18 NORTHERN DISTRICT OF CALIFORNIA, SAN JOSE DIVISION

19 APPLE INC., a California corporation,

20 Plaintiff and Counter-

21 Defendant,

22 vs.

23 SAMSUNG ELECTRONICS CO., LTD., a

Korean business entity; SAMSUNG

24 ELECTRONICS AMERICA, INC., a New

York corporation; SAMSUNG

25 TELECOMMUNICATIONS AMERICA,

LLC, a Delaware limited liability company,

26 Defendant and

27 Counterclaimant.

28

CASE NO. 11-cv-01846-LHK (PSG)

**SAMSUNG'S PROPOSED DISPUTED
JURY INSTRUCTIONS AT THE CLOSE
OF EVIDENCE, IN ORDER**

TABLE OF CONTENTS

	<u>Page</u>
1	
2	
3	INSTRUCTION NO. 12—BURDEN OF PROOF--GENERALLY 2
4	INSTRUCTION NO. 12.1—BURDEN OF PROOF— CLEAR AND CONVINCING EVIDENCE..... 3
5	INSTRUCTION NO. 13—TWO OR MORE PARTIES— DIFFERENT LEGAL RIGHTS 4
6	INSTRUCTION NO. 14—CHARTS AND SUMMARIES 5
7	INSTRUCTION NO. 14.1—CHARTS AND SUMMARIES IN EVIDENCE 6
8	INSTRUCTION NO. 15—RETURN OF VERDICT 7
9	INSTRUCTION NO. 16—SUMMARY OF CONTENTIONS..... 8
10	INSTRUCTION NO. 16.1—SUMMARY OF CONTENTIONS..... 14
11	INSTRUCTION NO. 16.2—SUMMARY OF UTILITY PATENT CONTENTIONS..... 15
12	INSTRUCTION NO. 17—UTILITY PATENTS—INTERPRETATION OF CLAIMS 18
13	INSTRUCTION NO. 18—UTILITY PATENTS—INFRINGEMENT GENERALLY 20
14	INSTRUCTION NO. 19—UTILITY PATENTS—DIRECT INFRINGEMENT 21
15	INSTRUCTION NO. 20—UTILITY PATENTS—LITERAL INFRINGEMENT..... 22
16	INSTRUCTION NO. 21—UTILITY PATENT INFRINGEMENT UNDER THE DOCTRINE OF EQUIVALENTS 23
17	
18	INSTRUCTION NO. 58.1—INDUCING PATENT INFRINGEMENT 25
19	INSTRUCTION NO. 23—UTILITY PATENTS—INVALIDITY—BURDEN OF PROOF 26
20	INSTRUCTION NO. 25—UTILITY PATENTS—ANTICIPATION/STATUTORY BARS..... 27
21	INSTRUCTION NO. 25.1—UTILITY PATENT ANTICIPATION (STATUTORY BAR) 29
22	INSTRUCTION NO. 26—UTILITY PATENTS—OBVIOUSNESS..... 30
23	INSTRUCTION NO. 28—EQUITABLE DEFENSES – WAIVER 32
24	INSTRUCTION NO. 29—EQUITABLE DEFENSES – EQUITABLE ESTOPPEL 33
25	INSTRUCTION NO. 27—PATENT EXHAUSTION 34
26	INSTRUCTION NO. 82.1—REQUIREMENTS OF THE ETSI IPR POLICY— AVAILABILITY OF LICENSES..... 35
27	
28	INSTRUCTION NO. 16.3—SUMMARY OF DESIGN PATENT ISSUES 36

1 INSTRUCTION NO. 42 (First Samsung Proposed Instruction) DESIGN PATENTS—
INTERPRETATION OF PATENT CLAIMS 37

2

3 INSTRUCTION NO. 42 (Second Samsung Proposed Instruction)—DESIGN PATENTS—
INTERPRETATION OF PATENT CLAIMS 38

4 INSTRUCTION NO. 44.5—DESIGN PATENT PROSECUTION HISTORY ESTOPPEL 39

5 INSTRUCTION NO. 44—DESIGN PATENTS—DIRECT INFRINGEMENT 40

6 INSTRUCTION NO. 44.1— DESIGN PATENT DIRECT INFRINGEMENT –
LIABILITY MUST BE PROVED FOR EACH ENTITY SEPARATELY 41

7

8 INSTRUCTION NO. 44.2—DESIGN PATENT DIRECT INFRINGEMENT—
“ORDINARY OBSERVER TEST” 42

9 INSTRUCTION NO. 44.3—DESIGN PATENT DIRECT INFRINGEMENT—
COMPARISONS 44

10

11 INSTRUCTION NO. 44.4—DESIGN PATENT DIRECT INFRINGEMENT—
ORNAMENTAL VERSUS FUNCTIONAL FEATURES 45

12 INSTRUCTION NO. 58.2—INDUCING DESIGN PATENT INFRINGEMENT 46

13 INSTRUCTION NO. 45—DESIGN PATENTS—INVALIDITY BURDEN OF PROOF 47

14 INSTRUCTION NO. 46—DESIGN PATENTS—ANTICIPATION/STATUTORY BARS 48

15 INSTRUCTION NO. 46.1—ANTICIPATION – A SINGLE REFERENCE OR A SINGLE
PRODUCT 49

16

17 INSTRUCTION NO. 46.2—DESIGN PATENT ANTICIPATION – PUBLIC USE AND
PUBLIC DISPLAY 50

18 INSTRUCTION NO. 46.3—ANTICIPATION – DATE OF INVENTION 51

19 INSTRUCTION NO. 47.1—DESIGN PATENT OBVIOUSNESS 52

20 INSTRUCTION NO. 47.2—DESIGN PATENT OBVIOUSNESS – PRIMARY AND
SECONDARY REFERENCES 53

21

22 INSTRUCTION NO. 47.3—DESIGNER OF ORDINARY SKILL IN THE ART 54

23 INSTRUCTION NO. 47.4—DESIGN PATENT OBVIOUSNESS – SECONDARY
FACTORS INDICATING NONOBVIOUSNESS 55

24 INSTRUCTION NO. 49— DESIGN PATENT -- DRAWINGS 56

25 INSTRUCTION NO. 50— DESIGN PATENT INVALIDITY – INDEFINITENESS 57

26 INSTRUCTION NO. 51—DESIGN PATENT INVALIDITY – DOUBLE PATENTING 58

27 INSTRUCTION NO. 48— DESIGN PATENTS—INVALIDITY—LACK OF
ORNAMENTALITY 59

28

1	INSTRUCTION NOs. 30/52—PATENT DAMAGES—GENERALLY.....	60
2	INSTRUCTION NO. 31/53—PATENT DAMAGES — LOST PROFITS —	
3	GENERALLY.....	61
4	INSTRUCTION NO. 32/53.1—PATENT DAMAGES — LOST PROFITS — FACTORS	
5	TO CONSIDER.....	62
6	INSTRUCTION NO. 53.2 LOST PROFITS – MARKET SHARE	63
7	INSTRUCTION NO. 53.3—DAMAGES – AMOUNT OF LOST PROFITS	64
8	INSTRUCTION NO. 55 (First Samsung Proposed Instruction)—PATENT DAMAGES—	
9	REASONABLE ROYALTY—ENTITLEMENT—DEFINITION—RELEVANT	
10	FACTORS	65
11	INSTRUCTION NO. 55 (Second Samsung Proposed Instruction)—PATENT	
12	DAMAGES—REASONABLE ROYALTY—ENTITLEMENT—DEFINITION—	
13	RELEVANT FACTORS.....	66
14	INSTRUCTION NO. 55.1—REASONABLE ROYALTY – RELEVANT FACTORS.....	67
15	INSTRUCTION NO. 54—ADDITIONAL REMEDY FOR DESIGN PATENT	
16	INFRINGEMENT – DEFENDANT’S PROFIT.....	69
17	INSTRUCTION NO. 56—PATENT DAMAGES—DATE OF COMMENCEMENT—	
18	PRODUCTS	70
19	INSTRUCTION NO. 40—CALCULATING DAMAGES IN CASES OF INDUCEMENT	71
20	INSTRUCTION NO. 59—DESIGN AND UTILITY PATENTS—WILLFUL PATENT	
21	INFRINGEMENT	72
22	INSTRUCTION NO. 82—BREACH OF CONTRACT – OBLIGATION TO LICENSE	
23	PATENTS ON FRAND TERMS.....	73
24	INSTRUCTION NO. 83—BREACH OF CONTRACT – OBLIGATION TO TIMELY	
25	DISCLOSE INTELLECTUAL PROPERTY RIGHTS (“IPR”).....	74
26	INSTRUCTION NO. 84—MONOPOLIZATION – ELEMENTS.....	75
27	INSTRUCTION NO. 84.1—MONOPOLIZATION – MONOPOLY POWER	
28	GENERALLY.....	76
	INSTRUCTION NO. 85—MONOPOLIZATION – RELEVANT MARKET.....	77
	INSTRUCTION NO. 85.1—MONOPOLIZATION RELEVANT TECHNOLOGY--	
	MARKET	78
	INSTRUCTION NO. 85.2—MONOPOLIZATION RELEVANT GEOGRAPHIC	
	MARKET--MARKET	79
	INSTRUCTION NO. 86—MONOPOLIZATION EXISTENCE OF MONOPOLY	
	POWER—INDIRECT PROOF	80

1	INSTRUCTION NO. 86.1—MONOPOLIZATION—EXISTENCE OF MONOPOLY POWER—DIRECT PROOF.....	82
2		
3	INSTRUCTION NO. 87—MONOPOLIZATION — WILLFUL ACQUISITION OF MONOPOLY POWER THROUGH ANTICOMPETITIVE ACTS	83
4	INSTRUCTION NO. 88—MONOPOLIZATION — ANTICOMPETITIVE BEHAVIOR IN STANDARD-SETTING.....	85
5		
6	INSTRUCTION NO. 89—MONOPOLIZATION — SAMSUNG’S INTENT.....	86
7	INSTRUCTION NO. 91—MONOPOLIZATION — INJURY AND DAMAGES.....	87
8	INSTRUCTION NO. 70—TRADE DRESS.....	88
9	INSTRUCTION NO. 71—DEFINITION—TRADE DRESS	89
10	INSTRUCTION NO. 72—TRADE DRESS LIABILITY—THEORIES AND POLICIES	90
11	INSTRUCTION NO. 73—TRADE DRESS—NO LIABILITY FOR COPYING.....	91
12	INSTRUCTION NO. 67—TRADE DRESS INFRINGEMENT—ELEMENTS AND BURDEN OF PROOF (15 U.S.C. § 1125(a)(1)).....	92
13	INSTRUCTION NO. 62—TRADE DRESS PROTECTABILITY—NON- FUNCTIONALITY.....	93
14	INSTRUCTION NO. 61—TRADE DRESS PROTECTABILITY—DISTINCTIVENESS	94
15	INSTRUCTION NO. 61.1—SECONDARY MEANING—ADVERTISING	95
16	INSTRUCTION NO. 61.2—SECONDARY MEANING—SALES SUCCESS.....	96
17	INSTRUCTION NO. 61.3—SECONDARY MEANING—EXCLUSIVITY OF USE	97
18	INSTRUCTION NO. 61.4—SECONDARY MEANING—COPYING	98
19	INSTRUCTION NO. 61.5—SECONDARY MEANING—ACTUAL CONFUSION	99
20	INSTRUCTION NO. 61.6—SECONDARY MEANING—TIMING.....	100
21	INSTRUCTION NO. 68—INFRINGEMENT—LIKELIHOOD OF CONFUSION	101
22	INSTRUCTION NO. 69—TRADE DRESS INFRINGEMENT—LIKELIHOOD OF CONFUSION—SLEEK CRAFT TEST (15 U.S.C. §§ 1114(1), 1125(a)).....	102
23		
24	INSTRUCTION NO. 69.1—LIKELIHOOD OF CONFUSION FACTORS—STRENGTH OF TRADE DRESS	104
25	INSTRUCTION NO. 69.2—LIKELIHOOD OF CONFUSION FACTORS— SIMILARITY OF TRADE DRESS	105
26		
27	INSTRUCTION NO. 69.3—LIKELIHOOD OF CONFUSION FACTORS—INTENT.....	106
28		

1	INSTRUCTION NO. 69.4—LIKELIHOOD OF CONFUSION FACTORS— ADVERTISING	107
2		
3	INSTRUCTION NO. 63—TRADE DRESS DILUTION—ELEMENTS AND BURDEN OF PROOF	108
4	INSTRUCTION NO. 63.1—TRADE DRESS DILUTION—ELEMENTS.....	109
5	INSTRUCTION NO. 64—TRADE DRESS DILUTION ELEMENT—FAME.....	110
6	INSTRUCTION NO. 64.1—TRADE DRESS DILUTION—FAME—SURVEY EVIDENCE.....	112
7		
8	INSTRUCTION NO. 65—TRADE DRESS DILUTION ELEMENT #3—USE OF ACCUSED TRADE DRESS IN COMMERCE AFTER APPLE TRADE DRESS BECAME FAMOUS.....	113
9		
10	INSTRUCTION NO. 66—TRADE DRESS DILUTION ELEMENT #4—DILUTION.....	114
11	INSTRUCTION NO. 81—DILUTION—TARNISHMENT.....	115
12	INSTRUCTION NO. 63.2—TRADE DRESS FUNCTIONALITY—DILUTION — BURDEN OF PROOF	116
13	INSTRUCTION NO. 74—TRADE DRESS DAMAGES IN GENERAL	117
14	INSTRUCTION NO. 75—TRADE DRESS DAMAGES—PLAINTIFF’S ACTUAL DAMAGES (15 U.S.C. § 1117(a))	118
15		
16	INSTRUCTION NO. 76—TRADE DRESS DAMAGES—DEFENDANT’S PROFITS (15 U.S.C. § 1117(A))	119
17	INSTRUCTION NO. 76.1—DAMAGES—TRADE DRESS INFRINGEMENT— APPORTIONMENT OF DEFENDANT’S PROFITS	120
18		
19	ALTERNATIVE INSTRUCTION NO. 77 -- TRADE DRESS DAMAGES – REASONABLE ROYALTY	121
20	INSTRUCTION NO. 78—TRADE DRESS DILUTION DAMAGES— WILLFULNESS REQUIRED FOR DILUTION DAMAGES	123
21		
22	INSTRUCTION NO. 79—MONETARY REMEDIES—TRADE DRESS DILUTION— ACTUAL NOTICE REQUIREMENT	124
23	INSTRUCTION NO. 80—TRADE DRESS DAMAGES—NO DOUBLE-COUNTING.....	125
24	INSTRUCTION NO. 78.1—MONETARY REMEDIES—ONLY ONE RECOVERY PER ACCUSED PRODUCT.....	126
25		
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SAMSUNG’S PROPOSED POST EVIDENCE DISPUTED JURY INSTRUCTIONS

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INSTRUCTION NO. 12—BURDENS OF PROOF--GENERALLY

When a party has the burden of proof on any claim or affirmative defense by a preponderance of the evidence, it means you must be persuaded by the evidence that the claim or affirmative defense is more probably true than not true.

You should base your decision on all of the evidence, regardless of which party presented it.

Source

Ninth Circuit Model Civil Jury Instr. – 1.3 (2007 Ed.)

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INSTRUCTION NO. 12.1—BURDEN OF PROOF—

CLEAR AND CONVINCING EVIDENCE

When a party has the burden of proving any claim or defense by clear and convincing evidence, it means you must be persuaded by the evidence that the claim or defense is highly probable. This is a higher standard of proof than proof by a preponderance of the evidence.

You should base your decision on all of the evidence, regardless of which party presented it.

Source

Ninth Circuit Model Civil Jury Instr. – 1.4 (2007 Ed.)

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INSTRUCTION NO. 13—TWO OR MORE PARTIES—

DIFFERENT LEGAL RIGHTS

You should decide the case as to each party separately. Unless otherwise stated, the instructions apply to all parties.

Source

Ninth Circuit Model Civil Jury Instr. – 1.5 (2007 Ed.)

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INSTRUCTION NO. 14—CHARTS AND SUMMARIES

Certain charts and summaries not received in evidence have been shown to you in order to help explain the contents of books, records, documents, or other evidence in the case. They are not themselves evidence or proof of any facts. If they do not correctly reflect the facts or figures shown by the evidence in the case, you should disregard these charts and summaries and determine the facts from the underlying evidence.

Source

Ninth Circuit Model Civil Jury Instr. – 2.12 (2007 Ed.)

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INSTRUCTION NO. 14.1—CHARTS AND SUMMARIES IN EVIDENCE

Certain charts and summaries have been received into evidence to illustrate information brought out in the trial. Charts and summaries are only as good as the underlying evidence that supports them. You should, therefore, give them only such weight as you think the underlying evidence deserves.

Source

Ninth Circuit Model Civil Jury Instr. – 2.13 (2007 Ed.)

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INSTRUCTION NO. 15—RETURN OF VERDICT

A form of Special Verdict has been prepared for you. [Any explanation of the verdict form may be given at this time.] The answer to each question must be the unanimous answer of the jury. Your foreperson will write the unanimous answer of the jury in the space provided below each question. When you have finished the Special verdict form, your foreperson will sign and date it, and advise the court that you are ready to return to the courtroom.

Source

Ninth Circuit Model Civil Jury Instr. – 3.3 (2007 Ed.)

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- Mesmerize
- Nexus S
- Nexus S 4G
- Replenish
- Showcase Galaxy S
- Sidekick
- Vibrant
- Galaxy S II (pre-August 26, 2011 versions)

2. Whether the Web Browser application in the following Samsung products infringe Claim 8 of U.S. Patent No. 7,844,915:

- Galaxy Tab
- Galaxy Tab 10.1
- Acclaim
- Captivate
- Continuum
- Droid Charge
- Epic 4G
- Exhibit 4G
- Fascinate
- Galaxy Ace
- Galaxy Prevail
- Galaxy S (i9000)
- Galaxy S 4G
- Gem
- Gravity
- Indulge
- Infuse 4G
- Intercept
- Mesmerize
- Nexus S
- Nexus S 4G
- Replenish
- Showcase Galaxy S
- Sidekick
- Transform
- Vibrant
- Galaxy S II (pre-August 26, 2011 versions)

3. Whether the Web Browser application in the following Samsung products infringe Claim 50 of U.S. Patent No. 7,864,163:

- Galaxy Tab
- Galaxy Tab 10.1

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- Acclaim
- Captivate
- Continuum
- Droid Charge
- Epic 4G
- Exhibit 4G
- Fascinate
- Galaxy Ace
- Galaxy Prevail
- Galaxy S (i9000)
- Galaxy S 4G
- Gem
- Gravity
- Indulge
- Infuse 4G
- Intercept
- Mesmerize
- Nexus S
- Nexus S 4G
- Replenish
- Showcase Galaxy S
- Sidekick
- Transform
- Vibrant
- Galaxy S II (pre-August 26, 2011 versions)

4. Whether Samsung infringes:

a. U.S. Patent No. D618,677 by selling the following smartphone;

- Samsung Galaxy Ace (SHW-M240S);
- Samsung Infuse 4G (SGH-1997);
- Samsung Galaxy S i9000 (SHW-M1105);
- Samsung Galaxy Fascinate (SCH-I500) (a/k/a Galaxy Showcase and Galaxy Mesmerize);
- Samsung Galaxy S 4G (SGH-T959V) / Vibrant (SGH-T959).

b. U.S. Patent No. D593,087 by selling the following smartphones;

- Samsung Galaxy Ace (SHW-M240S);
- Samsung Infuse 4G (SGH-1997);
- Samsung Galaxy S i9000 (SHW-M1105);
- Samsung Galaxy Fascinate (SCH-I500) (a/k/a Galaxy Showcase and Galaxy Mesmerize);
- Samsung Galaxy S 4G (SGH-T959V) / Vibrant (SGH-T959)

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c. U.S. Patent No. D604,305 by selling the following smartphones;

- Captivate;
- Continuum;
- Droid Charge;
- Epic 4G;
- Fascinate;
- Gem;
- Galaxy S i9000;
- Galaxy S 4G;
- Indulge;
- Infuse 4G;
- Mesmerize;
- Showcase;
- Galaxy S Showcase i500;
- Vibrant.

d. U.S. Patent No. D504,889 by selling the following tablet computers:

- Galaxy Tab 10.1

e. Whether Apple's asserted patent claims are valid;

5. Whether Samsung has diluted the iPhone trade dress based on the trade dress Registration No. 3,470,983 by selling the following smartphones:

- Fascinate
- Galaxy S 4G
- Galaxy S Showcase (i500)
- Infuse 4G
- Mesmerize
- Vibrant

6. Whether Samsung has diluted the unregistered iPhone trade dress by selling the following smartphones:

- Fascinate
- Galaxy Prevail
- Galaxy S 4G
- Galaxy S Showcase (i500)
- Infuse 4G
- Mesmerize
- Vibrant

7. Whether Samsung has diluted the unregistered iPhone 3G trade dress by selling the following smartphones:

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- Fascinate
- Galaxy Prevail
- Galaxy S 4G
- Galaxy S Showcase (i500)
- Infuse 4G
- Mesmerize
- Vibrant

8. Whether Samsung has diluted or infringed the unregistered iPad trade dress by selling the following tablet computers:

- Galaxy Tab 10.1
- Galaxy Tab 10.1 LTE

9. Whether Samsung has diluted or infringed the unregistered iPad 2 trade dress by selling the following tablet computers:

- Galaxy Tab 10.1
- Galaxy Tab 10.1 LTE

10. Whether Apple's claims are barred by Samsung's defenses.

11. The remedies to which Apple is entitled, if any, as a result.

Samsung's Claims

1. Whether Apple infringes:

a. Claims 10 and 15 of U.S. Patent No. 7,675,941 by selling the following smartphone and tablet computer;

- iPhone 4
- iPad2 3G

b. Claims 17 and 18 of U.S. Patent No. 6,928,604 by selling the following smartphones and tablet computers;

- iPhone 3G
- iPhone 3GS
- iPhone 4
- iPad 3G
- iPad2 3G

c. Claims 15 and 16 of U.S. Patent No. 7,447,516 by selling the following smartphone and tablet computer;

- iPhone 4

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- iPad2 3G

d. Claim 9 of U.S. Patent No. 7,698,711 by selling the following;

- iPhone 3G
- iPhone 3GS
- iPhone 4
- iPhone 4S
- iPad 2
- iPod Touch (4th Generation)

e. Claim 1 of U.S. Patent No. 7,577,460 by selling the following; or

- iPhone 3G
- iPhone 3GS
- iPhone 4
- iPhone 4S
- iPad 2
- iPod Touch (4th Generation)

f. Claim 10 of U.S. Patent No. 7,456,893 by selling the following.

