

**FACEBOOK’S OBJECTIONS TO LEADER’S PROPOSED JURY
INSTRUCTION NO. 3.7**

Facebook objects to Leader’s description of direct infringement based on direction or control of third parties who provide some elements of the claim. Leader’s description merely lists “control or direction” without explaining what type of control or direction is required. For instance, a person can direct a tourist how to get to a landmark, but this sort of “direction” is not what the Federal Circuit in *BMC* and *Muniauction* had in mind. Thus, Facebook’s proposed instruction includes additional limitations from case law to help explain to jurors what is and is not “control or direction.”

Facebook also believes the first sentence is unnecessary, as this instruction is purely about direct literal infringement. If doctrine of equivalents is allowed, another instruction will explain infringement under the doctrine of equivalents; including a mention of it here is potentially confusing to jurors. Facebook also objects to the use of the term “computer-readable medium.” Facebook’s instruction relies in part on the Model Patent Jury Instructions for the Northern District of California (2007), as it believes the wording is clearer and more understandable.

In its objections, Leader proposes a “definition” of control or direction from a Restatement of Agency Law. However, Leader’s instruction is inaccurate, misleading and confusing, in particular the contention that the following is a factor involved in determining control or direction: “(1) the extent of control which by the agreement, Facebook may exercise over the use of the website.” This comes from a passage describing the difference between an independent contractor and an employee, which originally read “(1) the extent of control which, by the agreement, the master may exercise over the details of the work.” Leader’s equation of “details of the work” performed by an independent contractor with “use of the website” by Facebook users is absurd. Facebook has a hard time believing that Leader is seriously contending that Facebook’s users are either employees or independent contractors of Facebook. Leader

has not pointed to an “agreement” so this instruction, aside from being non-sensical, is misleading and confusing as well.

Further, *Muniauction* specifically held that controlling of access to a website is not sufficient to establish direction or control. *Muniauction, Inc. v. Thomson Corp.*, 532 F.3d 1318, 1328-1329 (Fed. Cir. 2008). Here, Leader’s improper changes to the Restatement of Agency to support its unsupportable legal theory that Facebook controls or directs its users and refusal to follow recent precedent highlights the profound issues with Leader’s instruction on direct infringement.

FACEBOOK'S PROPOSED JURY INSTRUCTION NO. 3.7
DIRECT LITERAL INFRINGEMENT

In order to directly and literally infringe a patent claim, a product must include every limitation or element of the claim. If the accused Facebook system or method omits even a single element recited in a patent claim, then you must find that the accused Facebook system or method has not literally infringed that claim.

If the accused Facebook system or method does not itself include every requirement in the patent claim, Facebook cannot be liable for infringement merely because Facebook users may have supplied missing elements of the claims, unless Facebook directed or controlled the acts by those parties to do so. To show that Facebook directed or controlled the acts by those third parties, Leader must show by a preponderance of the evidence that the third parties supplied the missing elements on Facebook's behalf by virtue of a contractual obligation or other relationship that gives rise to vicarious liability. The fact that Facebook controls access to the Facebook website and instructs Facebook users on its use is not sufficient to show direction or control over its users' actions. Nor is the fact that Facebook may be benefitting from users visiting its website or inviting users to visit its website, as users are free to interact with the Facebook website as they please.

You must determine, separately for each asserted claim, whether or not there is infringement. There is one exception to this rule. If you find that a claim on which other claims depend is not infringed, there cannot be infringement of any dependent claim that refers directly or indirectly to that independent claim. On the other hand, if you find that an independent claim has been infringed, you must still decide, separately, whether the system or method meets additional requirements of any claims that depend from the independent claim, thus, whether those claims have also been infringed. A dependent claim includes all the requirements of any of the claims to which it refers plus additional requirements of its own.

AUTHORITY:

Modified Final Jury Instruction No. 16, *Finjan Software, Ltd. v. Secure Computing Corp.*, 06-cv-369-GMS (D. Del. March 12, 2008).

Modified Model Patent Jury Instructions for the Northern District of California, § 3.3 (Nov. 2007), which cites *MicroStrategy Inc. v. Business Objects, S.A.*, 429 F.3d 1344, 1352-53 (Fed. Cir. 2005); *Networld, 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); *Cross Med. Prods. v. Medtronic Sofamor Danek*, 424 F.3d 1293 (Fed. Cir. 2005); *On Demand Machine Corp. v. Ingram Industries, Inc.*, 442 F.3d 1331 (Fed. Cir. 2006); *BMC Res., Inc. v. Paymentech, L.P.*, 2007 U.S. App. LEXIS 22413 (Fed. Cir. 2007).

Modified The Federal Circuit Bar Association Model Patent Jury Instructions, § 2.2(a) (Feb. 2010) which cites *Kim v. ConAgra Foods, Inc.*, 465 F.3d 1312, 1316, n.1 (Fed. Cir. 2006); *MicroStrategy Inc. v. Bus. Objects, S.A.*, 429 F.3d 1344, 1352-53 (Fed. Cir. 2005); *Cross Med. Prods. v. Medtronic Sofamor Danek*, 424 F.3d 1293, 1309-11 (Fed. Cir. 2005); *Netword, LLC v. Centraal Corp.*, 242 F.3d 1347, 1353-54 (Fed. Cir. 2001); *Moleculon Research Corp. v. CBS, Inc.*, 793 F.2d 1261 (Fed. Cir. 1986).

Muniauction, Inc. v. Thomson Corp., 532 F.3d 1318, 1328-1329 (Fed. Cir. 2008); *PA Advisors, LLC v. Google, Inc.*, 07-cv-480 (RRR), 2010 WL 986618, --- F. Supp. 2d ---- (E.D. Tex. Mar. 11, 2010); *Global Patent Holdings, LLC v. Panthers BRHC LLC*, 586 F. Supp. 2d 1331 (S.D. Fla. 2008).