- iPhone 3GS
- iPhone 4
- iPhone 4S
- iPad 2
- iPod Touch (4th Generation)

2. Whether Samsung's asserted patent claims are valid;
3. Whether Samsung's asserted patent claims are enforceable;
4. Whether Samsung's claims are barred by Apple's defenses;
5. Whether Samsung has engaged in breach of contract or violated antitrust or unfair competition law in connection with its standards-related conduct or its assertion of patents that it has declared essential to industry standards; and
6. The remedies to which Samsung is entitled, if any, as a result.

Source

N.D. Cal. Model Patent Jury Instr. A.3

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PATENTS

INSTRUCTION NO. 16.1—SUMMARY OF CONTENTIONS

I will now give you a summary of each side’s contentions in this case with respect to design and utility patent infringement. I will then tell you what each must prove to win on each of its contentions.

Your job is to decide whether the asserted claims of the design or utility patents have been infringed and whether any of the asserted claims are invalid. If you decide that any claim of the asserted patents have been infringed and is not invalid, you will then need to decide any monetary damages to be awarded to either Apple or the Samsung to compensate for the infringement.

Source

Adapted from N.D. Cal. Model Instructions, B.1.

1 **UTILITY PATENT SPECIFIC INSTRUCTIONS**

2 **INSTRUCTION NO. 16.2—SUMMARY OF UTILITY PATENT CONTENTIONS**

3 I will now give you a summary of the positions of the parties with respect to utility patent
4 infringement.

5 Apple alleges that the following devices infringe the '381, '915 and '163 utility patents:

<u>Utility Patent(s)</u>	<u>Device(s) Accused of Infringing</u>
'381	Gallery, Contacts, Web Browser or ThinkFree Office applications in the Galaxy Tab, Galaxy Tab 10.1, Captivate, Continuum, Droid Charge, Epic 4G, Exhibit 4G, Fascinate, Galaxy Ace, Galaxy Prevail, Galaxy S (i9000), Galaxy S 4G, Gravity, Indulge, Infuse 4G, Intercept, Mesmerize, Nexus S, Nexus S 4G, Replenish, Showcase Galaxy S, Sidekick, Vibrant, Galaxy S II (pre-August 26, 2011 versions)
'915	Web Browser application in the Galaxy Tab, Galaxy Tab 10.1, Acclaim, Captivate, Continuum, Droid Charge, Epic 4G, Exhibit 4G, Fascinate, Galaxy Ace, Galaxy Prevail, Galaxy S (i9000), Galaxy S 4G, Gem, Gravity, Indulge, Infuse 4G, Intercept, Mesmerize, Nexus S, Nexus S 4G, Replenish, Showcase Galaxy S, Sidekick, Transform, Vibrant, Galaxy S II (pre-August 26, 2011 versions)
'163	Web Browser application in the Galaxy Tab, Galaxy Tab 10.1, Captivate, Continuum, Droid Charge, Epic 4G, Exhibit 4G, Fascinate, Galaxy Ace, Galaxy Prevail, Galaxy S (i9000), Galaxy S 4G, Gem, Gravity, Indulge, Infuse 4G, Intercept, Mesmerize, Nexus S, Nexus S 4G, Replenish, Showcase Galaxy S, Sidekick, Transform, Vibrant, Galaxy S II (pre-August 26, 2011 versions)

19
20 Each of the Samsung entities deny that any of these devices infringe any Apple patent. Apple
21 bears the burden of proving by a preponderance of the evidence its allegations that each device
22 infringes each separate patent. Therefore, you the jury must determine infringement for each
patent separately, considering each individual device separately. You must not consider the
patents or devices in groups to determine infringement on that basis.

23 In addition, each of the Samsung entities argue that the asserted claims of the Apple patents are
24 invalid. To prove invalidity of any utility patent claim, the alleged infringer must persuade you by
25 clear and convincing evidence that the claim is invalid.
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1 Samsung alleges that the following devices infringe the '941, '604, '516, '711, '460 and '893
2 utility patents:

<u>Utility Patent(s)</u>	<u>Device(s) Accused of Infringing</u>
'941	iPhone 4, iPad 2 3G
'604	iPhone 3G, iPhone 3GS, iPhone 4, iPad 3G, iPad 2 3G
'516	iPhone 4, iPad 2 3G
'711	iPhone 3G, iPhone 3GS, iPhone 4, iPhone 4S, and iPod Touch (4th Generation)
'460	iPhone 3G, iPhone 3GS, iPhone 4, iPhone 4S, iPad 2, and iPod Touch (4th Generation)
'893	iPhone 3GS, iPhone 4, iPhone 4S, iPad 2, and iPod Touch (4th Generation)

11
12 Apple denies that any of these devices infringe any Samsung patent and argues that, in addition,
13 the asserted claims of the Samsung patents are invalid. Samsung bears the burden of proving by a
14 preponderance of the evidence its allegations that each device infringes each separate patent.
Therefore, you the jury must determine infringement for each patent separately, considering each
individual device separately. You must not consider the patents or devices in groups to determine
infringement on that basis.

15 In addition, Apple argues that the asserted claims of the Samsung patents are invalid. To prove
16 invalidity of any utility patent claim, the alleged infringer must persuade you by clear and
convincing evidence that the claim is invalid.

17 Your job will be to decide whether any of the asserted claims of each patent have been infringed
18 and whether those claims are invalid. If you decide that any of the asserted claims has been
19 infringed and is not invalid, you will then need to decide any money damages to be awarded to
20 compensate for infringement. You will also need to make a finding as to whether the infringement
was willful. If you decide that any infringement was willful, that decision should not affect any
damage award you give. I will take willfulness into account later.

21 Source

22 N.D. Cal. Model Patent Jury Instr. A.3, B.1; AIPLA Model Patent Jury Instructions, 3.0;
23 35 U.S.C. § 271; 35 U.S.C. 289; *Goodyear Tire & Rubber Co. v. Hercules Tire & Rubber Co.*,
162 F.3d 1113, 1116–17 (Fed. Cir. 1998); *L.A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d
24 1117, 1124 (Fed. Cir. 1993); *Seal-Flex, Inc. v. Athletic Track & Court Constr.*, 172 F.3d 836, 842
(Fed. Cir. 1999); *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1454 (Fed. Cir.1998)
(*en banc*); *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 976 (Fed. Cir. 1995) (*en banc*),
25 *aff'd*, 517 U.S. 370, 374, 116 S.Ct. 1384, 1388, 134 L. Ed. 2d 577 (1996); *Sun Hill Indus., Inc. v.*
Easter Unlimited, Inc., 48 F.3d 1193, 1196 (Fed. Cir. 1995); *Payless Shoesource, Inc. v. Reebook*
26 *Int'l Ltd.*, 998 F.2d 985, 990 (Fed. Cir. 1993); *but see, L.A. Gear, Inc. v. Thom McAn Shoe Co.*,
988 F.2d 1117, 1125-26 (Fed. Cir. 1993) (“When the patented design and the design of the article
27 sold by the patentee are substantially the same, it is not error to compare the patentee’s and the
accused articles directly, indeed, such comparison may facilitate application of Gorham criterion
28 of whether an ordinary purchaser would be deceived into thinking that one were the other.”);

1 *Braun, Inc. v. Dynamics Corp. of America*, 975 F.2d 815, 820 n.8 (Fed. Cir. 1992); *Lee v.*
2 *Dayton-Hudson Corp.*, 838 F.2d 1186, 1189 (Fed. Cir. 1988).

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1 384-391 (1996); *Phillips v. AWH Corp.*, 415 F.3d 1303, 1324 (Fed. Cir. 2005); *Pitney Bowes, Inc.*
2 *v. Hewlett-Packard Co.*, 182 F.3d 1298, 1304-13 (Fed. Cir. 1999); *Cybor Corp. v. FAS Techs.*,
3 138 F.3d 1448 (Fed. Cir. 1998) (*en banc*); *Markman v. Westview Instruments, Inc.*, 52 F.3d 967,
977 (Fed. Cir. 1995) (*en banc*); Order Construing Disputed Claim Terms of U.S. Patent Nos.
7,698,711; 6,493,002; 7,469,381; 7,663,607; 7,812,828; 7,844,915; and 7,853,891 (Dkt. 849).

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INSTRUCTION NO. 18—UTILITY PATENTS—INFRINGEMENT GENERALLY

I will now instruct you on the rules you must follow in deciding whether each party has proven that the other party has infringed one or more of the asserted claims of its utility patents.

To prove infringement of any of Apple’s claims, Apple must persuade you by a preponderance of the evidence that Samsung has infringed that claim. Each Samsung entity must be considered separately when determining infringement. To prove induced infringement of any of Apple’s claims, Apple must persuade you both that someone else directly infringed that claim, and that Samsung induced that infringement, by a preponderance of the evidence.

Likewise, to prove infringement of any of Samsung’s claims, Samsung must persuade you by a preponderance of evidence that Apple has infringed that claim. To prove induced infringement of any of Samsung’s claims, Samsung must persuade you both that someone else directly infringed that claim, and that Apple induced that infringement, by a preponderance of the evidence.

I will explain the concepts of direct infringement and inducing infringement in a moment.

Source

N.D. Cal. Model Patent Jury Instr. B.3.1; *Warner-Lambert Co. v. Teva Pharm. USA, Inc.*, 418 F.3d 1326, 1341 n.15 (Fed. Cir. 2005); *Seal-Flex, Inc. v. Athletic Track and Court Constr.*, 172 F.3d 836, 842 (Fed. Cir. 1999); *Morton Int’l, Inc. v. Cardinal Chem. Co.*, 5 F.3d 1464, 1468-69 (Fed. Cir. 1993).

1 **INSTRUCTION NO. 19—UTILITY PATENTS—DIRECT INFRINGEMENT**

2 A utility patent’s claims define what is covered by the patent. A product directly infringes a utility
3 patent if it is covered by at least one claim of the patent.

4 Deciding whether a claim has been directly infringed is a two-step process. The first step is to
5 decide the meaning of the utility patent claim. I have already made this decision for some of the
6 patent claims, and I have already instructed you as to the meaning of some of those claims. The
7 second step is to decide whether the accused party has made, used, sold, offered for sale, or
8 imported into the United States a product covered by a claim of the utility patent. If so, it
9 infringes. You, the jury, make this decision.

10 With one exception, you must consider each of the asserted claims of the patent individually, and
11 decide whether the accused party’s product infringes that claim. The one exception to considering
12 claims individually concerns dependent claims. A dependent claim includes all of the
13 requirements of a particular independent claim, plus additional requirements of its own. As a
14 result, if you find that an independent claim is not infringed, you must also find that its dependent
15 claims are not infringed. On the other hand, if you find that an independent claim has been
16 infringed, you must still separately decide whether the additional requirements of its dependent
17 claims have also been infringed.

18 With regards to Samsung’s utility patents, you will hear evidence about Samsung’s commercial
19 products and Apple’s accused products. Likewise, with regards to Apple’s utility patents, you will
20 hear evidence about Apple’s commercial products and Samsung’s accused products. However, in
21 deciding the issue of infringement you may not compare one party’s accused products to the other
22 party’s commercial products. Rather, you must compare the accused product to the claims of the
23 patent when making your decision regarding infringement.

24 You must consider separately whether each of Samsung’s accused devices infringe each disputed
25 claim of Apple’s patents. Samsung’s devices infringe a patent if every element in one of the
26 patent’s claims is found in Samsung’s device.

27 You must also consider separately whether each of Apple’s accused devices infringe each disputed
28 claim of Samsung’s patents. Apple’s devices infringe a patent if every element in one of the
29 patent’s claims is found in Apple’s device.

30 Whether or not the accused party knew its product infringed or even knew of the patent does not
31 matter in determining direct infringement.

32 There are two ways in which a patent claim may be directly infringed. A claim may be “literally”
33 infringed, or it may be infringed under the “doctrine of equivalents.” The following instructions
34 will provide more detail on these two types of direct infringement.

35 **Source**

36 N.D. Cal. Model Patent Jury Instr. B.3.2; 35 U.S.C. § 271; *Warner-Jenkinson Co., Inc. v. Hilton*
37 *Davis Chem. Co.*, 520 U.S. 17 (1997); *Cross Med. Prods., Inc. v. Medtronic Sofamor Danek, Inc.*,
38 424 F.3d 1293, 1310-11 (Fed. Cir. 2005); *DeMarini Sports, Inc. v. Worth, Inc.*, 239 F.3d 1314,
39 1330-34 (Fed. Cir. 2001); *Seal-Flex, Inc. v. Athletic Track and Court Constr.*, 172 F.3d 836, 842
40 (Fed. Cir. 1999); *Carroll Touch, Inc. v. Electro Mech. Sys., Inc.*, 15 F.3d 1573, 1576 (Fed. Cir.
41 1993); *In re Seagate Tech., LLC*, 497 F. 3d 1360, 1368 (Fed. Cir. 2007) (*en banc*) (“patent
42 infringement is a strict liability offense”).

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INSTRUCTION NO. 20—UTILITY PATENTS—LITERAL INFRINGEMENT

To decide whether a product literally infringes an asserted claim of a utility patent, you must compare that product with the patent claim and determine whether every requirement of the claim is included in that product. If so, the product literally infringes that claim. If, however, the product does not have every requirement in the patent claim, the product does not literally infringe that claim. You must decide literal infringement for each asserted claim separately.

If the patent claim uses the term “comprising,” that patent claim is to be understood as an open claim. The asserted claims for all of the patents in this dispute are to be understood as open claims. An open claim is infringed as long as every requirement in the claim is present in the accused product. The fact that the accused product also includes other parts will not avoid infringement, as long as it has every requirement in the patent claim.

Source

N.D. Cal. Model Patent Jury Instr. B.3.3; *MicroStrategy Inc. v. Business Objects, S.A.*, 429 F.3d 1344, 1352-53 (Fed. Cir. 2005); *Netword, LLC v. Centraal Corp.*, 242 F.3d 1347, 1353 (Fed. Cir. 2001); *Cole v. Kimberly-Clark Corp.*, 102 F.3d 524, 532 (Fed. Cir. 1996); *Ecolab, Inc. v. FMC Corp.*, 535 F.3d 1369 (Fed. Cir. 2009); *Cross Med. Prods. v. Medtronic Sofamor Danek*, 424 F.3d 1293 (Fed. Cir. 2005); *BMC Res., Inc. v. Paymentech, L.P.*, 498 F.3d 1373 (Fed. Cir. 2007).

1 **Source**

2 N.D. Cal. Model Patent Jury Instr. B.3.4; *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*,
3 535 U.S. 722 (2002); *Warner-Jenkinson Co., Inc. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997);
4 *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605, 609 (1950); *Abraxis Bioscience,*
5 *Inc. v. Mayne Pharma (USA) Inc.*, 467 F.3d 1370, 1379-82 (Fed. Cir. 2006); *Pfizer, Inc. v. Teva*
6 *Pharms., USA, Inc.*, 429 F.3d 1364, 1378 (Fed. Cir. 2005); *Johnston & Johnston Assoc. v. R.E.*
7 *Service Co.*, 285 F.3d 1046 (Fed. Cir. 2002) (*en banc*); *Multiform Desiccants, Inc. v. Medzam,*
8 *Ltd.*, 133 F.3d 1473, 1480 (Fed. Cir. 1998); *Dolly, Inc. v. Spalding & Evenflo Cos.*, 16 F.3d 394,
9 397 (Fed. Cir. 1994).

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INSTRUCTION NO. 58.1—INDUCING PATENT INFRINGEMENT

Apple argues that Samsung’s Korean parent, SEC, has actively induced its subsidiaries in the United States, STA and SEA, to infringe Apple’s utility patents. Samsung argues that Apple has actively induced third parties to infringe Samsung’s utility patents.

In order for there to be inducement of infringement by an alleged infringer, someone else must directly infringe a claim of the patent; if there is no direct infringement by anyone, there can be no induced infringement. In order to be liable for inducement of infringement, the alleged infringer must:

- 1. have intentionally taken action that actually induced direct infringement by another;
- 2. have been aware of the patent; and
- 3. have known that the acts it was causing would be infringing.

If the alleged infringer did not know of the existence of the patent or that the acts it was inducing were infringing, it cannot be liable for inducement unless it actually believed that it was highly probable its actions would encourage infringement of a patent and it took intentional acts to avoid learning the truth. It is not enough that the accused infringer was merely indifferent to the possibility that it might encourage infringement of a patent. Nor is it enough that the accused infringer took a risk that was substantial and unjustified.

If you find that the alleged infringer was aware of the patent, but believed that the acts it encouraged did not infringe that patent, or that the patent was invalid, the alleged infringer cannot be liable for inducement.

Source

N.D. Cal. Model Patent Jury Instr. B.3.9; 35 U.S.C. § 271(b); *Global-Tech Appliances, Inc. et. al. v. SEB S.A.*, 131 S. Ct. 2060, 2067 (2011); *DSU Med. Corp. v. JMS Co.*, 471 F.3d 1293, 1304-06 (Fed. Cir. 2006) (*en banc*) (quoting *Metro-Goldwyn-Mayer Studios Inc. v. Grokster, Ltd.*, 545 U.S. 913, 936 (2005)); *Global-Tech Appliances, Inc. v. SEB S.A.*, 131 S.Ct. 2060 (2011); *Broadcom Corp. v. Qualcomm, Inc.*, 543 F.3d 683 (Fed. Cir. 2008).

1 **INSTRUCTION NO. 23—UTILITY PATENTS—INVALIDITY—BURDEN OF PROOF**

2 I will now instruct you on the rules you must follow in deciding whether the alleged infringer has
3 proven that the asserted claims of the other party’s utility patents are invalid. Before discussing
4 the specific rules, I want to remind you about the standard of proof that applies to this defense. To
prove invalidity of any utility patent claim, the alleged infringer must persuade you by clear and
convincing evidence that the claim is invalid.

5 During this case, both Apple and Samsung have submitted evidence, including but not limited to,
6 prior art that was not considered by the United States Patent and Trademark Office (PTO) during
the prosecution of the patents at issue. Each contends that such prior art invalidates certain claims
7 of the other’s utility patents. In deciding the issue of invalidity, you may take into account the fact
that the prior art was not considered by the PTO when it issued the utility patent. Prior art that
8 differs from the prior art considered by the PTO may carry more weight than the prior art that was
considered and may make the alleged infringer’s burden of showing by clear and convincing
evidence that a utility patent claim is invalid easier to sustain.

9 **Source**

10 N.D. Cal. Model Patent Jury Instr. B.4.1; *Microsoft Corp. v. i4i Ltd. P’ship*, 131 S.Ct. 2238, 2242,
11 2251 (2011); *Buildex, Inc. v. Kason Indus., Inc.*, 849 F.2d 1461, 1463 (Fed. Cir. 1988); *Hybritech,*
12 *Inc. v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1375 (Fed. Cir. 1986).

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1 1316, 1330 (Fed. Cir. 2001); *Ecolochem, Inc. v. S. Cal. Edison Co.*, 227 F.3d 1361, 1367-70 (Fed.
2 Cir. 2000); *Singh v. Brake*, 222 F.3d 1362, 1366-70 (Fed. Cir. 2000); *Pannu v. Iolab Corp.*, 155
3 F.3d 1344, 1349 (Fed. Cir. 1998); *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d
4 1573, 1576-78 (Fed. Cir. 1997); *Lamb-Weston, Inc. v. McCain Foods, Ltd.*, 78 F.3d 540, 545
5 (Fed. Cir. 1996); *In re Bartfeld*, 925 F.2d 1450 (Fed. Cir. 1985); *Ralston Purina Co. v. Far-Mar-*
6 *Co, Inc.*, 772 F.2d 1570, 1574 (Fed. Cir. 1985); *American Stock Exch., LLC v. Mopies*, 250 F.
7 Supp. 2d 323 (S.D.N.Y. 2003); *In re Wyer*, 655 F.2d 221, 226 (C.C.P.A. 1981); *Impax Labs, Inc.*
8 *v. Aventis Pharms. Inc.*, 468 F.3d 1366, 1381-84 (Fed. Cir. 2006); *Amgen Inc. v. Hoechst Marion*
9 *Roussel, Inc.*, 314 F.3d 1313, 1354 (Fed. Cir. 2003); *Helifix, Ltd. v. Blok-Lok, Ltd.*, 208 F.3d
10 1339, 1346 (Fed. Cir. 2000); *Akzo N.V. v. U.S. Int'l Trade Comm'n*, 808 F.2d 1471, 1479 (Fed.
11 Cir. 1986); *Elan Pharms., Inc. v. Mayo Found.*, 346 F.3d 1051, 1057 (Fed. Cir. 2003) (remanding
12 the case to the district court for a determination of whether the prior art reference enabled persons
13 of ordinary skill to make the invention without undue experimentation); *In re Donohue*, 766 F.2d
14 531, 533 (Fed. Cir. 1985).
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1 **INSTRUCTION NO. 26—UTILITY PATENTS—OBVIOUSNESS**

2 Not all innovations are patentable. A utility patent claim is invalid if the claimed invention would
3 have been obvious to a person of ordinary skill in the field at the time the application was filed.
4 This means that, even if all of the requirements of the claim cannot be found in a single prior art
5 reference that would anticipate the claim or constitute a statutory bar to that claim, a person of
6 ordinary skill in the field who knew about all this prior art would have come up with the claimed
7 invention.

8 The ultimate conclusion of whether a claim is obvious should be based upon your determination of
9 several factual decisions.

10 First, you must decide the level of ordinary skill in the field that someone would have had at the
11 time the claimed invention was made. In deciding the level of ordinary skill, you should consider
12 all the evidence introduced at trial, including:

- 13 (1) the levels of education and experience of persons working in the field;
- 14 (2) the types of problems encountered in the field; and
- 15 (3) the sophistication of the technology.

16 Second, you must decide the scope and content of the prior art. The parties disagree as to whether
17 certain prior art references should be included in the prior art you use to decide the validity of the
18 claims. In order to be considered as prior art, these references must be reasonably related to the
19 claimed invention of that patent. A reference is reasonably related if it is in the same field as the
20 claimed invention or is from another field to which a person of ordinary skill in the field would
21 look to solve a known problem.

22 Third, you must decide what difference, if any, existed between the claimed invention and the
23 prior art.

24 Finally, you must determine which, if any, of the following factors have been established by the
25 evidence:

- 26 (1) commercial success of a product due to the merits of the claimed invention;
- 27 (2) a long felt need for the solution provided by the claimed invention;
- 28 (3) unsuccessful attempts by others to find the solution provided by the claimed invention;
- (4) copying of the claimed invention by others;
- (5) unexpected and superior results from the claimed invention;
- (6) acceptance by others of the claimed invention as shown by praise from others in the
field or from the licensing of the claimed invention;
- (7) independent invention of the claimed invention by others before or at about the same
time as the named inventor thought of it; and
- (8) other evidence tending to show obviousness.

The presence of any of factors 1-7 may be considered by you as an indication that the claimed
invention would not have been obvious at the time the claimed invention was made, and the

1 presence of factor 8 may be considered by you as an indication that the claimed invention would
2 have been obvious at such time. Although you should consider any evidence of these factors, the
3 relevance and importance of any of them to your decision on whether the claimed invention would
4 have been obvious is up to you.

5 A patent claim composed of several elements is not proved obvious merely by demonstrating that
6 each of its elements was independently known in the prior art. In evaluating whether such a claim
7 would have been obvious, you may consider whether the alleged infringer has identified a reason
8 that would have prompted a person of ordinary skill in the field to combine the elements or
9 concepts from the prior art in the same way as in the claimed invention. There is no single way to
10 define the line between true inventiveness on the one hand (which is patentable) and the
11 application of common sense and ordinary skill to solve a problem on the other hand (which is not
12 patentable). For example, market forces or other design incentives may be what produced a
13 change, rather than true inventiveness. You may consider whether the change was merely the
14 predictable result of using prior art elements according to their known functions, or whether it was
15 the result of true inventiveness. You may also consider whether there is some teaching or
16 suggestion in the prior art to make the modification or combination of elements claimed in the
17 patent. Also, you may consider whether the innovation applies a known technique that had been
18 used to improve a similar device or method in a similar way. You may also consider whether the
19 claimed invention would have been obvious to try, meaning that the claimed innovation was one
20 of a relatively small number of possible approaches to the problem with a reasonable expectation
21 of success by those skilled in the art. However, you must be careful not to determine obviousness
22 using the benefit of hindsight; many true inventions might seem obvious after the fact. You
23 should put yourself in the position of a person of ordinary skill in the field at the time the claimed
24 invention was made and you should not consider what is known today or what is learned from the
25 teaching of the patent.

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Source

N.D. Cal. Model Patent Jury Instr. B.4.3b (Alternative 2); 35 U.S.C. § 103; *Graham v. John Deere Co.*, 383 U.S. 1 (1966); *KSR Int'l Co. v. Teleflex, Inc.*, 550 U.S. 398, 407 (2007); *Ruiz v. A.B. Chance Co.*, 234 F.3d 654 (Fed. Cir. 2000); *Arkie Lures, Inc. v. Gene Larew Tackle, Inc.*, 119 F.3d 953, 957 (Fed. Cir. 1997); *Specialty Composites v. Cabot Corp.*, 845 F.2d 981, 991 (Fed. Cir. 1988); *Windsurfing Int'l, Inc. v. AMF, Inc.*, 782 F.2d 995, 1000 (Fed. Cir. 1986); *Pentec, Inc. v. Graphic Controls Corp.*, 776 F.2d 309, 313 (Fed. Cir. 1985); *Novo Nordisk A/S v. Becton Dickinson & Co.*, 304 F.3d 1216, 1219-20 (Fed. Cir. 2002); *Wang Labs. v. Toshiba Corp.*, 993 F.2d 858, 864 (Fed. Cir. 1993); *Daiichi Sankyo Co. v. Apotex, Inc.*, 501 F.3d 1254, 1256 (Fed. Cir. 2007); *Brown & Williamson Tobacco Corp. v. Philip Morris Inc.*, 229 F.3d 1120, 1125 (Fed. Cir. 2000); *SIBIA Neurosciences, Inc. v. Cadus Pharm. Corp.*, 225 F.3d 1349, 1355 (Fed. Cir. 2000); *Ryko Mfg. Co. v. Nu-Star, Inc.*, 950 F.2d 714, 718-19 (Fed. Cir. 1991).

1 **INSTRUCTION NO. 29—EQUITABLE DEFENSES – EQUITABLE ESTOPPEL**

2 **[CONDITIONAL INSTRUCTION ONLY. SAMSUNG DOES NOT BELIEVE APPLE’S**
3 **EQUITABLE CLAIMS SHOULD BE DECIDED BY THE JURY.]**

4 The owner of a patent may forfeit its right to any relief from an alleged infringer where: (1) the
5 patent holder communicates something in a misleading way to the infringing party about the lack
6 of infringement or about not being sued, (2) the alleged infringer relies upon the misleading
7 communication from the patent holder, and (3) due to its reliance, the alleged infringer will be
8 materially harmed if the patent holder is allowed to assert a claim relating to the issue that is
9 inconsistent with the patent holder’s prior misleading communication. This is referred to as an
10 “equitable estoppel” and it is a defense that Apple contends precludes any recovery by Samsung
11 with respect to the ’604, ’941, or ’516 patents. Apple must prove each of these elements by a
12 preponderance of the evidence, but even if all these elements are proven, equitable estoppel need
13 not be found if such a finding would be unfair in light of the conduct of the parties.

14 Apple contends that Samsung made communications about its “declared essential” patents before
15 Samsung filed this lawsuit. A communication may be made through written or spoken words,
16 conduct, silence, or a combination of words, conduct, and silence. Conduct may include action or
17 inaction. Whether in fact Samsung communicated with Apple about its “declared essential”
18 patents prior to the filing of this lawsuit, and whether in fact that communication, if you find there
19 to have been any, was misleading, are questions that must be answered by considering the facts
20 and circumstances as they existed at the time.

21 Material harm to Apple can be economic in form. Whether Apple suffered economic prejudice is
22 a question that must be answered by evaluating whether Apple changed its economic position as a
23 result of its reliance on any misleading communication from Samsung about its “declared
24 essential” patents, resulting in losses beyond merely paying for infringement (such as if Apple
25 could have switched to a noninfringing product if sued earlier) and whether losses as a result of
26 any change in economic position could have been avoided.

27 **Source**

28 Adapted from Federal Circuit Bar Association Model Patent Jury Instr. B.5.3; *A.C. Aukerman Co.*
 v. R.L. Chaides Const. Co., 960 F.2d 1020 (Fed. Cir. 1992) (*en banc*); 35 U.S.C. § 282; *Gasser*
 Chair Co. v. Infanti Chair Mfg. Corp., 60 F.3d 770 (Fed. Cir. 1995) (to establish equitable
 estoppel, one must show reliance on patentee’s misleading conduct); *Winbond Electronics Corp.*
 v. Int’l Trade Comm’n, 262 F.3d 1363, 1374-75 (Fed. Cir. 2001).

1 **INSTRUCTION NO. 27—PATENT EXHAUSTION**

2 Apple has also asserted a defense of “patent exhaustion” to Samsung’s claim that Apple infringes
3 Samsung’s ’604 patent, ’516 patent, and ’941 patent. I will now explain the “patent exhaustion”
4 defense to you.

5 Apple claims that Samsung has licensed the use of the ’604, ’516, and ’941 patents to Intel. Apple
6 further claims that since it purchased baseband processor chips from Intel that are covered by the
7 license and that Apple therefore it is not liable for infringing Samsung’s patents. This is called the
8 “patent exhaustion” defense. In other words, Apple claims that Samsung’s licenses to Intel
9 baseband processor exhausts Samsung’s patent rights as to the use of Samsung’s technologies in
10 the Intel chips.

11 Apple has the burden of proving the “exhaustion” defense by a preponderance of the evidence. In
12 order to meet this burden, Apple must show that:

13 **First**, that Intel was authorized to sell the baseband processor chip under the terms of a
14 license agreement between Samsung and Intel. In making your determination, you must evaluate
15 whether the terms of Samsung’s license with Intel authorized the sales of the baseband chips.

16 **Second**, that Intel made an initial sale in the United States of the Intel baseband chips
17 incorporated in the accused products. In evaluating whether the sales took place in the United
18 States, you must consider whether the baseband processor chips were actually delivered to Apple
19 or its contractors in the United States.

20 **Third**, that the Intel baseband processor chips substantially embody the inventions of the
21 ’604 patent, ’516 patent, and ’941 patent.

22 Apple must prove each of these elements to prevail on this defense. If Apple does not prove any
23 one of these elements, you must reject Apple’s affirmative defense and find for Samsung on this
24 issue.

25 **Source**

26 *Quanta Computer, Inc. v. LG Elecs, Inc.*, 553 U.S. 617 (2008); *Ninestar Tech. Co. v. Int’l Trade*
27 *Comm’n*, 667 F.3d 1373 (Fed. Cir. 2012); *Fujifilm Corp. v. Benun*, 605 F.3d 1366 (Fed. Cir.
28 2010); *LaserDynamics, Inc. v. Quanta Storage America, Inc.*, No. 2:06-CV-348-TJW-CE, 2009
U.S. Dist. LEXIS 115848 at *3 (E.D. Tex. 2009); *MedImmune, LLC v. BioPharma, Inc.*, No. C
08-9550 JF HRL, 2011 WL 61191 at *17 (N.D. Cal. 2011); *Wing Shing Prods. Ltd. v. Simatelex*
Manufactory Co., 479 F. Supp. 2d 388, 403 (S.D.N.Y. 2007); *Transocean Offshore Deepwater*
Drilling, Inc. v. Stena Drilling Ltd., 659 F. Supp. 2d 790, 801 (S.D. Tex. 2009); 2009); *Intel*
Corp. v. Broadcom Corp., 173 F. Supp. 2d 201, 222 (D. Del 2001); *Gilson v. Republic of Ireland*,
787 F.2d 655, 658 (D.C. Cir. 1986); *PPG Industries, Inc. v. Guardian Industries Corp.*, 597 F.2d
1090, 1093 (6th Cir. 1979); *E.I. du Pont de Nemours & Co. v. Shell Oil Co.*, 498 A.2d 1108, 1114
(Del. 1985); *Minebea Co. v. Papst*, 444 F. Supp. 2d 68 (D.D.C. 2006); *Cornell Research Found.,*
Inc. v. Hewlett-Packard Co., No. 5:01-CV-1974, 2007 WL 4349135 at *51 (N.D.N.Y. Jan. 31,
2007).

1 **INSTRUCTION NO. 82.1—REQUIREMENTS OF THE ETSI IPR POLICY—**

2 **AVAILABILITY OF LICENSES**

3 If you find that Samsung’s ’604 patent, ’516 patent, and ’941 patent are valid and that Apple has
4 infringed those patents, Apple has raised a defense of breach of contract. Apple contends that
5 Samsung has an obligation to license Samsung’s patents that are essential to the UMTS standard,
6 an obligation to negotiate in good faith, and an obligation to disclose IPRs to ETSI in a manner
7 consistent with the ETSI IPR Policy and that Samsung breached these obligations. However,
8 there is no allegation that Apple has an existing license to Samsung’s ’604 patent, ’516 patent, and
9 ’941 patent.

7 **Source**

8 Order of May 4, 2012, at 20:1-21:25 (“First, there is no existing license between Apple and
9 Samsung because there was no firm offer and acceptance of the terms of the license that Apple
10 claims already exists. Both experts agree that an offer and acceptance are essential to contract
11 formation under French law....”).

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INSTRUCTION NO. 16.3—SUMMARY OF DESIGN PATENT ISSUES

I will now summarize the issues that you must decide and for which I will provide instructions to guide your deliberations with respect to Apple’s design patent infringement claims. You must decide the following:

1 Whether Apple has proved by a preponderance of the evidence that Samsung Electronics Company, Samsung Electronics America, and/or Samsung Telecommunications America have each infringed any of the D’677, D’087, D’305 and D’889 design patents.

2 Whether Samsung has proved by clear and convincing evidence that any of the D’677, D’087, D’305 and D’889 design patents are invalid.

3 If you determine that one or more of the D’677, D’087, D’305 and D’889 design patents are infringed and not invalid, what amount of damages Apple has proved by a preponderance of the evidence, if any.

Source

AIPLA Model Jury Instruction 1.

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INSTRUCTION NO. 42 (First Samsung Proposed Instruction) DESIGN PATENTS—

INTERPRETATION OF PATENT CLAIMS

Before you decide whether Samsung Electronics Company, Samsung Electronics America, and/or Samsung Telecommunications America have infringed one or more of the asserted design patents, or whether the design patents are invalid, you will have to understand the design patent claims.

Unlike utility patents, a design patent can only have one claim. That claim covers all the figures in the patent. It is permissible to illustrate more than one embodiment of a design in a single design patent application. Multiple embodiments may be presented only if they are directed to substantially the same design and are not patentably distinct from one another.

Source

AIPLA Model Jury Instruction 2; 37 C.F.R. § 1.153; *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 679 (Fed. Cir. 2008) (en banc); *Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571, 1577 (Fed. Cir. 1995); *Phillips v. AWH Corp.*, 415 F.3d 1303, 1311-12 (Fed. Cir. 2005) (en banc); *Catalina Lighting, Inc. v. Lamps Plus, Inc.*, 295 F.3d 1277, 1285-86 (Fed. Cir. 2002); *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 976 (Fed. Cir. 1995) (en banc), aff'd, 517 U.S. 370, 374, 116 S.Ct. 1384, 1388 (1996).

1 **INSTRUCTION NO. 42 (Second Samsung Proposed Instruction)—DESIGN PATENTS—**

2 **INTERPRETATION OF PATENT CLAIMS²**

3
4 It is my job as a judge to interpret for you what is claimed by the patents. You must accept my
5 interpretations as correct. My interpretations should not be taken as an indication that I have an
6 opinion one way or another regarding the issues of infringement and invalidity. The decisions
7 regarding infringement and invalidity are yours to make.

8 [READ COURT’S CLAIM CONSTRUCTIONS]

9 **Source**

10 AIPLA Model Jury Instruction 2.1; 37 C.F.R. § 1.152; *Phillips v. AWH Corp.*, 415 F.3d 1303
11 (Fed. Cir. 2005) (en banc); *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995)
12 (en banc) *aff’d*, 517 U.S. 370 (1996); *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 679-80
13 (Fed. Cir. 2008) (en banc); *Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571, 1577 (Fed. Cir. 1995).
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28 ² Samsung reserves the right to modify this instruction once the Court issues an order
regarding claim construction.

1 **INSTRUCTION NO. 44.5—DESIGN PATENT PROSECUTION HISTORY ESTOPPEL**

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3 You are instructed that the scope of a design patent can be limited by what is called “prosecution
4 history estoppel.” As you have already heard, during prosecution of a patent, the patent applicant
5 often makes arguments and amendments in an attempt to convince the Patent Office examiner to
6 grant the patent. The party seeking to obtain a patent may amend his patent claims or submit
7 arguments in order to define or narrow the meaning of the claims to obtain the patent. Once it has
8 done so, it is not entitled to patent coverage that would be broad enough to cover the same feature
9 that was used to distinguish the invention during the prosecution of the patent.

10 You are instructed that prosecution history estoppel applies in the following way:

11 Apple overcame a non-final obviousness rejection by the Patent Office during prosecution of the
12 D’677 patent by claiming that the design disclosed the overall impression of a substantially
13 continuous transparent surface on an electronic device and the substantially smooth or flush
14 transition between the display screen and the rest of the front face of the device. The D’677 patent
15 is not entitled to broader coverage than this description.

16 **Source**

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21 AIPLA Model Jury Instruction 3.13; *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*,
22 535 U.S. 722 (2002); *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 30-34
23 (1997); *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 679-80 (Fed. Cir. 2008) (en banc)
24 (“[A] trial court can usefully guide the finder of fact by addressing a number of other issues that
25 bear on the scope of the claim. Those include such matters as . . . assessing and describing the
26 effect of any representations that may have been made in the course of the prosecution history,”);
27 *L.A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d 1117, 1124-25 (Fed. Cir. 1993) (“As for other
28 patented inventions, reference is made to the prior art and the prosecution history in order to give
 appropriate weight to the factors that contributed to patentability.”).

1 **INSTRUCTION NO. 44—DESIGN PATENTS—DIRECT INFRINGEMENT**

2 Questions _____ through _____ of the Verdict Form read as follows: [READ TEXT OF
3 INFRINGEMENT VERDICT QUESTIONS].

4 I will now instruct you as to the rules you must follow when deciding whether Apple has proven
5 that one or more of the Samsung entities has infringed the D’677, D’087, D’305 and/or D’889
6 design patents.

7 Patent law gives the owner of a valid design patent the right to exclude others from applying the
8 patented design, or any colorable imitation thereof, to any article of manufacture for the purpose
9 of sale, or selling or offering to sell any article of manufacture to which such design or colorable
10 imitation has been applied within the United States during the term of the patent. Any person or
11 company that has engaged in any of those acts without the design patent owner’s permission
12 infringes the patent. Here, Apple alleges that the following devices infringe the D’677, D’087,
13 D’305 and D’889 design patents:

<u>Design Patent(s)</u>	<u>Device(s) Accused of Infringing</u>
D’677	Samsung Galaxy Ace (SHW-M240S); Samsung Infuse 4G (SGH-1997); Samsung Galaxy S i9000 (SHW-M1105); Samsung Galaxy Fascinate (SCH-I500) (a/k/a Galaxy Showcase and Galaxy Mesmerize); Samsung Galaxy S 4G (SGH-T959V) / Vibrant (SGH-T959).
D’087	Samsung Galaxy Ace (SHW-M240S); Samsung Infuse 4G (SGH-1997); Samsung Galaxy S i9000 (SHW-M1105); Samsung Galaxy Fascinate (SCH-I500) (a/k/a Galaxy Showcase and Galaxy Mesmerize); Samsung Galaxy S 4G (SGH-T959V) / Vibrant (SGH-T959).
D’305	Captivate; Continuum; Droid Charge; Epic 4G; Fascinate; Gem; Galaxy S i9000; Galaxy S 4G; Indulge; Infuse 4G; Mesmerize; Showcase; Galaxy S Showcase i500; and Vibrant.
D’889	Galaxy Tab 10.1

14 Each of the Samsung entities deny that any of these devices infringe any Apple design patent.
15 Apple bears the burden of proving by a preponderance of the evidence its allegations that each
16 device infringes each separate patent. Therefore, you the jury must determine infringement for
17 each patent separately, considering each individual device separately. You must not consider the
18 patents or devices in groups to determine infringement on that basis.

19 **Source**

20
21 AIPLA Model Patent Jury Instructions 3.0; 35 U.S.C. § 289; *Crocs, Inc. v. International Trade*
22 *Com’n*, 598 F.3d 1294, 1304-06 (Fed. Cir. 2010); *Goodyear Tire & Rubber Co. v. Hercules*
23 *Tire & Rubber Co.*, 162 F.3d 1113, 1116-17 (Fed. Cir. 1998); *L.A. Gear, Inc. v. Thom McAn Shoe*
24 *Co.*, 988 F.2d 1117, 1124 (Fed. Cir. 1993).

1 **INSTRUCTION NO. 44.1— DESIGN PATENT DIRECT INFRINGEMENT – LIABILITY**

2 **MUST BE PROVED FOR EACH ENTITY SEPARATELY**

3 In this case, Apple asserts that Samsung Electronics America, Samsung Telecommunications
4 America, and Samsung Electronics Company have each directly infringed the D’677, D’087,
5 D’305 and D’889 design patents. Even if you determine that a particular device infringes one of
6 the patents, you may not find any of the Samsung entities liable for direct infringement unless
7 Apple proves by a preponderance of the evidence that the particular Samsung entity has, in the
8 United States, made, used, offered to sell, or sold the device. You must determine this liability
9 separately for each Samsung entity and each device.

7 **Source**

8 AIPLA Model Patent Jury Instructions, 3.1; 35 U.S.C. § 289; *BMC Resources v. Paymentech,*
9 *L.P.*, 498 F.3d 1373, 1380-81 (Fed. Cir. 2007); *DeMarini Sports, Inc. v. Worth, Inc.*, 239 F.3d
10 1314, 1330-32 (Fed. Cir. 2001); *Seal-Flex, Inc. v. Athletic Track & Court Constr.*, 172 F.3d 836,
11 842 (Fed. Cir. 1999); *SmithKline Diagnostics, Inc. v. Helena Labs. Corp.*, 859 F.2d 878, 889
12 (Fed. Cir. 1988); *Crocs, Inc. v. International Trade Com’n*, 598 F.3d 1294, 1304-06 (Fed. Cir.
13 2010).

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1 **INSTRUCTION NO. 44.2—DESIGN PATENT DIRECT INFRINGEMENT—“ORDINARY**
2 **OBSERVER TEST”**

3 Design patent infringement cannot be found unless the accused product creates an appearance
4 deceptively similar to the claimed design.

5 To determine whether an accused product is deceptively similar to a patented design, you must use
6 the “ordinary observer test.” The ordinary observer test provides that:

7 If, in the eye of an ordinary observer, giving such attention as a purchaser usually
8 gives, two designs are substantially the same, if the resemblance is such as to
9 deceive such an observer, inducing him to purchase one supposing it to be the
10 other, the first one patented is infringed by the other.

11 Said another way, two designs are substantially the same if their resemblance is deceptive to the
12 extent that it would induce an ordinary observer, giving such attention as a purchaser usually
13 gives, to purchase an article having one design supposing it to be the other.

14 There are some characteristics of this ordinary observer that you must take into account in
15 determining whether two designs are deceptively similar. First, the ordinary observer is someone
16 who purchases smartphones and/or tablet computers and who gives the same level of attention to
17 those products as a normal purchaser would give in that purchasing context. You must assume
18 that the ordinary observer is capable of making a reasonably discerning decision when observing
19 the Samsung designs to determine whether they have an appearance that is deceptively similar to
20 the patented designs.

21 Second, you must assume that the ordinary observer views the design patents and the accused
22 products in light of earlier designs, known as “prior art.” When the differences between the design
23 in the patent and the accused products are viewed in light of the prior art, the ordinary observer’s
24 attention will be drawn to those aspects of the patented design that are different from the prior art.
25 And when the patent design is close to the prior art designs, small differences between the patent
26 design and the Samsung products are likely to be important to the ordinary observer.

27 **Source**

28 *Gorham Co. v. White*, 81 U.S. 511, 528 (1871); *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d
665, 681 (Fed. Cir. 2008) (en banc) (“The question before this court under the standard we have
set forth above is whether an ordinary observer, familiar with the prior art Falley and Nailco
designs, would be deceived into believing the Swisa buffer is the same as the patented buffer.”);
id. at 683 (“In the language used by the Supreme Court in *Gorham*, 81 U.S. at 528, we hold that
the accused design could not reasonably be viewed as so similar to the claimed design that a
purchaser familiar with the prior art would be deceived by the similarity between the claimed and
accused designs, ‘inducing him to purchase one supposing it to be the other.’”); *Richardson v.*
Stanley Works, Inc., 597 F.3d 1288, 1296 (Fed. Cir. 2010) (“[I]nfringement cannot be found
unless the accused product creates an appearance deceptively similar to the claimed design”)
(citing *Egyptian Goddess*); *Door-Master Corp. v. Yorktowne, Inc.*, 256 F.3d 1308, 1313 (Fed. Cir.
2001) (“Two designs are substantially the same if their resemblance is deceptive to the extent that
it would induce an ordinary observer, giving such attention as a purchaser usually gives, to
purchase an article having one design supposing it to be the other.”); *L.A. Gear, Inc. v. Thom*
McAn Shoe Co., 988 F.2d 1117, 1124 (Fed. Cir. 1993) (“Design patent infringement requires a
showing that the accused design is substantially the same as the claimed design. The criterion is
deception of the ordinary observer, such that one design would be confused with the other.”);
Arminak & Assocs., Inc. v. Saint-Gobain Calmar, Inc., 501 F.3d 1314, 1323 (Fed. Cir. 2007)
 (“[T]he purchaser of the patented and accused designs in this case is the purchaser of one of a

1 retail product's component parts that is thereafter assembled with other parts to make the retail
2 product. To hold that such a purchaser is the appropriate hypothetical ordinary observer fits
3 squarely with our precedent that the ordinary observer is a person who is either a purchaser of, or
4 sufficiently interested in, the item that displays the patented designs and who has the capability of
5 making a reasonably discerning decision when observing the accused item's design whether the
6 accused item is substantially the same as the item claimed in the design patent.”); *id.* at 1324
7 (“Specifically, *the question to be addressed* in applying the ordinary observer test *is whether the*
8 *ordinary observer would be deceived* by the accused design because it is substantially similar to
9 the patented design.”) (emphasis added); *Goodyear Tire & Rubber Co. v. Hercules Tire & Rubber*
10 *Co., Inc.*, 162 F.3d 1113, 1117 (Fed. Cir. 1998) (“The measure of infringement of a design patent
11 is deception of the ordinary observer, when such person gives the design the attention usually
12 given by a purchaser of the item bearing the design.”); *id.* (“[T]he focus is on the actual product
13 that is presented for purchase, and the ordinary purchaser of that product. The accused tire, the
14 Hercules Power Trac, is a truck tire. The district court correctly invoked the ordinary trucker or
15 fleet operator who purchases truck tires, as the person from whose viewpoint deceptive similarity
16 to the ’080 design is determined.”); *Crocs, Inc. v. International Trade Com’n*, 598 F.3d 1294,
17 1303 (Fed. Cir. 2010) (“To show infringement under the proper test, an ordinary observer,
18 familiar with the prior art designs, would be deceived into believing that the accused product is
19 the same as the patented design.”); *id.* at 1306 (“These side-by-side comparisons of the ’789
20 patent design and the accused products suggest that an ordinary observer, familiar with the prior
21 art designs, would be deceived into believing the accused products are the same as the patented
22 design. In one comparison after another, the shoes appear nearly identical. If the claimed design
23 and the accused designs were arrayed in matching colors and mixed up randomly, this court is not
24 confident that an ordinary observer could properly restore them to their original order without
25 very careful and prolonged effort.”); *OddzOn v. Just Toys*, 122 F.2d 1396, 1405 (“The patentee
26 ‘must establish that an ordinary person would be deceived by reason of the common features in
27 the claimed and accused designs which are ornamental.’”) (quoting *Read Corp. v. Portec, Inc.*,
28 970 F.2d 816, 825 (Fed. Cir. 1992)); *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 676
(Fed. Cir. 2008) (en banc) (“When the differences between the claimed and accused design are
viewed in light of the prior art, the attention of the hypothetical ordinary observer will be drawn
to those aspects of the claimed design that differ from the prior art. And when the claimed design
is close to the prior art designs, small differences between the accused design and the claimed
design are likely to be important to the eye of the hypothetical ordinary observer.”); *id.* at 678
 (“[D]ifferences between the claimed and accused designs that might not be noticeable in the
abstract can become significant to the hypothetical ordinary observer who is conversant with the
prior art.”).

1 **INSTRUCTION NO. 44.3—DESIGN PATENT DIRECT INFRINGEMENT—**

2 **COMPARISONS**

3 You have heard evidence about certain Apple products and models, such as the various
4 generations of iPhones and iPads, as well as the 035 model. If you determine that any of Apple’s
5 products or models embody an Apple patent design because they are substantially the same as that
6 design and have no material distinctions, you may compare the product or model directly to the
7 accused Samsung products. This may facilitate your determination of whether an ordinary
8 observer would be deceived. However, if you determine that a particular Apple product or model
9 does not embody a patented design, you may not compare it to the accused devices.

7 **Source**

8 *Lee v. Dayton-Hudson Corp.*, 838 F.2d 1186, 1189 (Fed. Cir. 1988) (“When no significant
9 distinction in design has been shown between the patent drawing and its physical embodiment, it
10 is not error for the court to view them both, and to compare the embodiment of the patented
11 design with the accused devices.”); *L.A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d 1117,
12 1125-26 (Fed. Cir. 1993) (“When the patented design and the design of the article sold by the
13 patentee are substantially the same, it is not error to compare the patentee’s and the accused
14 articles directly, indeed, such comparison may facilitate application of Gorham criterion of
15 whether an ordinary purchaser would be deceived into thinking that one were the other.”); *Braun,*
16 *Inc. v. Dynamics Corp. of America*, 975 F.2d 815, 820 & n.8 (Fed. Cir. 1992).

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1 **INSTRUCTION NO. 44.4—DESIGN PATENT DIRECT INFRINGEMENT—**

2 **ORNAMENTAL VERSUS FUNCTIONAL FEATURES**

3 Design patents do not protect the functional aspects of a design, only the ornamental aspects.
4 Thus, to determine infringement under the ordinary observer test as I have instructed you on
5 previously, you must consider only the ornamental design features of the design patents. You
6 must not consider functional elements for purposes of comparing a design patent to an accused
7 device in deciding infringement. Apple must prove by a preponderance of the evidence that the
8 ordinary observer would be deceived by reason of the common features in the claimed and
9 accused designs that are ornamental. The similarity cannot be a result of any functional features.

10 **[THE FOLLOWING ALTERNATIVE PARAGRAPH TO BE READ IN THE EVENT THE
11 COURT ALLOWS THE JURY TO DETERMINE WHICH FEATURES ARE
12 FUNCTIONAL FOR INFRINGEMENT PURPOSES.]**

13 Design patents do not protect the functional aspects of a design, only the ornamental aspects.
14 Thus, to determine infringement under the ordinary observer test as I have instructed you on
15 previously, you must consider only the ornamental design features of the design patents. You
16 must not consider functional elements for purposes of comparing a design patent to an accused
17 device in deciding infringement. A feature is functional if the feature is essential to the use or
18 purpose of the article. A design feature also is functional if it affects the cost or quality of the
19 article. If you determine that any of the design patents includes functional features, you cannot
20 find infringement unless Apple proves by a preponderance of the evidence that the ordinary
21 observer would be deceived by reason of the common features in the claimed and accused designs
22 that are ornamental. The similarity cannot be a result of any functional features.

23 **Source**

24 *Read Corp. v. Portec, Inc.*, 970 F.2d 816, 825-26 (Fed. Cir. 1992) (“[Where] a design is
25 composed of functional as well as ornamental features, to prove infringement a patent owner must
26 establish that an ordinary person would be deceived by reason of the common features in the
27 claimed and accused designs which are ornamental.”); *OddzOn Prods., Inc. v. Just Toys, Inc.*, 122
28 F.3d 1396, 1405 (Fed. Cir. 1997); *Richardson v. Stanley Works, Inc.*, 597 F.3d 1288, 1293-94
(Fed. Cir. 2010); *id.* at 1296 (“We also agree that, ignoring the functional elements of the tools,
the two designs are indeed different.”); *Amini Innovation Corp. v. Anthony Cal. Inc.*, 439 F.3d
1365, 1371-72 (Fed. Cir. 2006) (“An aspect is functional ‘if it is essential to the use or purpose of
the article or if it affects the cost or quality of the article.’”); *PHG Tech., Inc. v. St. John Co., Inc.*,
469 F.3d 1361, 1366 (Fed Cir. 2006); *Berry Sterling Corp. v. Pescor Plastics, Inc.*, 122 F.3d
1452, 1456 (Fed Cir. 1997).

1 **INSTRUCTION NO. 58.2—INDUCING DESIGN PATENT INFRINGEMENT**³

2 To show induced infringement, Apple must prove by a preponderance of the evidence that
3 someone has directly infringed the D’677, D’087, D’305 and D’889 design patents and that
4 Samsung Electronics Company, Samsung Electronics America and/or Samsung
5 Telecommunications have actively and knowingly aided and abetted that direct infringement.
6 Apple must show that Samsung Electronics Company, Samsung Electronics America and/or
7 Samsung Telecommunications America actually intended to cause the acts that constitute direct
8 infringement, knew of the patent, and knew or should have known that their actions would lead to
9 actual infringement. Intent to cause the acts that constitute direct infringement may be
10 demonstrated by evidence of active steps taken to encourage direct infringement. If there is no
11 direct infringement by anyone, there can be no induced infringement.

12 **Source:**

13 AIPLA Model Patent Jury Instructions, 3.3; 35 U.S.C. § 271(b); *DSU Medical Corp. v. JMS Co.*,
14 471 F.3d 1293, 1305 (Fed. Cir. 2006) (en banc) (“Under section 271(b), ‘[w]hoever actively
15 induces infringement of a patent shall be liable as an infringer.’ 35 U.S.C. § 271(b). To establish
16 liability under section 271(b), a patent holder must prove that once the defendants knew of the
17 patent, they ‘actively and knowingly aid[ed] and abett[ed] another’s direct infringement.’ *Water
18 Technologies Corp. v. Calco, Ltd.*, 850 F.2d 660, 668 (Fed.Cir.1988) (emphasis in original).
19 However, ‘knowledge of the acts alleged to constitute infringement’ is not enough. *Warner-
20 Lambert Co. v. Apotex Corp.*, 316 F.3d 1348, 1363 (Fed.Cir.2003) (citation omitted). The ‘mere
21 knowledge of possible infringement by others does not amount to inducement; specific intent and
22 action to induce infringement must be proven.’ *Id.* at 1364 (citing *Manville*, 917 F.2d at 554”).*See
23 also Tegal Corp. v. Tokyo Electron Co., Ltd.*, 248 F.3d 1376, 1379 (Fed. Cir. 2001) (“In *A. Stucki
24 Co. v. Worthington Industries, Inc.*, 849 F.2d 593, 7 USPQ2d 1066 (Fed.Cir.1988), we considered
25 whether evidence of mere inaction by a parent company in the face of infringement by a
26 subsidiary-i.e., a failure to stop infringement-could constitute either direct infringement or active
27 inducement. . . . We also concluded that evidence of mere inaction did not constitute inducement,
28 and we therefore affirmed the directed verdict in favor of the defendant.”); *A. Stucki Co. v.
Worthington Industries, Inc.*, 849 F.2d 593, 597 (Fed. Cir. 1988) (“Stucki’s difficulty is two-fold:
(1) the facts do not add up to inducement of infringement; and (2) the inferences Stucki posits are
not justifiable. Stucki says “although no document exists which states that the Worthington
officials advised RDI to continue its infringement,” the evidence shows “it is an inescapable
conclusion that the Worthington officials did assent to, endorse and condone
continued infringement.” Absent evidence of active inducement, however, Stucki’s “inescapable
conclusion” is mere speculation, not a justifiable inference. The district court was not obliged to
make the jury engage in such speculation. *See Anderson*, 477 U.S. at 251, 106 S.Ct. at 2512.
Stucki’s evidence is not “evidence on which the jury could reasonably find” that Worthington
had “actively” induced infringement under 35 U.S.C. § 271(b).”); *Metabolite Labs., Inc. v. Lab.
Corp. of Am. Holdings*, 370 F.3d 1354, 1365 (Fed. Cir. 2004); *Ferguson Beauregard/Logic
Controls, Div. of Dover Res., Inc. v. Mega Sys., LLC*, 350 F.3d 1327, 1342 (Fed. Cir. 2003);
Manville Sales Corp. v. Paramount Sys., Inc., 917 F.2d 544, 553 (Fed. Cir. 1990); *Hewlett-
Packard Co. v. Bausch & Lomb, Inc.*, 909 F.2d 1464, 1468-69 (Fed. Cir. 1990).

26 _____
27 ³ Samsung does not believe Apple should be permitted to offer evidence or argument on any
28 indirect infringement theory. Out of an abundance of caution, however, and without waiving any
right to object, Samsung proposes this instruction should Apple be allowed to offer such evidence
or argument.

1 **INSTRUCTION NO. 45—DESIGN PATENTS—INVALIDITY BURDEN OF PROOF**

2 Once you have considered the issue of infringement, you must consider whether Apple’s patents
3 are valid. Samsung has asserted that each of the Apple design patents is invalid. This means that
4 even if you find that a patent has been infringed, you must still determine whether that patent is
5 actually a valid one. Simply because the US Patent Office issued a design patent does not mean
6 that it is valid. Samsung must prove this by clear and convincing evidence.

7 An issued design patent may be found invalid where:

- 8 (a) it is anticipated by a single earlier design;
- 9 (b) it is obvious in view of one or more earlier designs;
- 10 (c) it is indefinite, which means it is unclear;
- 11 (d) it is the second patent on the same design, which is called double patenting; or
- 12 (e) it is a functional design, not an ornamental one.

13 A design patent with multiple embodiments is invalid even if just one of the embodiment is found
14 to be anticipated or obvious.

15 I will give you more guidance on each of these reasons.

16 **Source**

17 35 U.S.C. §§ 102, 103,171; *In re Klein*, 987 F.2d 1569, 1570 (Fed. Cir. 1993) (citing *Ex Parte*
18 *Appeal No. 315-40*, 152 USPQ2d 71, 72 (TTAB 1965). See each section below for authority.
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1 **INSTRUCTION NO. 46—DESIGN PATENTS—ANTICIPATION/STATUTORY BARS**

2 Before I describe the different ways a design patent can be invalidated, I will instruct you about
3 documents and things called “prior art.” The term “prior art” will be used in several of the
4 following instructions on invalidity. Prior art is also a term used in the infringement test for
5 design patents because the ordinary observer is deemed to know about all the prior art and to view
6 the accused products and Apple patents in light of the prior art. In general, prior art refers to early
7 patents, designs, and devices that were made before Apple’s designs were invented or filed with
8 the Patent Office. That is, these are designs that were already known in the world before Apple’s
9 designs were ever made or submitted to become patents.

10 There are some rules that determine whether you may consider a particular early design as prior
11 art. In some instances, you will need to look to the date the Apple design was made to determine
12 if an early design is prior art; in other instances you will look to the filing date of the Apple design
13 regardless of what the invention date is. Prior art includes any of the following items received into
14 evidence during trial:

15 1 Any design or product that was publicly known or used by others in the United
16 States before the patented Apple design was made;

17 2 Any design or product that was patented or described in a printed publication in the
18 United States or a foreign country before the Apple design was made;

19 3 Any issued United States patent or published United States patent application that
20 was filed before the Apple design was made;

21 4 Any publications, including patents and design registrations, that were published or
22 issued more than one year before the filing date of the Apple patent;

23 5 Any design or product that was in public use or on sale in the United States more
24 than one year before the Apple patent was filed;

25 6 Any design or product that was made by anyone before the named inventors
26 created the patented design or product where the design or product was not abandoned,
27 suppressed, or concealed.

28 An inventor’s own earlier designs can be used as prior art to invalidate his or her later patents.

29 **Source**

30 35 U.S.C. § 102.

1 **INSTRUCTION NO. 46.1—ANTICIPATION – A SINGLE REFERENCE OR**
2 **A SINGLE PRODUCT**

3 Now that you have been instructed about prior art, I'll explain how it can be used to determine
4 whether a design patent is invalid. In basic terms, the design must be new and novel in light of the
5 prior art. A design that is not new or novel in light of prior art is said to be "anticipated by the
6 prior art." A design that is "anticipated" is not entitled to patent protection.

7 The same standard of deceptive similarity that applied to infringement also applies to anticipation.
8 Therefore, to find that an Apple design patent is anticipated, Samsung must prove by clear and
9 convincing evidence that a single prior art reference is so similar in appearance to the Apple patent
10 that an ordinary observer would be deceived into believing they were the same design.

11 **Source**

12 Adapted from AIPLA Model Patent Jury Instructions, 6.0; 35 U.S.C. §§ 102,171; *Gorham Co. v.*
13 *White*, 81 U.S. 511, 526-27 (1871); *Int'l Seaway Corp. v. Walgreens Corp.*, 589 F.3d 1233, 1240
14 (Fed. Cir. 2009) ("In light of Supreme Court precedent and our precedent holding that the same
15 tests must be applied to infringement and anticipation, and our holding in *Egyptian Goddess* that
16 the ordinary observer test is the sole test for infringement, we now conclude that the ordinary
17 observer test must logically be the sole test for anticipation as well. In doing so, we will prevent
18 an inconsistency from developing between the infringement and anticipation analyses, and we
19 will continue our well-established practice of maintaining identical tests for infringement and
20 anticipation.").

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INSTRUCTION NO. 46.3—ANTICIPATION – DATE OF INVENTION

Since the date of invention of the Apple design patents is in dispute in this case, you must determine whether Apple has proved the dates its designs were invented. If you determine that Apple has not proved when its designs were invented, you must assume that it was not until the filing date of the patents.

Source

N.D. Cal. Model Patent Instructions, B.4.3.a1; *Continental Plastic Containers v. Owens Brockway Plastic Prods., Inc.*, 141 F.3d 1073, 1077-79 (Fed. Cir. 1998) (“[D]esign inventions are reduced to practice as soon as an embodiment is constructed”); *Mas v. Root*, 54 F.2d 435, 435 (C.C.P.A. 1932).

1 **INSTRUCTION NO. 47.1—DESIGN PATENT OBVIOUSNESS**

2 Even if a design is not anticipated by a single reference, it may still be invalid because it was an
3 obvious design at the time it was made. Design patents are not valid when the design is an
4 obvious one. This means that it would have been obvious for a designer of skill in the field to
5 combine or modify earlier designs to arrive at the design in the patent.

6 In deciding whether any design is invalid because it was obvious at the time it was made, you
7 should analyze whether there are any relevant differences between the prior art and the design
8 from the view of a person of ordinary skill in the art at the time of the invention.

9 You do not need to look for precise teachings in the prior art directed to the subject matter of the
10 claimed invention. You may take into account the creative steps and inferences that a person of
11 ordinary skill in the art would have employed when viewing the prior art at the time of the
12 invention. For example, if the claimed invention combines elements already known in the prior
13 art and the combination yielded results that were predictable to a person of ordinary skill in the art
14 at the time of the invention, then this evidence would make it more likely that the claim was
15 obvious. On the other hand, if the combination of known elements yielded unexpected or
16 unpredictable results, or if the prior art teaches away from combining the known elements, then
17 this evidence would make it more likely that the claim that successfully combined those elements
18 was not obvious.

19 A claim is not proved obvious merely by demonstrating that each of the elements was
20 independently known in the prior art. Most inventions rely on building blocks long since
21 uncovered, and claimed discoveries almost of necessity will likely be combinations of what is
22 already known. Therefore, you should consider whether a reason existed at the time of the
23 invention that would have prompted a person of ordinary skill in the art in the relevant field to
24 combine the known elements in the way the claimed invention does. The reason could come from
25 the prior art, the background knowledge of one of ordinary skill in the art, the nature of the
26 problem to be solved, market demand, or common sense.

27 If you find that a reason existed at the time of the invention to combine the elements of the prior
28 art to arrive at the claimed design, this evidence would make it more likely that the claimed
invention was obvious.

Source

AIPLA Model Jury Instruction 7.2; *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 127 S.Ct. 1727,
1742-43 (2007); *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966); *Stratoflex, Inc. v.*
Aeroquip Corp., 713 F.2d 1530, 1536-37 (Fed. Cir. 1983); *Medtronic, Inc., v. Cardiac*
Pacemakers, Inc., 721 F.2d 1563, 1567-68 (Fed. Cir. 1983); *Titan Tire Corp. v. Case New*
Holland, Inc., 566 F.3d 1372, 1384-85 (Fed. Cir. 2009) (“Design patents, like utility patents, must
meet the nonobviousness requirement of 35 U.S.C. §103, and it is not obvious that the Supreme
Court necessarily intended to exclude design patents from the reach of *KSR*.”); *Smith v. Whitman*
Saddle Co., 148 U.S. 674, 681-82, 13 S.Ct. 768, 770-71, 37 L.Ed. 606 (1893) (“The presence or
the absence of the central open slot was not material, and we do not think that the addition of a
known cantle to a known saddle, in view of the fact that such use of the cantle was common, in
itself involved genius or invention, or produced a patentable design... The shape of the front end
being old, the sharp drop of the pommel at the rear seems to constitute what was new and to be
material. . . . If, therefore, this drop were material to the design, and rendered it patentable as a
complete and integral whole, there was no infringement.”).

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INSTRUCTION NO. 47.3—DESIGNER OF ORDINARY SKILL IN THE ART

The determination of whether a claimed design is obvious is based on the perspective of the ordinary designer skilled in the art. The ordinary designer skilled in the art is presumed to be familiar with all of the prior art designs that you have determined to be reasonably relevant.

A designer of ordinary skill in the art is a designer of ordinary capabilities in the field of electronic products. Such a person would have an undergraduate degree in a discipline such as engineering or industrial design, and about 1-2 years of experience in designing electronic devices. Alternatively, a designer in academia who taught industrial design students the design of electronic devices would also be identified as a designer skilled in the art.

Source

KSR Int'l Co. v. Teleflex Inc., 127 S.Ct. 1727 (2007); *Titan Tire Corp v. Case New Holland, Inc.*, 566 F.3d 1372, 1380-81 (Fed. Cir. 2009); *Durling v. Spectrum Furniture Co., Inc.*, 101 F.3d 100, 103 (Fed. Cir. 1996).

1 **INSTRUCTION NO. 47.4—DESIGN PATENT OBVIOUSNESS – SECONDARY**

2 **FACTORS INDICATING NONOBVIOUSNESS**

3 Before deciding the issue of obviousness, you must consider other factors that might show that the
4 designs were not obvious despite the prior art. You may only consider those factors that Apple
5 has established through evidence admitted at trial. No factor alone is dispositive, and you must
6 consider the obviousness or nonobviousness of the claimed design as a whole. Here are the
7 questions you should ask:

8 1 If there were products embodying the claimed designs that were commercially
9 successful, was that success due to the claimed design, or was the success instead due to other
10 factors such as the technology and usefulness of the Apple devices, advertising, promotion,
11 salesmanship, the Apple ecosystem, or any other features of the devices besides the design
12 claimed in the design patents?

13 2 Was there a long felt need for the specific look or claimed design of the Apple
14 patents?

15 3 Did others try, but fail to create the claimed design?

16 4 Did others copy the claimed design? Where parties have a practice of marketing
17 very similar products, however, evidence of copying is not a strong indicator of nonobviousness,
18 but rather a measure of the extent to which parties in the market typically follow developments by
19 their competitors, whether patented or not.

20 5 Did the claimed design achieve an unexpectedly superior appearance over the
21 closest prior art? Remember again that this refers only to the ornamental appearance of the
22 design, not its functional features.

23 6 Did others in the field praise the claimed design or express admiration for the
24 claimed design? For patents that do not claim the entire design of the device, any praise must be
25 directed to the specific designs that are claimed in the patent.

26 7 Did others accept licenses under the D'667, D'087, D'035 or D'889 design
27 patents?

28 **Source**

Graham v. John Deere Co., 383 U.S. 1, 17-18, 86 S.Ct. 684, 694, 15 L.Ed.2d 545 (1966); *Avia Group Intern., Inc. v. L.A. Gear California, Inc.*, 853 F.2d 1557, 1563 (Fed. Cir. 1988); *see also Jore Corp. v. Kouvato, Inc.*, 117 Fed. Appx. 761, 765, 2005 WL 27553 (Fed. Cir. 2005); *Kwik-Site Corp. v. Clear View Mfg. Co., Inc.*, 758 F.2d 167, 173 (Fed. Cir. 1985); *Wrigley v. Cadbury*, 2011-1140, 2012 U.S. App. LEXIS 12834, *19 (Fed. Cir. June 22, 2012).

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INSTRUCTION NO. 49— DESIGN PATENT -- DRAWINGS

The necessity for good drawings in a design patent application cannot be overemphasized. As the drawing constitutes the whole disclosure of the design, it is of utmost importance that it be so well executed both as to clarity of showing and completeness, that nothing regarding the design sought to be patented is left to conjecture. The reason for this is that patents are property rights and the public deserves to know what is covered by the patent and what is not.

Source

35 U.S.C. §112; MPEP 1503.02.

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INSTRUCTION NO. 50— DESIGN PATENT INVALIDITY – INDEFINITENESS

Where a design patent includes ambiguities, inconsistencies, or features that are not readily understandable or could cause confusion, the design is likely indefinite. For example, lack of appropriate surface shading in the drawing as filed may render the design indefinite. You must determine whether the Apple patents are indefinite such that they would not enable a designer skilled in the art to make the designs without having to guess at what is claimed in the patent drawings.

Source

35 U.S.C. §112; MPEP 1503.02.

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INSTRUCTION NOS. 30/52—PATENT DAMAGES—GENERALLY

I will instruct you about the measure of damages for infringement of both utility and design patents. By instructing you on damages, I am not suggesting which party should win on any issue. If you find that the alleged infringer (Samsung Electronics Company, Samsung Electronics America, Samsung Telecommunications America and/or Apple) infringed any valid claim of a patent, you must then determine the amount of money damages to be awarded to the patent holder (Samsung and/or Apple) to compensate it for the infringement. You should evaluate damages separately for each party you find to have infringed, and may not award more than the patent holder seeks.

The amount of those damages must be adequate to compensate the patent holder for the infringement. A damages award should put the patent holder in approximately the financial position it would have been in had the infringement not occurred, but in no event may the damages award be less than a reasonable royalty. You should keep in mind that the damages you award are meant to compensate the patent holder and not to punish an infringer.

The patent holder has the burden to persuade you of the amount of its damages. You should award only those damages caused by the infringement that the patent holder proves it suffered by a preponderance of the evidence. While the patent holder is not required to prove its damages with mathematical precision, it must prove them with reasonable certainty. The patent holder is not entitled to damages that are remote or speculative.

Source

N.D. Cal. Model Patent Jury Instr. B.5.1 (modified).

1 **INSTRUCTION NO. 31/53—PATENT DAMAGES — LOST PROFITS — GENERALLY**

2 In this case, Apple seeks to recover lost profits for some of Samsung’s sales of certain products.
3 Samsung does not seek to recover lost profits for Apple’s sales of allegedly infringing products.

4 To recover lost profits for infringing sale, Apple must show that, but for the infringement, there is
5 a reasonable probability that it would have made sales that Samsung Electronics Company,
6 Samsung Electronics America and Samsung Telecommunications America made of each allegedly
7 infringing product. Apple must show the share of Samsung Electronics Company’s, Samsung
8 Electronics America’s and Samsung Telecommunications America’s sales of each product that it
9 would have made if the allegedly infringing product had not been on the market.

10 You must allocate the lost profits based upon the customer demand for the patented feature or
11 design of each of the allegedly infringing products. That is, you must determine which profits
12 derive from the patented invention or design that Samsung Electronics Company, Samsung
13 Electronics America and Samsung Telecommunications America allegedly sells, and not from
14 other features of these infringing products.

15 **Source**

16 N.D. Cal. Model Patent Jury Instr. B.5.2 (modified).

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1 **INSTRUCTION NO. 32/53.1—PATENT DAMAGES — LOST PROFITS — FACTORS TO**

2 **CONSIDER**

3 Apple is entitled to lost profits if it proves all of the following:

- 4 (1) that there was a demand for the patented inventions and designs [alternate: that there
5 was demand for the patented products];
- 6 (2) that there were no non-infringing substitutes for each of the allegedly infringing
7 products, or, if there were, the number of the sales of each product made by Samsung
8 Electronics Company, Samsung Electronics America and Samsung
9 Telecommunications America that Apple would have made despite the availability of
10 other non-infringing substitutes. An alternative may be considered available as a
11 potential substitute even if it was not actually on sale during the infringement period.
12 Factors suggesting that the alternative was available include whether the material,
13 experience, and know-how for the alleged substitute were readily available. Factors
14 suggesting that the alternative was not available include whether the material was of
15 such high cost as to render the alternative unavailable and whether Samsung had to
design or invent around the patented technology to develop an alleged substitute;
- 16 (3) that Apple had the manufacturing and marketing capacity to make any infringing
17 sales actually made by Samsung Electronics Company, Samsung Electronics
18 America and Samsung Telecommunications America and for which Apple seeks an
19 award of lost profits; and
- 20 (4) the amount of profit that Apple would have made if Samsung Electronics Company,
21 Samsung Electronics America and Samsung Telecommunications America had not
22 allegedly infringed.

23 **Source**

24 N.D. Cal. Model Patent Jury Instr. B.5.3 (modified).

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INSTRUCTION NO. 53.2 LOST PROFITS – MARKET SHARE

One way Apple may prove the number of sales it would have made if the alleged infringement had not happened is to prove its share of the relevant market excluding infringing products. You may award Apple a share of profits equal to that market share.

In deciding Apple’s market share, you must decide which products are in its market. Products are in the same market if they are sufficiently similar to compete against each other. Two products are sufficiently similar if one does not have a significantly higher price than or possess characteristics significantly different than the other.

Source

N.D. Cal. Model Patent Jury Instr. B.5.3a (modified).

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INSTRUCTION NO. 53.3—DAMAGES – AMOUNT OF LOST PROFITS

Apple may calculate its lost profits on any lost sales by computing the lost revenue for sales it claims it would have made but for the infringement and subtracting from that figure the amount of additional costs or expenses it would have incurred in making those lost sales, such as cost of goods, sales costs, packaging costs, and shipping costs. Fixed costs that do not vary with increases in production or scale should not be subtracted from Apple’s lost revenue, if any.

Source

Federal Circuit Bar Association Model Patent Jury Instr. B.6.2 (modified).

1 **INSTRUCTION NO. 55 (First Samsung Proposed Instruction)—PATENT DAMAGES—**
2 **REASONABLE ROYALTY—ENTITLEMENT—DEFINITION—RELEVANT FACTORS**

3 Both Samsung and Apple seek an award of a reasonable royalty for alleged patent infringement.
4 If the holder of a patent does not seek lost profits (like Samsung), or has not proved its claim for
5 lost profits, or has proved its claim for lost profits for only a portion of the sales alleged to infringe
6 the patent, then the patent holder should be awarded a reasonable royalty for all infringing sales
7 for which it has not been awarded lost profits damages.

8 A reasonable royalty must be limited to compensation for the amount and type of alleged
9 infringement that actually occurred.

10 **Source**

11 N.D. Cal. Model Patent Jury Instr. B.5.6 (modified); *Oracle Am., Inc. v. Google Inc.*, 798 F.
12 Supp. 2d 1111, 1117 (N.D. Cal. 2011) (citing 35 U.S.C. 284); *ResQNet.com, Inc. v. Lansa, Inc.*,
13 594 F.3d 860, 869 (Fed. Cir. 2010) (“At all times, the damages inquiry must concentrate on
14 compensation for the economic harm caused by infringement of the claimed invention.”).
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1 **INSTRUCTION NO. 55 (Second Samsung Proposed Instruction)—PATENT DAMAGES—**

2 **REASONABLE ROYALTY—ENTITLEMENT—DEFINITION—RELEVANT FACTORS**

3 A royalty is a payment made to a patent holder in exchange for the right to make, use or sell the
4 claimed invention. This right is called a “license.” A reasonable royalty is the payment for the
5 license that would have resulted from a hypothetical negotiation between the patent holder and the
6 infringer taking place prior to the time when the infringing activity first began. In considering the
7 nature of this negotiation, you must assume that the patent holder and the infringer would have
acted reasonably and would have entered into a license agreement. You must also assume that
both parties believed the patent was valid and infringed. Your role is to determine what the result
of that negotiation would have been. The test for damages is what royalty would have resulted
from the hypothetical negotiation and not simply what either party would have preferred.

8 A royalty can be calculated in several different ways and it is for you to determine which way is
9 the most appropriate based on the evidence you have heard. One way to calculate a royalty is to
10 determine what is called an “ongoing royalty.” To calculate an ongoing royalty, you must first
11 determine the “base,” that is, the product on which the infringer is to pay. You then need to
12 multiply the revenue the defendant obtained from that base by the “rate” or percentage that you
find would have resulted from the hypothetical negotiation. For example, if the patent covers a
nail, and the nail sells for \$1, and the licensee sold 200 nails, the base revenue would be \$200. If
the rate you find would have resulted from the hypothetical negotiation is 1%, then the royalty
would be \$2, or the rate of .01 times the base revenue of \$200.

13 If the patent covers only part of the product that the infringer sells, then the base would normally
14 be only that feature or component. For example, if you find that for a \$10,000 car, the patented
15 feature is the tires which sell for \$5, the base revenue would be \$5. However, in a circumstance in
16 which the patented feature is the reason customers buy the whole product, the base revenue could
17 be the value of the whole product. Even if the patented feature is not the reason for customer
18 demand, the value of the whole product could be used if, for example, the value of the patented
feature could not be separated out from the value of the whole product. In such a case, however,
the rate resulting from the hypothetical negotiation would be a lower rate because it is being
applied to the value of the whole product and the patented feature is not the reason for the
customer’s purchase of the whole product.

19 A second way to calculate a royalty is to determine a one-time lump sum payment that the
20 infringer would have paid at the time of the hypothetical negotiation for a license covering all
21 sales of the licensed product both past and future. This differs from payment of an ongoing
royalty because, with an ongoing royalty, the licensee pays based on the revenue of actual licensed
products it sells. When a one-time lump sum is paid, the infringer pays a single price for a license
covering both past and future infringing sales.

22 It is up to you, based on the evidence, to decide what type of royalty is appropriate in this case for
23 Samsung and/or Apple.

24 **Source**

25 N.D. Cal. Model Patent Jury Instr. B.5.7 (modified).
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been reasonably and voluntarily trying to reach an agreement; that is, the amount which a prudent licensee—who desired, as a business proposition, to obtain a license to manufacture and sell a particular article embodying the patented invention—would have been willing to pay as a royalty and yet be able to make a reasonable profit and which amount would have been acceptable by a prudent patentee who was willing to grant a license.

No one factor is dispositive and you can and should consider the evidence that has been presented to you in this case on each of these factors. You may also consider any other factors which in your mind would have increased or decreased the royalty the infringer would have been willing to pay and the patent holder would have been willing to accept, acting as normally prudent business people. The final factor establishes the framework which you should use in determining a reasonable royalty, that is, the payment that would have resulted from a negotiation between the patent holder and the infringer taking place at a time prior to when the infringement began.

Source

Federal Circuit Bar Association Model Patent Jury Instr. B.6.7 (modified).

1 **INSTRUCTION NO. 54—ADDITIONAL REMEDY FOR DESIGN PATENT**

2 **INFRINGEMENT – DEFENDANT’S PROFIT⁵**

3 In this case, Apple alternatively seeks Samsung Electronics Company’s, Samsung Electronics
4 America’s, and Samsung Telecommunications America’s profit from sales of products alleged to
5 infringe Apple’s design patents. Accordingly, if you find infringement by Samsung Electronics
6 Company, Samsung Electronics America and/or Samsung Telecommunications America, do not
7 find Apple’s design patents are invalid, and do not award Apple lost profits and/or a reasonable
8 royalty, you may award Apple Samsung Electronics Company’s, Samsung Electronics America’s
9 and/or Samsung Telecommunications America’s total profit on sales of products alleged to
10 infringe Apple’s design patents.

11 The “total profit” of Samsung Electronics Company, Samsung Electronics America and/or
12 Samsung Telecommunications America means the entire profit on the sale of the article to which
13 the patented design is applied, or with which it is used and not just the portion of profit attributable
14 to the design or ornamental aspects of the patent. “Total profit” does not include profit
15 attributable to other products that may be sold in association with an infringing article embodying
16 the patented design. A design patent owner can recover the profit not only of the manufacturer or
17 producer of an infringing article, but also of other sellers in the chain of distribution, if any such
18 profits are proven by Apple by a preponderance of the evidence.

19 If you find infringement by any Samsung defendant, and do not award Apple lost profits and/or a
20 reasonable royalty, you may award Apple all profit earned by that defendant on sales of products
21 alleged to infringe Apple’s design patents, and that is attributable to whatever infringement you
22 have found by that particular defendant. Profit is determined by deducting certain expenses from
23 gross revenue. Gross revenue is all of the infringer’s receipts from the sale of products using any
24 design found infringed. Apple has the burden of proving the infringing defendant’s gross revenue
25 by a preponderance of the evidence.

26 Expenses can include costs incurred in producing the gross revenue, such as the cost of the goods.
27 Other costs may be included as deductible expenses if they are attributable to the sales of the
28 infringing products resulting in a nexus between the infringing products and the expense.
Samsung has the burden of proving the deductible expenses and the portion of the profit
attributable to factors other than use of the infringed design by a preponderance of the evidence.

Unless you find that a portion of the profit from the sale of the infringing product is attributable to
factors other than use of the infringed design, you shall find that the total profit is attributable to
the infringement.

Source

Intellectual Property Owners Association, Proposed Design Patent Model Jury Instr., No. 10.8
(modified).

⁵ Samsung objects to Apple’s attempt to obtain both lost profits and infringer’s profits as
unsupported by any legal authority. Samsung offers this instruction solely in the event that the
Court disagrees. Samsung also offers this instruction subject to its objection that any
disgorgement of profits should be subject to apportionment.

1 **INSTRUCTION NO. 40—CALCULATING DAMAGES IN CASES OF INDUCEMENT**⁶

2 Apple asserts that Samsung Electronics Company, Samsung Electronics America and Samsung
3 Telecommunications America have each actively induced another to infringe Apple’s patents.

4 Samsung asserts that Apple has actively induced another to infringe Samsung’s patents.

5 In order to recover damages for induced infringement, the patent holder (Samsung and/or Apple)
6 must either prove that the accused product necessarily infringes the patent in suit or prove acts of
7 direct infringement by others that were induced by the accused infringer. Because the amount of
8 damages for induced infringement is limited by the number of instances of direct infringement, the
9 patent holder must further prove the number of direct acts of infringement of the patent in suit, for
10 example, by showing individual acts of direct infringement or by showing that a particular class of
11 products directly infringes.

12 **Source**

13 N.D. Cal. Model Patent Instr. B.5.9 (modified).
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27 ⁶ Samsung does not believe that Apple has properly asserted inducement of patent
28 infringement in this case. See Samsung’s Motion *In Limine*, No. 3. It includes this instruction
solely in the event the Court disagrees.

1 **INSTRUCTION NO. 59—DESIGN AND UTILITY PATENTS—WILLFUL PATENT**
2 **INFRINGEMENT**

3 In this case, Apple argues both that Samsung infringed and, further, that Samsung infringed
4 willfully. Likewise, Samsung argues that Apple infringed and, further, that Apple infringed
5 willfully. If you have decided that the alleged infringer has infringed, you must go on and address
6 the additional issue of whether or not this infringement was willful. Willfulness requires a
7 determination that the alleged infringer acted recklessly.

8 To prove that the alleged infringer acted recklessly, the patent holder must prove the state of mind
9 of the alleged infringer by clear and convincing evidence. The patent holder must persuade you
10 by clear and convincing evidence that the alleged infringer actually knew or should have known
11 that its actions constituted an unjustifiably high risk of infringement of a valid and enforceable
12 patent. To determine whether the alleged infringer had this state of mind, consider all facts which
13 may include, but are not limited, to:

14 (1) Whether or not the alleged infringer acted in accordance with the standards of
15 commerce for its industry;

16 (2) Whether or not the alleged infringer intentionally copied a product of the patent holder
17 that is covered by the patent;

18 (3) Whether or not there is a reasonable basis to believe that the alleged infringer did not
19 infringe or had a reasonable defense to infringement;

20 (4) Whether or not the alleged infringer made a good-faith effort to avoid infringing the
21 patent, for example, whether the alleged infringer attempted to design around the patent; and

22 (5) Whether or not the alleged infringer tried to cover up its infringement.

23 **Source:**

24 Federal Circuit Model Patent Jury Instr. B.3.8; 35 U.S.C. § 284; *In re Seagate Tech., LLC*,
25 497 F.3d 1360 (Fed. Cir. 2007) (standard for finding willfulness); *Crystal Semiconductor Corp. v.*
26 *Tritech Microelectronics Int'l, Inc.*, 246 F.3d 1336, 1346 (Fed. Cir. 2001) (burden of proof for
27 willfulness); *WMS Gaming Inc. v. Int'l Game Tech.*, 184 F.3d 1339, 1354 (Fed. Cir. 1999)
28 (knowledge of the patent necessary to show willfulness); *Read Corp. v. Portec, Inc.*, 970 F.2d 816
(Fed. Cir. 1992) (identifying factors that may show willfulness); *Gustafson, Inc. v. Intersystems*
Indus. Prods., Inc., 897 F.2d 508, 510 (Fed. Cir. 1990) (history of Federal Circuit decisions on
willfulness); *Bard Peripheral Vascular, Inc. v. W.L Gore & Assoc., Inc.*, No. 2010-1510, 2012
U.S. App. LEXIS 13561, at *13 (Fed. Cir. June 14, 2012) (“the ultimate legal question of whether
a reasonable person would have considered there to be a high likelihood of infringement of a valid
patent should always be decided as a matter of law by the judge”).

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BREACH OF CONTRACT

INSTRUCTION NO. 82—BREACH OF CONTRACT – OBLIGATION TO LICENSE

PATENTS ON FRAND TERMS

Samsung has submitted declarations to ETSI in which Samsung identified the '516, '604, and '941 patents, or related patents or applications, as IPRs that it believed may be considered essential to the UMTS standard. In those declarations, Samsung declared that it would be prepared to grant irrevocable licenses under those IPRs on fair, reasonable and non-discriminatory terms and conditions to the extent the IPRs remain essential to the UMTS standard. In order to demonstrate breach of this provision, Apple must prove that all of the conditions for performance of this obligation occurred, that Samsung did not fulfill this obligation, that Apple was harmed, and that this harm was caused by Samsung's failure to perform this obligation.

1 **INSTRUCTION NO. 83—BREACH OF CONTRACT – OBLIGATION TO TIMELY**
2 **DISCLOSE INTELLECTUAL PROPERTY RIGHTS (“IPR”)**

3 The November 1997 ETSI IPR Policy provides:

4 Each MEMBER shall use its reasonable endeavours to timely
5 inform ETSI of ESSENTIAL IPRs it becomes aware of. In
6 particular, a MEMBER submitting a technical proposal for a
7 STANDARD shall, on a bona fide basis, draw the attention of
8 ETSI to any of that MEMBER’s IPR which might be ESSENTIAL
9 if that proposal is adopted.

10 In order to demonstrate breach of this provision, Apple must prove that all of the conditions for
11 performance of this obligation occurred, that Samsung did not fulfill this obligation, that Apple
12 was harmed, and that this harm was caused by Samsung’s failure to perform this obligation.
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INSTRUCTION NO. 84—MONOPOLIZATION — ELEMENTS

Apple alleges that Samsung failed to disclose its intellectual property rights in the patents essential to the UMTS standard to an organization called ETSI, and thus violated Section 2 of the Sherman Act. If you determine that these three patents are in fact standard essential patents, you must then evaluate whether Apple has proven that Samsung violated antitrust laws. To win on its antitrust claim, Apple must prove each of the following elements is more likely true than not true:

First, that the alleged technology market is a relevant antitrust market;

Second, that Samsung possessed monopoly power in that market;

Third, that Samsung willfully acquired or maintained its monopoly power in that market by engaging in anticompetitive conduct; and

Fourth, that Samsung’s anticompetitive conduct was a substantial factor in causing injury to Apple in its business or property.

If you find that Apple has proved each of these elements, then you must find for Apple and against Samsung on the monopolization claim. If you find that Apple has failed to prove any one or more of these elements, then you must find for Samsung and against Apple on this claim.

Source

Adapted from ABA Model Antitrust Jury Instructions, at C-2.

1 **INSTRUCTION NO. 84.1—MONOPOLIZATION – MONOPOLY POWER GENERALLY**

2 Monopoly power is the power to control prices and exclude competition in a relevant antitrust
3 market. More precisely, a firm is a monopolist if it can profitably raise prices substantially above
4 the competitive level for a significant period of time. To prove a monopolization claim, one of the
5 elements Apple must prove is that Samsung has monopoly power in a relevant antitrust market.
6 However, monopoly power, in and of itself, is not unlawful. A patent owner who does no more
7 than take advantage of the right to exclude created by its patent does not violate the antitrust laws.

8 I will now provide further instructions about how you may determining whether the Apple has met
9 its burden of proving Samsung’s alleged monopoly power in a relevant market.

10 **Source**

11 ABA Model Antitrust Jury Instructions, at C-4; *United States v. E.I. du Pont de Nemours & Co.*,
12 351 U.S. 377, 389 (1956); *Aspen Skiing Co. v. Aspen Highlands Skiing Corp.*, 472 U.S. 585
13 (1987).
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INSTRUCTION NO. 85—MONOPOLIZATION – RELEVANT MARKET

Apple must prove that it is more likely true than not true that Samsung had monopoly power in one or more relevant markets. Defining the relevant market is essential to determining whether Samsung had monopoly power because whether a company has monopoly power depends on the contours of the market.

There are two aspects you must consider in determining whether Apple has met its burden of proving the relevant market or markets. The first is the existence of a relevant technology market. The second is the existence of a relevant geographic market.

If, after considering all the evidence, you find that Apple has proven both a relevant technology market and a relevant geographic market, then you must find that Apple has met the relevant market requirement and you must consider the remaining elements of its unlawful monopolization claims.

If you find that Apple has failed to prove either a relevant technology market or a relevant geographic market, then you must find for Samsung and against Apple on Apple’s unlawful monopolization claim.

Source

Adapted from ABA Model Antitrust Jury Instructions, at C-6

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INSTRUCTION NO. 85.1—MONOPOLIZATION RELEVANT TECHNOLOGY--

MARKET

A “technology” refers to an invention or process for accomplishing something, and is sometimes covered by a patent. The basic idea of a relevant technology market is that the technologies within it are reasonable substitutes for each other from the user’s point of view; that is, the technologies compete with each other. In other words, a relevant technology market includes the technologies that a user believes are reasonably interchangeable or reasonable substitutes for each other. Technologies need not be identical or precise interchangeable as long as they are reasonable substitutes. This is a practical test, and you may consider the actual behavior of users and the marketing efforts of licensors.

Source

Based generally on *Broadcom Corp. v. Qualcomm Inc.*, 501 F.3d 297 (3d Cir. 2007); *Hynix, et al. v. Rambus Inc.*, Case No. 06-cv-00244-RMW, Ckt. No. 1254 (Final Jury Instructions), at 26-27.

1 **Source**

2 Based on ABA Model Antitrust Jury Instructions, at C-16 to C-19 and the authorities cited
3 therein.

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1 **INSTRUCTION NO. 86.1—MONOPOLIZATION—EXISTENCE OF MONOPOLY**

2 **POWER—DIRECT PROOF**

3 If you find that plaintiff has proven a relevant market, then you should determine whether
4 defendant has monopoly power in that market. As I instructed you earlier, monopoly power is the
power to control prices and exclude competition in a relevant antitrust market.

5 Plaintiff has the burden of proving that defendant has the ability to raise or maintain the prices that
6 it charges for goods or services in the relevant market above competitive levels. Plaintiff must
7 prove that defendant has the power to do so by itself -- that is, without the assistance of, and
despite competition from, any existing or potential competitors.

8 Plaintiff must also prove that defendant has the power to maintain prices above a competitive level
9 for a significant period of time. If defendant attempted to maintain prices above competitive
levels, but would lose so much business to other competitors that the price increase would become
unprofitable and would have to be withdrawn, then defendant does not have monopoly power.

10 Similarly, plaintiff must prove that defendant has the ability to exclude competition. For example,
11 if defendant attempted to maintain prices above competitive levels, but new competitors could
12 enter the relevant market or existing competitors could expand their sales and take so much
business that the price increase would become unprofitable and would have to be withdrawn, then
defendant does not have monopoly power.

13 The ability to earn high profit margins or a high rate of return does not necessarily mean that
14 defendant has monopoly power. Other factors may enable a company without monopoly power to
15 sell at higher prices or earn higher profit margins than its competitors, such as the ability to offer
16 superior products or services, the ability to maintain an efficient business operation, or superior
17 advertising or marketing [expand or contract list as appropriate]. However, an ability to sell at
higher prices or earn higher profit margins than other companies for similar goods or services over
a long period of time may be evidence of monopoly power. By contrast, evidence that defendant
would lose a substantial amount of sales if it raised prices substantially, or that the defendant's
profit margins were low compared to its competitors, erratic, and/or decreasing, might be evidence
that the defendant does not have monopoly power.

18 If you find that defendant has monopoly power in the relevant market, then you must consider the
19 remaining elements of this claim. If you find that defendant does not have monopoly power, then
20 you must find for defendant and against the plaintiff on this claim.

21 **Source**

22 Based on ABA Model Antitrust Jury Instructions, at C-23 and the authorities cited therein.
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1 **INSTRUCTION NO. 87—MONOPOLIZATION — WILLFUL ACQUISITION OF**
2 **MONOPOLY POWER THROUGH ANTICOMPETITIVE ACTS**

3 The next element plaintiffs must prove is that Samsung willfully acquired or maintained monopoly
4 power through anticompetitive acts or practices. Anticompetitive acts are acts, other than
5 competition on the merits, that have the effect of preventing or excluding competition. Harm to
6 competition is to be distinguished from harm to a single competitor or group of competitors,
7 which does not necessarily constitute harm to competition. In addition, you should distinguish the
8 acquisition of monopoly power through anticompetitive acts from the acquisition of monopoly
9 power by supplying better products or services, possessing superior business skills, or because of
10 luck, which is not unlawful.

11 Mere possession of monopoly power, if lawfully acquired, does not violate the antitrust laws. A
12 monopolist may compete aggressively without violating the antitrust laws, and a monopolist may
13 charge monopoly prices without violating the antitrust laws. A monopolist’s conduct only
14 becomes unlawful where it involves anticompetitive acts.

15 The difference between anticompetitive conduct and conduct that has a legitimate business
16 purpose can be difficult to determine. This is because all companies have a desire to increase their
17 profits and increase their market share. These goals are an essential part of a competitive
18 marketplace, and the antitrust laws do not make these goals – or the achievement of these goals –
19 unlawful, as long as a company does not use anticompetitive means to achieve these goals.

20 In determining whether Samsung’s conduct was anticompetitive or whether it was legitimate
21 business conduct, you should determine whether the conduct is consistent with competition on the
22 merits, whether the conduct provides benefits to consumers, and whether the conduct would make
23 business sense apart from any effect it has on excluding competition or harming competitors.

24 For example, suppose there are five firms that make printers for home computers and that these
25 printers comprised a relevant product market. Suppose also that Firm A developed a more efficient
26 manufacturing process that allowed it to sell profitably at a lower price than its competitors. If
27 Firm A grew its market share and achieved monopoly power by selling profitably at a lower price,
28 it would not be unlawful for Firm A to achieve monopoly power in this way. Developing more
efficient processes and developing the ability to sell profitably at lower prices is competition on
the merits and benefits consumers, and it therefore is not anticompetitive conduct even if it has a
negative effect on competitors.

Similarly, in the same example, suppose Firm B developed and patented a revolutionary new
printer and consumers so preferred Firm B’s printer that Firm B achieved monopoly power. It
would not be unlawful for Firm B to achieve monopoly power in this way. Firm B “built a better
mousetrap,” which is competition on the merits and benefits consumers, and it therefore is not
anticompetitive conduct.

By contrast, in the same example, suppose not only that Firm C makes printers, but also that Firm
C is the world’s only manufacturer of computers and that there are barriers to entry in the
computer market such that no other firm will be able to enter that market. Suppose also that Firm
C altered its computers in such a way that only Firm C’s printers would work with its computers,
and that the alteration does not improve the design of Firm C’s computers or provide any benefits
to competition or consumers – the only effect of the alteration is to exclude competing printer
makers from the marketplace. If Firm C thereby prevented its printer competitors from competing
and achieved monopoly power, it would be unlawful for Firm C to achieve monopoly power in the
printer market in this way.

As these examples show, the acts or practices that result in the acquisition of monopoly power

1 must represent something more than the conduct of business that is part of the normal competitive
2 process or commercial success. They must represent conduct that has made it very difficult or
3 impossible for competitors to compete and that was taken for no legitimate business reason. You
4 may not find that a company willfully acquired monopoly power if it has acquired that power
solely through the exercise of superior foresight and skill; or because of economic or technological
efficiency, including efficiency resulting from scientific research; or by obtaining a lawful patent;
or because changes in cost or taste have driven out all but one supplier.

5 If you find that Apple has proven by a preponderance of the evidence that Samsung willfully
6 acquired monopoly power through anticompetitive acts, then you must consider whether the Apple
7 has proved the remaining elements of their monopolization claim. If, however, you find that Apple
did not prove this element by a preponderance of the evidence, then you must find for Samsung
and against the plaintiffs on this claim.

8 **Source**

9 Based on ABA Model Antitrust Jury Instructions, at C-26 to C-30 and the authorities cited
10 therein; *Golan v. Pingel Enter., Inc.*, 310 F.3d 1360, 1370-72 (Fed. Cir. 2002); *Nobelpharma*
11 *AB v. Implant Innovations, Inc.*, 141 F.3d 1059, 1068-73 (Fed. Cir. 1998), *Handgards, Inc. v.*
12 *Ethicon, Inc.*, 601 F.2d 986, 996 (9th Cir. 1979)).

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1 **INSTRUCTION NO. 88—MONOPOLIZATION — ANTICOMPETITIVE BEHAVIOR IN**
2 **STANDARD-SETTING**

3 Apple alleges that Samsung willfully acquired or maintained monopoly power in the technologies
4 based on anticompetitive behavior at ETSI. ETSI is a standard-setting organization. A standard
5 can enhance consumer welfare by ensuring interoperability of products and devices. The ideal
6 standard-setting process can allow members of a standard-setting organization to make an
7 objective comparison between multiple technologies before a standard is adopted. To the extent
8 the marketplace only recognizes one standard, the process of standardization may eliminate
9 alternative technologies. When a patented technology is incorporated into a standard, adoption of
10 the standard may eliminate alternatives to the patented technology. Nevertheless, “winning” the
11 competition between two technologies to be included in the standard may enhance consumer
12 welfare and not be anticompetitive even if the technology is covered by a patent.

13 Apple contends that Samsung’s conduct with respect to the disclosure of its declared essential
14 patents was anticompetitive. In order to prove that this conduct was anticompetitive, Apple must
15 show that (1) ETSI members shared a clearly defined expectation that members would use
16 reasonable endeavors to timely inform ETSI of essential IPR that the member became aware of;
17 (2) Samsung knowingly failed to use reasonable endeavors to timely inform ETSI of essential
18 IPR; (3) ETSI members relied on the requirement that Samsung would disclose such essential IPR
19 when they adopted the standards; and (4) Samsung later attempted to enforce such a patent against
20 a standards-compliant device.

21 Apple contends that Samsung’s conduct with respect to making available licenses to declared
22 essential IPRs was anticompetitive. In order to prove that this conduct was anticompetitive, Apple
23 must show that (1) ETSI members shared a clearly defined expectation that members would be
24 prepared to grant licenses to essential patents on FRAND terms and conditions; (2) Samsung
25 knowingly did not intend to grant licenses to essential patents on FRAND terms and conditions;
26 (3) ETSI members relied on the requirement that Samsung would be prepared to grant licenses to
27 essential patents on FRAND terms and conditions when they adopted the standards; and (4)
28 Samsung later attempted to enforce an essential patent against a standards-compliant device.

In addition, Apple must prove that Samsung induced ETSI to adopt its standard. In other words,
Apple must prove that there was an alternative technology that ETSI was considering during the
standard setting process and that ETSI would have adopted an alternative standard had it known of
Samsung’s intellectual property rights.

Source

Adapted from ABA Model Antitrust Jury Instructions, at C-26, D-64, and the authorities cited
therein; *Broadcom Corp. v. Qualcomm Inc.*, 501 F.3d 297 (3d Cir. 2007); November 1997 ETSI
IPR Policy.

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INSTRUCTION NO. 89—MONOPOLIZATION — SAMSUNG’S INTENT

Samsung has introduced evidence that its licensing decisions were based on legitimate business purposes. A refusal to cooperate that is designed to protect or further the legitimate business purposes of a monopolist does not violate the antitrust laws, even if that refusal injures competitors. In general, the desire, to maintain monopoly power or to block entry of competitors is not a legitimate business purpose. A legitimate business purpose is one that benefits the actor regardless of any harmful effect on competitors, such as a purpose to promote efficiency or quality, offer a better product or service, or increase short run profits. Thus, a refusal to cooperate that harms Samsung’s independent interests and makes sense only to obtain or maintain monopoly power is not based on legitimate business purposes. A refusal to cooperate that is based in part on legitimate business reasons, even if it is also motivated by the desire to harm competitors, does not violate the antitrust laws. It is Apple’s burden to prove that Samsung’s refusal to cooperate was not motivated by legitimate business purposes.

Source

Based on ABA Model Antitrust Jury Instructions, at C-39; *City of Vernon v. Southern Cal. Edison Co.*, 955 F.2d 1361, 1266 (9th Cir. 1992).

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INSTRUCTION NO. 91—MONOPOLIZATION — INJURY AND DAMAGES

If you find that Samsung has violated Section 2 of the Sherman Act as alleged by Apple, you must then decide if Apple is entitled to recover damages from Samsung.

Apple is entitled to recover damages for an injury to its business or property if it can establish three elements of injury and causation.

First, Apple must prove that it was in fact injured as a result of Samsung’s alleged violation of the antitrust laws.

Second, Apple must prove that Samsung’s alleged illegal conduct was a material cause of Apple’s injury. This means that Apple must prove that some damages occurred as a result of Samsung’s alleged antitrust violation, and not some other cause. Apple is not required to prove that Samsung’s alleged antitrust violation was the sole cause of its injury; nor need Apple eliminate all other possible causes of injury.

Third, Apple must prove that its injury is the type of injury that the antitrust laws were intended to prevent. If Apple’s injury was caused by a reduction in competition or acts that would otherwise harm consumers, then Apple’s injury is an “antitrust injury.” The costs and expenses in defending against the assertion of essential patents may be antitrust injury. On the other hand, if Apple’s injuries were caused by heightened competition, the competitive process itself, or by acts that would benefit consumers, then Apple’s injuries are not antitrust injuries and Apple may not recover damages for those injuries under the antitrust laws.

If you find that Apple has suffered injury to its business or property, you must determine whether Apple has proven that it is entitled to damages for such injury. The amount of any such damages is the amount of damages that Apple has proven at trial with reasonable certainty.

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INSTRUCTION NO. 70—TRADE DRESS

Apple seeks damages from Samsung for trade dress infringement and dilution arising from Samsung’s sale of certain phones and tablets. Samsung denies infringing or diluting Apple’s alleged trade dresses and contends they are invalid. Here are the instructions you must follow in deciding these claims.

Source

Ninth Circuit Model Civil Jury Instr. (“Model Instructions”) No. 15 (modified).

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INSTRUCTION NO. 71—DEFINITION—TRADE DRESS

Trade dress is the non-functional physical detail and design of a product which identifies the product’s source and distinguishes it from the products of others. Trade dress may include features such as size, shape, color, color combinations, texture, or graphics. In other words, trade dress is the form in which a company presents a product or service to the market, its manner of display.

The trade dresses at issue in this case involve certain products sold by Apple. Trade dress rights in product designs are more limited than rights in trade dress packaging cases because most product designs are intended to make the product more useful or more appealing to consumers and are not intended to identify the source of the product.

Source

Ninth Circuit Model Instructions No. 15.2 (modified); *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 213 (2000) (“In the case of product design, as in the case of color, we think consumer predisposition to equate the feature with the source does not exist. Consumers are aware of the reality that, almost invariably, even the most unusual of product designs—such as a cocktail shaker shaped like a penguin—is intended not to identify the source, but to render the product itself more useful or more appealing.”); *TraFFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23, 29 (2003) (“And in *Wal-Mart*, supra, we were careful to caution against misuse or overextension of trade dress. We noted that “product design almost invariably serves purposes other than source identification.”).

1 **INSTRUCTION NO. 72—TRADE DRESS LIABILITY—THEORIES AND POLICIES**

2 The trade dress laws balance three often-conflicting goals: (1) protecting the public from being
3 misled about the nature and source of goods and services, so that the consumer is not confused or
4 misled in the market; (2) protecting the rights of a business to identify itself to the public and its
5 reputation in offering goods and services to the public; and (3) protecting the public interest in fair
6 competition in the market.

7 The balance of these policy objectives vary from case to case, because they may often conflict.
8 Accordingly, each case must be decided by examining its specific facts and circumstances, of
9 which you are to judge.

10 **Source**

11 Ninth Circuit Model Instructions No. 15.4 (modified).

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INSTRUCTION NO. 73—TRADE DRESS—NO LIABILITY FOR COPYING

Trade dress law prohibits the copying of protectable trade dress only in order to prevent the likelihood of consumer confusion as to source. It does not otherwise prohibit competitors from copying each other’s products. Nor does it protect a company’s innovation and creativity.

Source

Dastar Corp v. Twentieth Century Fox Film Corp., 539 U.S. 23, 36 (2003) (“reading §43(a) of the Lanham Act as creating a cause of action for, in effect plagiarism – the use of otherwise unprotected works and inventions without attribution – would be hard .”); *Wal-Mart Stores v. Samara Brothers, Inc.*, 529 U.S. 205 (2000) (no cause of action for trade dress violation because asserted trade dress was not source identifying even though Wal-Mart produced ‘knockoffs’ of children’s clothes designed and manufactured by Samara Broths, containing only ‘minor modifications’ of the original designs.); *Traffix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23, 29 (2001) (The Supreme Court has been ‘careful to caution against misuse or overextension” of trademark related protections into areas traditionally occupied by patent and copyright.”); *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U.S. 844, 851 n. 11 (1982) (designs cannot be protected under the Lanham Act unless they “identify the source of the product rather than the product itself”); *Bonito Boats v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 157 (1989) (“The defendant . . . may copy plaintiff’s goods slavishly down to the minutest detail; but he may not represent himself as the plaintiff in their sale.”) (internal quotation marks omitted); *Newton v. Thomason*, 22 F.3d 1455, 1463 (9th Cir. 1994) (“must show that, in selecting [accused] name, Appellees intended to profit by confusing consumer”) (internal quotation marks omitted); *Bretford Manufacturing, Inc. v. Smith System Manufacturing Corp.*, 419 F.3d 576, 581 (7th Cir. 2005) (“Businesses often think competition unfair, but federal law encourages wholesale copying, the better to drive down prices.”).

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**INSTRUCTION NO. 67—TRADE DRESS INFRINGEMENT—ELEMENTS AND
BURDEN OF PROOF (15 U.S.C. § 1125(a)(1))**

In this action, Apple contends that Samsung’s Galaxy Tab 10.1 tablet computers infringe Apple’s unregistered trade dresses for the iPad and iPad 2 tablet computers.

To prove trade dress infringement, Apple bears the burden of proof by a preponderance of the evidence on each of the following elements for each of its claimed trade dresses:

1. Apple must prove that the claimed trade dresses are not functional.
2. Apple must prove that the claimed trade dresses have acquired distinctiveness through secondary meaning.
3. Apple must prove that Samsung used trade dress similar to Apple’s claimed trade dresses without Apple’s consent in a manner that is likely to cause confusion among consumers as to the source, sponsorship, affiliation, or approval of Samsung’s goods.

If you find that **each** of the elements on which Apple has the burden of proof has been proved, your verdict should be for Apple. If, on the other hand, Apple has failed to prove any one of these elements, your verdict must be for Samsung.

Source

Ninth Circuit Model Instructions No. 15.6 (modified); *Mattel, Inc. v. Walking Mountain Productions*, 353 F.3d 792, 808 (9th Cir. 2003) (“Generally, to recover for trade dress infringement under [15 U.S.C.] § 1125, a plaintiff must show that ‘its trade dress is protectable and that defendant’s use of the same or similar trade dress is likely to confuse consumers.’ A trade dress is protectable if it is ‘nonfunctional and has acquired secondary meaning and if its imitation creates a likelihood of consumer confusion.’”) (citations omitted); *Talking Rain Beverage Co. Inc. v. South Beach Beverage Co.*, 349 F.3d 601, 603 (9th Cir. 2003) (citing as elements of proof necessary to show infringement of a bottle design as: “(1) nonfunctionality, (2) distinctiveness and (3) likelihood of confusion.”).

1 **INSTRUCTION NO. 61—TRADE DRESS PROTECTABILITY—DISTINCTIVENESS**

2 To prove infringement of its claimed iPad and iPad 2 trade dresses, Apple has the burden of
3 proving by a preponderance of the evidence that the claimed trade dresses are distinctive.

4 To prove distinctiveness, Apple must show that its claimed trade dresses have “secondary
5 meaning.” Trade dress has secondary meaning when its primary significance in the minds of the
prospective consumers is not the product itself, but the identification of the product with a single
source, regardless of whether consumers know who or what that source is.

6 To find that the claimed trade dress have acquired secondary meaning, you must find by a
preponderance of the evidence that a significant proportion of prospective purchasers of tablet
7 computers associates the claimed trade dress with a single source.

8 When you are determining whether the claimed trade dress has acquired a secondary meaning, you
may consider the following factors:

9
10 1. Consumer Perception. Whether the people who purchase tablet computers
associate the claimed trade dress with Apple;

11 2. Advertisement. To what degree and in what manner Apple may have advertised
using the claimed trade dress;

12 3. Demonstrated Utility. Whether Apple has successfully used the claimed trade
13 dress to increase the sales of iPad or iPad 2;

14 4. Extent of Use. The length of time and manner in which Apple has used the claimed
trade dress;

15 5. Exclusivity. Whether Apple’s use of the claimed trade dress was exclusive;

16 6. Copying. Whether Samsung intentionally copied Apple’s alleged trade dress.

17 7. Actual Confusion. Whether Samsung’s use of Apple’s alleged trade dress has led to
18 actual confusion among a significant number of consumers.

19 The presence or absence of any particular factor should not necessarily resolve whether the
claimed trade dresses have acquired secondary meaning.

20 Apple’s claimed trade dresses are protectable only to the extent you find it has acquired
21 distinctiveness through secondary meaning. If either the claimed iPad or iPad 2 trade dress has
not required a sufficient level of secondary meaning, then that trade dress is invalid and not
22 entitled to protection and your verdict on that trade dress must be for Samsung.

23 **Source**

24 Ninth Circuit Model Instruction 15.10 (modified); *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*,
25 529 U.S. 205, 211 (2000)(“a mark has acquired distinctiveness. . . if it has developed secondary
meaning, which occurs when, in the minds of the public, the primary significance of a [mark] is
to identify the source of the product rather than the product itself.”) (internal quotations omitted);
26 *Filipino Yellow Pgs. v. Asian Journal Publications*, 198 F. 3d 1143, 1151 (9th Cir. 1999)
27 (“Secondary meaning can be established in many ways, including . . . direct consumer testimony;
survey evidence; exclusivity, manner, and length of use of a mark; amount and manner of
advertising; amount of sales and number of customers; established place in the market; and proof
28 of intentional copying by the defendant.”).

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INSTRUCTION NO. 61.1—SECONDARY MEANING—ADVERTISING

To be probative of secondary meaning, Apple’s advertising must direct the consumer to those features claimed as trade dress or identify or stress them, such as by directing the consumer to “look for” the claimed features. Merely featuring the relevant aspects of the product does not support a finding of secondary meaning.

Source

First Brands Corporation v. Fred Meyer, Inc., 809 F.2d 1378, 1383 (9th Cir. 1987) (advertisements must identify and feature the claimed trade dress in order to support a finding of secondary meaning; plaintiff failed to use “look for” advertising); *Yankee Candle Co., Inc. v. Bridgewater Candle Co., LLC*, 259 F.3d 25, 44 (2d Cir. 2001) (“[I]t is advertising that specifically directs a consumer’s attention to a particular aspect of the product. To be probative of secondary meaning, the advertising must direct the consumer to the features claimed as trade dress. [Citation.] Merely ‘featuring’ the relevant aspect of the product in advertising is no more probative of secondary meaning than are strong sales; again to provide protection based on extensive advertising would extend trade dress protection to the [elements for which protection is sought] without any showing that the consumers associate the dress with the product’s source.”); *Autodesk, Inc., v. Dassault Systems Solidworks Corp.*, 685 F. Supp. 2d 1001, 1014 (N.D. Cal. 2009); *Walker & Zanger, Inc. v. Paragon Industries, Inc.*, 549 F. Supp. 2d 1168, 1180 (ND Cal 2007) (quoting same; plaintiff failed to use “look for” advertising).

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INSTRUCTION NO. 61.2—SECONDARY MEANING—SALES SUCCESS

Sales success by itself will typically not be as probative of secondary meaning in a product configuration case as in a trademark case, since the product’s market success could be attributable to the desirability of the product design rather than the source-designating capacity of the trade dress. And unlike with a trademark, where repeated purchases of a product support an inference that consumers have associated the mark with the producer or source, one can much less confidently presume that a consumer’s repeated purchase of a product has created an association between a particular product configuration and the source.

Source

Continental Laboratory Products, Inc. v. Medax Intern., Inc., 114 F. Supp. 2d 992, 1002-03 (S.D.Cal. 2000) (quoting *Duraco Prods., Inc. v. Joy Plastic Enters., Ltd.*, 40 F.3d 1431, 1452-53 (3d Cir. 1994) (“Sales success by itself will typically not be as probative of secondary meaning in a product configuration case as in a trademark case, since the product’s market success may well be attributable to the desirability of the product configuration rather than the source-designating capacity of the supposedly distinguishing feature or combination of features. And unlike with a trademark, where repeated purchases of a product support an inference that consumers have associated the mark with the producer or source, one can much less confidently presume that a consumer’s repeated purchase of a product has created an association between a particular product configuration and the source.”); *Yankee Candle Co., Inc. v. Bridgewater Candle Co.*, 99 F. Supp. 2d 140, 155 (D. Mass. 2000); 4 *McCarthy* § 15:47 at 15-67 (“Popularity of a product is not synonymous with secondary meaning. Large sales of the product may be due to dozens of factors, only one of which may be the drawing power of the trademark.”).

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INSTRUCTION NO. 61.3—SECONDARY MEANING—EXCLUSIVITY OF USE

If there are numerous other products in the market with the same or similar trade dresses, this tends to support a finding that the trade dress does not have secondary meaning.

Source

Miss World (UK), Inc. v. Mrs. American Pageants, Inc., 856 F.2d 1445, 1449 (9th Cir. 1988) (“Simply put, a mark which is hemmed in on all sides by similar marks on similar goods cannot be very ‘distinctive’. It is merely one of a crowd of marks. In such a crowd, customers will not likely be confused between any two of the crowd and may have learned to carefully pick out one from the other.”); *Schwan’s IP, LLC v. Kraft Pizza Co.*, 460 F. 3d 971 (8th Cir. 2006) (considering use of mark by third-parties and newspapers); *CG Roxane LLC v. Fiji Water Co. LLC*, 569 F. Supp. 2d 1019 (N.D. Cal. 2008) (“Courts view a mark’s use by competitors as strong evidence of how the public perceives the term. ... Naturally, when more members of the public see a mark used by several producers in the industry, the less likely they will identify a particular producer with that mark.”) (internal quotation marks, citations omitted).

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INSTRUCTION NO. 61.4—SECONDARY MEANING—COPYING

To support a finding of secondary meaning, deliberate copying must be an intentional attempt to capitalize on a company’s reputation or good will. Mere attempts to copy a product are not necessarily probative since the copier may very well be exploiting a particularly desirable feature, rather than seeking to confuse consumers as to the source of the product. Thus the relevant intent is not just the intent to copy but, rather, the intent to “pass off” ones goods as those of another.

Source

Bonito Boats v. Thunder Craft Boats, Inc., 489 U.S. 141, 157 (1989) (“The defendant . . . may copy plaintiff’s goods slavishly down to the minutest detail; but may not represent himself as the plaintiff in their sale.”) (internal quotation marks omitted); *Fuddruckers, Inc. v. Doc’s B.R. Others, Inc.*, 826 F.2d 837, 845-46 (9th Cir. 1987) (“Competitors may intentionally copy product features for a variety of reasons. They may, for example, choose to copy wholly functional features that they perceive as lacking any secondary meaning because of those features’ intrinsic economic benefits.”); *M2 Software, Inc. v. Madacy Entertainment*, 421 F.3d 1073, 1085 (9th Cir. 2005) (found no intent because the defendant did not have “any intention of capitalizing on [plaintiff’s] trademark.”).

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INSTRUCTION NO. 61.5—SECONDARY MEANING—ACTUAL CONFUSION

Evidence of just a few instances of actual confusion is inadequate to support a finding of secondary meaning.

Source

Adray v. Adry-Mart, Inc., 76 F.3d 984, 987 (9th Cir. 1995) (failure to list actual confusion as one of the factors the jury should have considered in determining whether the plaintiff had established secondary meaning was not harmless error); *Japan Telecom, Inc. v. Japan Telecom America Inc.*, 287 F.3d 866, 873-74 (9th Cir. 2002) (holding that a few instances of actual confusion is not probative of secondary meaning).

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INSTRUCTION NO. 61.6—SECONDARY MEANING—TIMING

Apple must prove by a preponderance of the evidence that the claimed iPad and iPad 2 trade dresses acquired secondary meaning before date that Samsung first sold a product that Apple claims is infringing its claim trade dresses.

If you find that Apple has not shown by a preponderance of the evidence that the alleged iPad or iPad 2 trade dress acquired secondary meaning before May 9, 2011, then you must find for Samsung.

Source

Carter-Wallace, Inc. v. Procter & Gamble Co., 434 F.2d 794 (9th Cir. 1970) (plaintiff must prove the existence of secondary meaning in its trademark at the time and place that the junior user first began use of that mark).

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INSTRUCTION NO. 68—INFRINGEMENT—LIKELIHOOD OF CONFUSION

To prevail on its trade dress infringement claim, Apple must prove by a preponderance of the evidence that there is a likelihood of consumer confusion between Samsung’s Galaxy Tab 10.1 and the trade dresses of Apple’s iPad and iPad 2 tablet computers that Apple is claiming. In other words, Apple must prove that prospective consumers of tablet computers are likely to mistakenly purchase a Samsung Galaxy Tab 10.1 tablet computer believing that it is an Apple iPad or iPad 2 tablet computer.

A likelihood of confusion requires that you find that confusion among reasonably prudent consumers is probable, and not merely a possibility.

Source

Ninth Circuit Model Instructions No. 15.16 (modified); *Murray v. Cable Nat’l. Broadcasting Co.*, 86 F.3d 858, 861 (9th Cir. 1996) (confusion must be “probable, not simply a possibility”) (quoting *Rodeo Collection, Ltd. v. Western Seventh*, 812 F.2d 1215, 1217 (9th Cir. 1987)).

1 3. Similarity of Plaintiff’s and Defendant’s Trade Dress. If the overall impression
2 created by the plaintiff’s trade dress in the marketplace is similar to that created by the defendant’s
trademark in appearance there is a greater chance of likelihood of confusion.

3 4. Actual Confusion. If use by the defendant of the plaintiff’s trade dress has led to a
4 significant number of instances of actual confusion, this suggests a likelihood of confusion. As
5 you consider whether the trade dress used by the defendant creates for consumers a likelihood of
6 confusion with the plaintiff’s trade dress, you should weigh any instances of actual confusion
7 against the opportunities for such confusion. If the instances of actual confusion have been
relatively frequent, you may find that there has been substantial actual confusion. If, by contrast,
8 there is a very large volume of sales, but only a few isolated instances of actual confusion you may
9 find that there has not been substantial actual confusion.

10 5. Defendant’s Intent. If the defendant adopted trade dress similar to the plaintiff’s
11 with the intent to deceive consumers, this increases the likelihood of consumer confusion.

12 6. Marketing/Advertising Channels. If the plaintiff’s and defendant’s products are
13 likely to be sold in the same or similar stores or outlets, or advertised in similar media, this may
14 increase the likelihood of confusion.

15 7. Consumer’s Degree of Care. The more sophisticated the potential buyers of the
16 goods or the more costly the goods, the more careful and discriminating the reasonably prudent
17 purchaser exercising ordinary caution may be. They may be less likely to be confused by
18 similarities in the plaintiff’s and defendant’s trade dresses.

19 **Source**

20 Ninth Circuit Model Instructions No. 15.16 (modified); *Art Attacks, LLC. v. MGA Entertainment*
21 *Inc.*, 581 F.3d 1138, 1146 (9th Cir. 2009) (“To prove trade dress infringement, a plaintiff must
22 demonstrate that (1) the trade dress is nonfunctional, (2) the trade dress has acquired secondary
23 meaning, and (3) there is a substantial likelihood of confusion between the plaintiff’s and
24 defendant’s products”); *Network Automation, Inc. v. Advanced Systems Concepts, Inc.*, 638 F. 3d
25 1137, 1144 (9th Cir. 2011) (“[W]e must apply the *Sleekcraft* test in a flexible manner, keeping in
26 mind that the eight factors it recited are not exhaustive, and that only some of them are relevant to
27 determining whether confusion is likely in the case at hand.”); *Brookfield Communications, Inc.*
28 *v. West Coast Entm’t*, 174 F.3d 1036, 1066 (9th Cir. 1999) (“Suppose West Coast’s
competitor (let’s call it “Blockbuster”) puts up a billboard on a highway reading—“West
Coast Video: 2 miles ahead at Exit 7” —where West Coast is really located at Exit 8 but
Blockbuster is located at Exit 7. Customers looking for West Coast’s store will pull off at
Exit 7 and drive around looking for it. Unable to locate West Coast, but seeing the
Blockbuster store right by the highway entrance, they may simply rent there. Even
consumers who prefer West Coast may find it not worth the trouble to continue searching
for West Coast since there is a Blockbuster right there. Customers are not confused in the
narrow sense: they are fully aware that they are purchasing from Blockbuster and they
have no reason to believe that Blockbuster is related to, or in any way sponsored by, West
Coast.”); *Rearden LLC v. Rearden Commerce, Inc.*, ___ F.3d ___, 2012 WL 2402012, *19 (9th
Cir. June 27, 2012) (“Trademark infringement protects only against mistaken purchasing
decisions and not against confusion generally.”) (quoting *Bosley Med. Ins., Inc. v. Kremer*,
403 F.3d 673, 677 (9th Cir. 2005); *Bosley Med. Inst., Inc. v. Kremer*, 403 F. 3d 672, 677 (9th
Cir. 2005) (post sale confusion results when product is viewed by a third party subsequent
to purchase); *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 213 (2000)
(consumers “almost invariably” do not perceive product configurations as indicators of
source); *Karl Storz Endoscopy-America v. Surgical Tech.*, 285 F. 3d 848, 854 (9th Cir. 2002)
(injury from post sale confusion is reputational).

1 **INSTRUCTION NO. 69.1—LIKELIHOOD OF CONFUSION FACTORS—STRENGTH**
2 **OF TRADE DRESS**

3 When products with similar trade dress permeate the marketplace, the strength of the trade dress
4 decreases, and the likelihood that consumers will be confused is lessened.

5 **Source**

6 *Miss World (UK), Inc. v. Mrs. American Pageants, Inc.*, 856 F.2d 1445, 1449 (9th Cir. 1988)
7 (“Simply put, a mark which is hemmed in on all sides by similar marks on similar goods cannot
8 be very ‘distinctive’. It is merely one of a crowd of marks. In such a crowd, customers will not
9 likely be confused between any two of the crowd and may have learned to carefully pick out one
10 from the other.”), *abrogated on other grounds*; *Schwan’s IP, LLC v. Kraft Pizza Co.*, 460 F. 3d
11 971 (8th Cir. 2006) (considering use of mark by third-parties and newspapers); *CG Roxane*
12 *LLC v. Fiji Water Co. LLC*, 569 F. Supp. 2d 1019 (N.D. Cal. 2008) (“Courts view a mark’s use
13 by competitors as strong evidence of how the public perceives the term. ...Naturally, when more
14 members of the public see a mark used by several producers in the industry, the less likely they
15 will identify a particular producer with that mark.”) (internal quotation marks, citations omitted).

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1 **INSTRUCTION NO. 69.2—LIKELIHOOD OF CONFUSION FACTORS—SIMILARITY**
2 **OF TRADE DRESS**

3 In assessing similarity of the trade dresses, you may consider the use of the of the “Samsung”
4 trademark on Galaxy Tab 10.1 product and Apple’s use of Apple’s trademarks and logos on the
5 iPad and iPad 2 product. If you find that the parties trade names or other source identifying
6 features are featured prominently on the products, then consumer confusion is unlikely.

7 **Source**

8 *AMF Inc. v. Sleekcraft Boats*, 599 F. 2d 341, 351 (9th Cir. 1979) (use of a prominent “house-
9 mark” reduces likelihood of confusion); *Rodan & Fields, LLC v. Estee Lauder Companies, Inc.*,
10 No. 10–CV–02451–LHK, 2010 WL 3910178, *3 (Oct. 5, 2010, N.D. Cal) (“The prominence of
11 the trade names on the packaging strongly supports a finding that consumer confusion is
12 unlikely”) (citing *Bristol–Myers Squibb Co. v. McNeil–P.P. C., Inc.*, 973 F.2d 1033, 1045–46 (2d
13 Cir. 1992) (“[W]e conclude that, although [the trade dresses of Tylenol PM and Excedrin PM]
14 share many similar elements, the prominence of the trade names on the two packages weighs
15 heavily against a finding of consumer confusion resulting from the overall look of the
16 packaging.”)).
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INSTRUCTION NO. 69.3—LIKELIHOOD OF CONFUSION FACTORS—INTENT

Mere attempts to copy a product are not necessarily probative of an intent to deceive consumers since it may well be emulating a desirable or functional feature of the product and not attempting to confuse consumers. The law permits a defendant to copy the plaintiff’s product down to the minutest detail, as long as the defendant does not represent itself as the plaintiff in the sale of those products.

Source

Bonito Boats v. Thunder Craft Boats, Inc., 489 U.S. 141, 157 (1989) (“The defendant . . . may copy plaintiff’s goods slavishly down to the minutest detail; but may not represent himself as the plaintiff in their sale.”) (internal quotation marks omitted); *Fuddruckers, Inc. v. Doc’s B.R. Others, Inc.*, 826 F.2d 837, 844-845 (9th Cir. 1987) (“Competitors may intentionally copy product features for a variety of reasons. They may, for example, choose to copy wholly functional features that they perceive as lacking any secondary meaning because of those features’ intrinsic economic benefits.”); *M2 Software, Inc. v. Madacy Entertainment*, 421 F.3d 1073, 1085 (9th Cir. 2005) (found no intent because the defendant did not have “any intention of capitalizing on [plaintiff’s] trademark.”).

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INSTRUCTION NO. 69.4—LIKELIHOOD OF CONFUSION FACTORS—

ADVERTISING

The fact that both Apple and Samsung advertise in mainstream media and sell their products on the Internet and other major retail chains does not weigh in favor of likely confusion because these channels are used by most commercial retailers today.

Source

Network Automation, Inc. v. Advanced Systems Concepts, Inc., 638 F. 3d 1137, 1151 (9th Cir. 2011) (“[T]shared use of a ubiquitous marketing channel does not shed much light on the likelihood of consumer confusion.”).

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INSTRUCTION NO. 63—TRADE DRESS DILUTION—ELEMENTS AND

BURDEN OF PROOF

In this case, Apple contends that Samsung has diluted Apple’s trade dresses.

“Dilution” means a lessening of the capacity of a famous trade dress to identify and distinguish goods or services as coming from a single source. The purpose of the anti-dilution laws is to protect against erosion of a famous trade dress’s value as a source identifier, or the tarnishment of a famous trade dress’s image. The mere fact that consumers mentally associate the junior user’s mark with the senior user’s mark is not enough to establish dilution.

Dilution is reserved for a limited set of trade dresses that are famous, meaning that they are so widely known that they are like a household name among members of the general public. It will be for you to decide whether Apple’s sserted trade dresses are famous enough to be protected under dilution law and, if so, whether those trade dresses have been diluted.

Source

15 U.S.C. § 1125(c)(1); *Perfumbay.com Inc. v. eBay, Inc.*, 506 F.3d 1165, 1179-1180 (9th Cir. 2007) (“Dilution is a cause of action invented and reserved for a select class of marks—those marks with such powerful consumer associations that even non-competing uses can impinge their value.”); *Thane Intern., Inc. v. Trek Bicycle Corp.*, 305 F.3d 894, 911 (9th Cir. 2002) (“[F]or purposes of § 1125(c), a mark usually will achieve broad-based fame only if a large portion of the general consuming public recognizes that mark. Put another way . . . the mark must be a household name.”).

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INSTRUCTION NO. 63.1—TRADE DRESS DILUTION—ELEMENTS

In order to prove dilution, Apple must prove **each** of the following elements by a preponderance of evidence:

- 1. That each of the alleged trade dresses are famous;
- 2. That each of the alleged trade dresses are not functional;
- 3. That each of the alleged trade dresses are distinctive by having acquired secondary meaning;
- 4. That each of the alleged trade dresses were famous before any of the accused Samsung products were sold to the public; and
- 5. That Samsung’s alleged use of each of the claimed trade dresses is likely to cause dilution of the distinctive quality of each alleged trade dress.

Source

Visa Intern. Service Ass’n v. JSL Corp., 610 F.3d 1088, 1089-90 (9th Cir. 2010) (“A plaintiff seeking relief under federal anti-dilution law must show that its mark is famous and distinctive, that defendant began using its mark in commerce after plaintiff’s mark became famous and distinctive, and that defendant’s mark is likely to dilute plaintiff’s mark.”).

1 **INSTRUCTION NO. 64—TRADE DRESS DILUTION ELEMENT—FAME**

2 Apple bears the burden of proving that each of its alleged trade dresses are famous.

3 Trade dress is considered to be famous if it is widely recognized by the general consuming public
4 of the United States as a designation of the source of the products of the trade dress’ owner. To be
5 considered famous, a trade dress (or trademark) must be must be so well know as to be akin to a
6 “household name.” The level of distinctiveness required to establish fame is significantly greater
7 than to establish secondary meaning. For example, trademarks such as NISSAN and COACH
8 have not been famous enough to be protected under dilution law.

9 You may consider the following factors when considering whether each of Apple’s alleged trade
10 dresses are famous. These factors are only suggestions and may not constitute all of the possible
11 types of evidence whether a trade dress is famous. The presence or absence of any one particular
12 factor on this list should not necessarily determine whether a trademark is famous. You should
13 consider all the relevant evidence in making your determination. These factors should be not be
14 counted up to see which party has more, but should be carefully weighed given the specific facts
15 and circumstances of this case. The factors you should consider are:

16 1. The duration, extent, and geographic reach of advertising and publicity of the trade
17 dress, whether advertised or publicized by the owner or third parties. To be probative of fame,
18 Apple’s advertising must direct the consumer to those features claimed as trade dress or identify
19 them, such as by directing the consumer to “look for” the claimed features. Merely featuring the
20 relevant aspect of the product does not suffice.

21 2. The amount, volume, and geographic extent of sales of goods or services offered
22 using the trade dress. Although in some instances a large number of sales may be considered
23 evidence of fame, in the case of trade dress for product design, sales are not necessarily evidence
24 of fame if sales are more likely driven by the desirability of the product itself.

25 3. The extent of actual recognition of the trade dress; and

26 4. Whether the trade dress is registered.

27 **Source**

28 15 U.S.C. § 1125(c)(2)(A) (defining a famous mark as “widely recognized by the general
consuming public of the United States as a designation of source of the goods or services of the
mark’s owner.”); *Thane Intern., Inc. v. Trek Bicycle Corp.*, 305 F.3d 894, 911 (9th Cir. 2002)
 (“[F]or purposes of § 1125(c), a mark usually will achieve broad-based fame only if a large
portion of the general consuming public recognizes that mark. Put another way. . . the mark must
be a household name.”); 15 U.S.C. § 1125(c)(1) (listing factors to assess fame); *Nissan Motor
Co. v. Nissan Computer Corp.*, 378 F. 3d 1002 (9th Cir. 2004); *Avery Dennison Corp. v.
Sumpton*, 189 F.3d 868, 879 (9th Cir. 1999) (“[F]amousness requires more than mere
distinctiveness.”); *Jada Toys v. Mattel*, 496 F.3d 974, 981-82 (9th Cir. 2007); *Coach Services,
Inc. v. Triumph Learning LLC*, 96 U.S.P.Q.2d 1600, 1611 (T.T.A.B. 2010) (COACH trademark
was not famous enough to qualify for dilution protection), *aff’d on point* 101 U.S.P.Q.2d 1713,
2012 WL 540069 (Fed. Cir. 2012); *TCPIP Holding Co., Inc. v. Haar Communications, Inc.*, 244
F.3d 88 (2d Cir. 2001) (holding THE CHILDREN’S PLACE mark was not famous); *First Brands
Corporation v. Fred Meyer, Inc.*, 809 F.2d 1378, 1383 (9th Cir. 1987) (advertisements must
identify and feature the claimed trade dress in order to support a finding of secondary meaning);
Yankee Candle Co., Inc. v. Bridgewater Candle Co., L.L.C., 259 F.3d 25, 44 (2d Cir. 2001) (“[I]t
is advertising that specifically directs a consumer’s attention to a particular aspect of the product.
To be probative of secondary meaning, the advertising must direct the consumer to the features
claimed as trade dress. [citation] Merely ‘featuring’ the relevant aspect of the product in

1 advertising is no more probative of secondary meaning than are strong sales; again to provide
2 protection based on extensive advertising would extend trade dress protection to the [elements for
3 which protection is sought] without any showing that the consumers associate the dress with the
4 product's source."); *Continental Laboratory Products, Inc. v. Medax Intern., Inc.*, 114 F. Supp.
5 2d 992, 1002-03 (S.D.Cal. 2000) (quoting *Duraco Prods., Inc. v. Joy Plastic Enters., Ltd.*, 40
6 F.3d 1431, 1452-53 (3d Cir. 1994) ("Sales success by itself will typically not be as probative of
7 secondary meaning in a product configuration case as in a trademark case, since the product's
8 market success may well be attributable to the desirability of the product configuration rather than
9 the source-designating capacity of the supposedly distinguishing feature or combination of
10 features. And unlike with a trademark, where repeated purchases of a product support an
11 inference that consumers have associated the mark with the producer or source, one can much
12 less confidently presume that a consumer's repeated purchase of a product has created an
13 association between a particular product configuration and the source."); *Autodesk, Inc., v.*
14 *Dassault Systems Solidworks Corp.*, 685 F. Supp. 2d 1001, 1014 (N.D. Cal. 2009); *Walker &*
15 *Zanger, Inc. v. Paragon Industries, Inc.*, 549 F. Supp. 2d 1168, 1180-81 (ND Cal 2007); 4
16 *McCarthy* § 15:47 at 15-67 ("Popularity of a product is not synonymous with secondary meaning.
17 Large sales of the product may be due to dozens of factors, only one of which may be the drawing
18 power of the trademark.").

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1 **INSTRUCTION NO. 64.1—TRADE DRESS DILUTION—FAME—SURVEY EVIDENCE**

2 Survey evidence is not necessary to support a finding of fame. But famousness requires a high
3 level of consumer recognition of a claimed dress such that to support fame of an alleged trade
4 dress, generally, some 75% or more of the general U.S. consuming public should recognize the
5 trade dress as a designation of source of the goods or services of the alleged trade dress's owner.

6 **Source**

7 15 U.S.C. § 1125(c)(2)(A) (defining a famous mark as “widely recognized by the general
8 consuming public of the United States as a designation of source of the goods or services of the
9 mark’s owner.”); 4 *McCarthy on Trademarks and Unfair Competition* § 24:106, 24-310 (2008
10 ed.) (“[M]inimum threshold survey response should be in the range of 75% of the general
11 consuming public of the United States.”); *Nissan Motor Co. v. Nissan Computer Corp.*, 378 F. 3d
12 1002, 1014 (9th Cir. 2004) (survey showing 65% consumer recognition insufficient to prove
13 fame); *Carnival Corp. v. SeaEscape Casino Cruises, Inc.*, 74 F. Supp. 2d 1261, 1270-1271 (S.D.
14 Fla. 1999) (68% consumer recognition did not support a finding of fame); *Hershey Foods Corp.*
15 *v. Mars, Inc.*, 998 F. Supp. 500, 515 (M.D. Pa. 1998) (abbreviated Reese’s trade dress not found
16 famous not withstanding a survey which found 94% of respondents recognized the abbreviated
17 trade dress).
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1 **INSTRUCTION NO. 66—TRADE DRESS DILUTION ELEMENT #4—DILUTION**

2 To prove dilution of an alleged trade dress by blurring, Apple must prove by a preponderance of
3 the evidence that the accused Samsung products have created an association with Apple which
impairs the distinctiveness of those alleged trade dresses.

4 Factors you can consider in determining whether dilution by blurring has occurred include:

5 1. The degree or similarity between the alleged trade dress and the accused product..
6 The more similar they are, the more likely an association will arise between the products.

7 2. The degree of acquired distinctiveness through secondary meaning of Apple’s
8 alleged trade dresses. The more distinctive a trade dress is in the marketplace, the greater
protection it is entitled to. On the other hand, if trade dress is common in the marketplace, it is
entitled to less protection from dilution.

9 3. The extent to which Apple is engaged in substantially exclusive use of the alleged
10 trade dresses. If you find that companies other than Apple use the same or similar trade dress in
connection with smart phones or tablets, then dilution by blurring is less likely.

11 4. The degree of recognition of the alleged trade dresses with Apple;

12 5. Whether Samsung intended to create an association with Apple’s alleged trade
13 dresses; and

14 6. Any actual association between the alleged trade dress and the accused products.
15 The association must be created solely by the similarity of the trade dresses and not from some
other source. In other words, this means that the required “association” cannot be created just
because the two products possess some similar characteristics.

16 These factors should be weighed by you given the facts and circumstances of the case.

17 **Source**

18 15 U.S.C. § 1125(c)(2)(B) (listing non-exhaustive factors for dilution by blurring); 4 *McCarthy*
19 § 24:119 (discussing the meaning and significance of each of the TDRA dilution by blurring
20 factors); *id.* (“Consideration of third party uses is relevant both here, in determining if blurring is
likely, as well as in the first instance in determining if a mark is “famous.” A mark that is merely
21 one of several identical or very similar marks is already “diluted” in fact. In such a case, the
junior user’s actions can hardly be said to be likely to cause any significant further “dilution” of
22 such a mark. . . . The statute does not require that the mark be “unique” in the strict sense: one of
a kind. There can be some existing third party uses that do not significantly impact on the public
23 mind, but if there are third party uses, the scope of protection against blurring may be constricted
according to the quantity and type of the third party uses.”); *id.*, at § 24:116 (“The required
24 ‘association’ must be created solely by the similarity of the conflicting marks, not from some
other source. This means that the required ‘association’ cannot be created just because the two
25 products possess some similar characteristics.”); *Schwan’s IP, LLC v. Kraft Pizza Co.*, 460 F. 3d
971 (8th Cir. 2006) (considering use of mark by third-parties and newspapers); *CG Roxane*
26 *LLC v. Fiji Water Co. LLC*, 569 F. Supp. 2d 1019 (N.D. Cal. 2008) (“Courts view a mark’s use
by competitors as strong evidence of how the public perceives the term. . . . Naturally, when more
27 members of the public see a mark used by several producers in the industry, the less likely they
will identify a particular producer with that mark.”) (internal quotation marks, citations omitted).

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INSTRUCTION NO. 81—DILUTION—TARNISHMENT

[Apple has represented that it is not seeking to establish dilution by tarnishment. If Apple agrees not to make any arguments that sound in tarnishment or submit its own jury instruction on tarnishment, Samsung will withdraw its request for this instruction.]

To prove dilution by tarnishment, Apple must prove by a preponderance of the evidence that the design of Samsung’s products harms the reputation of the Apple’s trade dress by improperly associating it with an inferior or offensive product or service.

Source 15 U.S.C. § 1125(c)(2)(C).

1 **INSTRUCTION NO. 63.2—TRADE DRESS FUNCTIONALITY—DILUTION —BURDEN**
2 **OF PROOF**

3 As I have instructed you in connection with Apple’s infringement claim, trade dress that is
4 functional is invalid and not protectable. You must decide whether the product trade dress
asserted by Apple in this action is functional.

5 To prove trade dress dilution, Apple has the burden of proving by a preponderance of the evidence
6 that the claimed, unregistered trade dresses are not functional.

7 Samsung has the initial burden of proving by a preponderance of the evidence that the iPhone
8 trade dress depicted in U.S. Registration No. 3,470,983 is functional. If Samsung makes this
showing, the burden shifts to Apple to prove by a preponderance of the evidence that the trade
dress is not functional.

9 **Source**

10 15 U.S.C. §1125(a)(3) (“In a civil action for trade dress infringement...for trade dress not
11 registered on the principal register, the person who asserts trade dress protection has the burden of
12 proving that the matter sought to be protected is not functional.”); *Vuitton Et Fils S.A. v. J. Young*
13 *Enterprises, Inc.*, 644 F. 2d 769, 775 (9th Cir. 1981) (“registration ... shifts the burden of proof
14 from the plaintiff . . . to the defendant, who must introduce sufficient evidence to rebut the
15 presumption of plaintiff’s right to such protected use.”).
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INSTRUCTION NO. 74—TRADE DRESS DAMAGES IN GENERAL

I am going to provide you with details on the calculation of damages for Apple’s trade dress infringement claim. All of these instructions apply only if you find that Samsung Electronics Company, Samsung Electronics America or Samsung Telecommunications America has in fact infringed upon Apple’s trade dress. The fact that I am giving you these instructions should not be taken as an indication that an infringement has taken place. They are to be used only in the event you make a specific finding that Samsung Electronics Company, Samsung Electronics America or Samsung Telecommunications America has in fact infringed on Apple’s trade dress.

If Apple prevails on its claim for trade dress infringement, you may award Apple damages only if it has proven actual consumer confusion resulting from Samsung Electronics Company’s, Samsung Electronics America’s or Samsung Telecommunications America’s infringement or that their actions were intentionally deceptive.

If Apple has established actual consumer confusion or intentional deception by Samsung Electronics Company, Samsung Electronics America or Samsung Telecommunications America, it is your duty to determine Apple’s damages. The burden is on Apple to prove damages by a preponderance of the evidence. Damages are the amount of money that will reasonably and fairly compensate Apple for any injury that you find was caused by a defendant’s alleged infringement of Apple’s trade dress. The factors that you may consider, which I will explain to you in greater detail, are any Apple lost sales and lost profits from the alleged infringement.

Proof of damages to a certainty is not required. However, the burden is on Apple to show any damages to a reasonable certainty, and awarded damages may not be speculative.

Source
ABA 3.6.1 (modified).

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INSTRUCTION NO. 75—TRADE DRESS DAMAGES—PLAINTIFF’S ACTUAL DAMAGES (15 U.S.C. § 1117(a))

Apple has the burden of proving actual damages by a preponderance of the evidence. Damages means the amount of money which will reasonably and fairly compensate Apple for any injury to Apple you find was caused by Samsung Electronics Company’s, Samsung Electronics America’s or Samsung Telecommunications America’s alleged infringement of Apple’s trade dress.

You should consider any lost profits that Apple would have earned but for Samsung Electronics Company’s, Samsung Electronics America’s or Samsung Telecommunications America’s alleged infringement. Profit is determined by deducting all expenses from gross revenue.

If you find that any loss in sales shown by Apple was caused by other market factors and not as a result of Samsung Electronics Company’s, Samsung Electronics America’s or Samsung Telecommunications America’s alleged infringement, then you should not award any amount for lost profits or should reduce any such amount to account for the other market factors.

Source

Ninth Circuit Model Instruction No. 15.25 (modified) and the accompany Comment.

1 **INSTRUCTION NO. 76.1—DAMAGES—TRADE DRESS INFRINGEMENT—**

2 **APPORTIONMENT OF DEFENDANT’S PROFITS**

3 Apple is only entitled to profits earned by an infringing defendant that are attributable to the
4 infringement, if any, which Apple must prove by a preponderance of the evidence. You may not
include in any award of profits any amount that you took into account in determining damages.

5 Profit is determined by deducting all expenses from gross revenue.

6 Gross revenue is all of the infringing defendant’s receipts from using the trade dress in the sale of
7 an infringing product. Apple has the burden of proving the infringing defendant’s gross revenue
by a preponderance of the evidence and with a reasonable certainty.

8 Expenses are all costs that the infringing defendant incurred in the production, distribution, or sale
9 of the infringing products. The infringing defendant has the burden of proving the expenses.

10 You must also deduct from the profit award, if any, the portion of the profit attributable to factors
11 other than the infringing defendant’s use of the trade dress. The infringing defendant has the
burden of proving profit attributable to factors other than the trade dress by a preponderance of the
evidence.

12 **Source**

13 Ninth Circuit Model Instructions No. 15.26 (modified); *Rolex Watch, U.S.A., Inc., v. Michel Co.*,
14 179 F.3d 704, 712 (9th Cir. 1999) (plaintiff carries burden to show with “reasonable certainty”
the defendant’s gross sales from the infringing activity); *Lindy Pen Co.*, 982 F.2d at 1405-1408
15 (plaintiff has the burden of proof as to damages).

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1 **ALTERNATIVE INSTRUCTION NO. 77 -- TRADE DRESS DAMAGES – REASONABLE**

2 **ROYALTY**⁹

3 Apple is alternatively seeking actual damages in the form of a reasonable royalty. To the extent
4 you decide that Apple is not entitled to lost profits or to Samsung Electronics Company's,
5 Samsung Electronics America's, and/or Samsung Telecommunications America's profits from an
6 allegedly infringing sale, you may award Apple a reasonable royalty for that sale.

7 A royalty is a payment made to the owner of a trade dress by a non-owner in exchange for rights
8 to use the trade dress. A reasonable royalty is the payment for the license that would have resulted
9 from a hypothetical negotiation between the owner of the trade dress and the infringer taking place
10 prior to the time when the infringing activity first began. You may only impose a reasonable
11 royalty for trade dress infringement, however, if you first find to a reasonable certainty that before
12 the filing of this lawsuit Apple and the infringing defendant had or contemplated a license for the
13 specific trade dress for which Apple claims damages.

14 If you find that Apple has demonstrated that a pre-lawsuit licensing arrangement existed, you
15 should assume for purposes of the hypothetical negotiation that both parties understood the trade
16 dress to be valid and infringed. You should take into account what Apple's and the infringing
17 defendant's expectations would have been if they had negotiated a royalty and had acted
18 reasonably in their negotiations. Your role is to determine what Apple and the infringing
19 defendant would have agreed upon if they had negotiated in this manner, not just what either
20 Apple or the infringing defendant would have preferred.

21 In determining a reasonable royalty, you may consider the following factors, in addition to any
22 others that are shown by the evidence:

23 Royalties that others paid to Apple for the same trade dress;

24 Royalties that the infringing defendant paid to others for comparable trade dress;

25 Whether Apple had a policy of licensing or not licensing the trade dress;

26 Whether Apple and the infringing defendant are competitors;

27 Whether use of the trade dress helps to make sales of other products or services;

28 Whether the product made using the trade dress is commercially successful, as well as its
profitability;

The advantages of using the trade dress over products not covered by the trade dress;

The extent of the infringing defendant's use of the trade dress and the value of that use to
the defendant;

Any royalty amounts that are customary for similar or comparable trade dress;

⁹ As noted in the Joint Pre-Trial Order, Samsung does not believe that Apple is entitled to
present a reasonable royalty theory for its trade dress infringement and dilution claims because: (a)
it failed to disclose such theory in response to written discovery, even though specifically asked to
do so; and (b) there is almost no legal support for such a theory in the context of a pure trade dress
claim.

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The portion of the profit on sales that is due to the trade dress, as opposed to other factors, such as features not covered by the trade dress or features, or improvements developed by defendant;

Expert opinions regarding what would be a reasonable royalty.

Source

A&H Sportswear Inc. v. Victoria’s Secret Stores, Inc., 166 F.3d 197, 208-09 (3rd Cir. 1999); *Buffalo Wild Wings Sings, Inc. v. Buffalo Wings & Rings*, No. 09-1426 (JRI/SER), 2011 WL 4537970, at *3-5 (D. Minn. Sept. 29, 2011); *Tokidoki, LLC v. Fortune Dynamic, Inc.*, No. CV07-1923 DSF, 2009 WL 2366439, at *14-15 (C.D. Cal., July 28, 2009).

1 **INSTRUCTION NO. 78—TRADE DRESS DILUTION DAMAGES—**

2 **WILLFULNESS REQUIRED FOR DILUTION DAMAGES**

3 I have already instructed you about the meaning of, and when and how to calculate actual damages
4 and infringer’s profits with respect to Apple’s trade dress infringement claim. Those same
standards apply to Apple’s trade dress dilution claim with the following differences.

5 In order to recover monetary damages, either actual damages or infringer’s profits, for its dilution
6 claim, Apple must prove by a preponderance of the evidence that the trade dress was in fact
7 injured or harmed by the alleged dilution. Additionally, Apple must prove by clear and
8 convincing evidence that Samsung Electronics Company, Samsung Electronics America and/or
9 Samsung Telecommunications America willfully intended to cause dilution of the trade dresses.
10 In other words, Apple must show that Samsung Electronics Company, Samsung Electronics
11 America and Samsung Telecommunications America intended to trade on the recognition of
Apple’s trade dress or intended to harm Apple’s reputation. If you do not find that Apple’s trade
12 dress was in fact injured or harmed and that Samsung Electronics Company, Samsung Electronics
13 America and/or Samsung Telecommunications America intended to trade on the recognition of
14 Apple’s trade dress or intended to harm Apple’s reputation, you may not award Apple any
15 damages for trade dress dilution.

11 **Source**

12 15 U.S.C. § 1117(a) (governs the award of monetary remedies in Lanham Act cases and provides
13 for an award of defendant’s profits, any damages sustained by the plaintiff, and the costs of the
14 action); 4 *McCarthy* § 24:132 at 24-410 (“More than a mere likelihood of impairment or harm is
15 needed to recover any damages or profits. Some proof of actual impairment or harm to the famous
16 mark is required. In traditional likelihood of confusion law, courts require that more than a mere
17 likelihood of confusion is required for damages: proof is usually needed that some consumers
18 were actually confused or deceived. Similarly, in the author’s view, monetary recovery for dilution
19 requires some proof that the famous mark was in fact injured or harmed by the defendant’s
20 conduct.”); *CollegeNET, Inc. v. XAP Corp.*, 483 F.2d 1058, 1066 (D. Oregon 2007) (“A finding of
21 willful misconduct under the Lanham Act must be supported by clear and convincing evidence.
22 See *Tamko Roofing Prods., Inc. v. Ideal Roofing Co., Ltd.*, 294 F.3d 227, 229 (1st Cir.2002). See
23 also *Versa Prods. Co., Inc. v. Bifold Co. (Mfg.) Ltd.*, 50 F.3d 189, 208 (3d Cir.1995); *Castrol, Inc.*
24 *v. Pennzoil Quaker State Co.*, 169 F.Supp.2d 332, 341 & n. 8 (D.N.J.2001)”).

1 **INSTRUCTION NO. 79—MONETARY REMEDIES—TRADE DRESS DILUTION—**

2 **ACTUAL NOTICE REQUIREMENT**

3 In order for Apple to recover damages for dilution of the registered iPhone trade dress, Apple has
4 the burden of proving by a preponderance of the evidence that Samsung Electronics Company,
5 Samsung Electronics America, and Samsung Telecommunications America had either statutory or
6 actual notice that Apple’s iPhone trade dress was registered.

7 Samsung Electronics Company, Samsung Electronics America, and Samsung
8 Telecommunications America had statutory notice if:

9 Apple displayed the particular alleged trade dress with the words “Registered in U.S.
10 Patent and Trademark Office”; or

11 Apple displayed the particular alleged trade dress the words “Reg. U.S. Pat. & Tm. Off.”;
12 or

13 Apple displayed the particular alleged trade dress with the letter R enclosed within a circle,
14 thus ®.

15 **Source**

16 Model Instructions No. 15.24 (modified).
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INSTRUCTION NO. 80—TRADE DRESS DAMAGES—NO DOUBLE-COUNTING

If you determine that Apple is entitled to monetary relief on its trade dress infringement or dilution claims, you should not award Apple monetary relief twice for the same sale of a Samsung product alleged to infringe or dilute Apple’s trade dress. If you award Apple one form of remedy with respect to some but not all of Samsung’s sales, you may award Apple a different remedy with respect to any remaining sales that you find infringed or diluted Apple’s trade dress. However, you should not award Apple twice for the same sale.

Source

Nintendo of America, Inc. v. Dragon Pacific Int’l, 40 F.3d 1007, 1010 (9th Cir. 1994) (“Recovery of both plaintiff’s lost profits and disgorgement of defendant’s profits is generally considered a double recovery under the Lanham Act.”)

1 **INSTRUCTION NO. 78.1—MONETARY REMEDIES—ONLY ONE RECOVERY PER**

2 **ACCUSED PRODUCT**

3 In calculating damages in this case, you may only award damages once with respect to each sale of
4 an accused product, even if you find that the product infringed more than one type of intellectual
5 property. For example, if you find that an accused product infringes a utility patent and you
6 decide to award the patent holder lost profits resulting from the sale of that infringing product, you
7 may not award lost profits again because you find that the product also infringes another patent or
8 diluted trade dress. You may only award damages once with respect to each sale of an accused
9 product, even if you find that the product infringes or dilutes multiple items of intellectual
10 property.

11 **Source**

12 *Aero Products Int’l, Inc. v. Intex Recreation Corp.*, 466 F.3d 1000, 1016 (Fed. Cir. 2006).
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