LEADER'S OBJECTIONS TO FACEBOOK'S PROPOSED JURY

INSTRUCTION NO. 3.7

Leader notes that Facebook objects to Leader's jury instruction because it does not define "control" or "direction." However, Facebook also did not provide a definition. Leader further objects to this instruction as it includes several arguments regarding how the jury should determine factual evidence. These arguments are inappropriate for a jury instruction. This and this is highly prejudicial to Leader. Federal Rules of Evidence 403. Furthermore, Facebook's instruction is legally incorrect, as set forth in Leader's opposition to Facebook's *Daubert* motion with regard to the testimony of Dr. Vigna.

While such definition is unnecessary, to the extent an instruction regarding direction and control is required, it should be as follows in compliance with the law of *BMC Resources Inc. v. Paymentech, L.P.*, 498 F.3d 1373, 1380-81(Fed. Cir. 2007):

To determine whether a party can be held vicariously liable for the acts of another in circumstances showing that the liable party controlled the conduct of the acting party, there are several factors that can determine whether Facebook directs or controls acts of another, including (1) the extent of control which by the agreement, Facebook may exercise over the use of the website; and (2) whether Facebook supplies the instrumentalities, tools, and the website for the person using the website.

STIPULATED PROPOSED JURY INSTRUCTION NO. 3.8

INFRINGEMENT UNDER THE DOCTRINE OF EQUIVALENTS

[Facebook believes this instruction should not be included because it is not in the case, but to the extent it is, the parties stipulate to the language.]

If you decide that Facebook does not literally infringe an asserted patent claim, you must then decide whether Facebook infringes the asserted claim under what is called the “doctrine of equivalents.”

Under the doctrine of equivalents, Facebook can only infringe an asserted patent claim if the Facebook website includes parts or steps that are identical or equivalent to the requirements of the claim. If there is missing an identical or equivalent part or step to even one part or step of the asserted patent claim, Facebook cannot infringe the claim under the doctrine of equivalents. Thus, in making your decision under the doctrine of equivalents, you must first look at each individual requirement of the asserted patent claim and decide whether the Facebook website has an identical or equivalent part or step to that individual claim requirement.

You may find that an element or step is equivalent to a requirement of a claim that is not met literally if a person having ordinary skill in the field of technology of the patent would have considered the differences between them to be “insubstantial” or would have found that the structure or action: (1) performs substantially the same function and (2) works in substantially the same way (3) to achieve substantially the same result as the requirement of the claim. In order for the structure or action to be considered interchangeable, the structure or action must have been known at the time of the alleged infringement to a person having ordinary skill in the field of technology of the patent. Interchangeability at the present time is not sufficient. In order to prove infringement by “equivalents,” Leader must prove the equivalency of the structure or action to a claim element by a preponderance of the evidence.

AUTHORITY:

Modified The Federal Circuit Bar Association Model Patent Jury Instructions § 3.1(c) (February 2010) which cites *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722 (2002); *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997); *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605, 609 (1950); *Interactive Pictures Corp. v. Infinite Pictures Inc.*, 274 F.3d 1371, 1381-82 (Fed. Cir. 2001); *Johnson & Johnston Assocs. v. R.E. Serv. Co.*, 285 F.3d 1046 (Fed. Cir. 2002); *Al-Site Corp. v. VSI Int'l, Inc.*, 174 F.3d 1308, 1320 (Fed. Cir. 1999); *Hughes Aircraft Co. v. United States*, 140 F.3d 1470, 1475 (Fed. Cir. 1998); *Multiform Desiccants, Inc. v. Medzam, Ltd.*, 133 F.3d 1473, 1480 (Fed. Cir. 1998); *Dolly, Inc. v. Spalding & Evenflo Cos.*, 16 F.3d 394, 397 (Fed. Cir. 1994).

Modified AIPLA Model Jury Instructions § 3.11 (March 2008) which cites *Warner-Jenkinson Co., Inc. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997); *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605, 609 (1950); *Johnson & Johnston Assoc. v. R.E. Service Co.*, 285 F.3d 1046, 1053-54 (Fed. Cir. 2002) (en banc); *Multiform Desiccants, Inc. v. Medzam, Ltd.*, 133 F.3d 1473, 1480 (Fed. Cir. 1998); *Dolly, Inc. v. Spalding & Evenflo Cos.*, 16 F.3d 394, 397 (Fed. Cir. 1994).

FACEBOOK'S PROPOSED JURY INSTRUCTION NO. 3.8A
LIMITATIONS ON DIRECT INFRINGEMENT UNDER THE DOCTRINE OF
EQUIVALENTS

The prior art may preclude a finding of infringement under the doctrine of equivalents. I will explain what "prior art" is, but, generally speaking, "prior art" is things that were already known or done before the invention. In reaching your decisions in this case, you must use the definition of "prior art" that I provide to you.

To determine whether the prior art precludes a finding of infringement under the doctrine of equivalents, you must first have in mind a "hypothetical claim" that would cover the accused, allegedly equivalent product or process literally. The hypothetical claim is similar to the claim at issue, except that the unmet claim requirements are broadened so that they would be met by the allegedly "equivalent" hypothetical claim.

Once you have this equivalent "hypothetical claim" in mind, you must decide whether this hypothetical claim would have been invalid for either anticipation or obviousness. I will instruct you later on how to determine if a claim is invalid for anticipation or obviousness. You should use these same rules to determine whether or not the "hypothetical claim" would be invalid for anticipation or obviousness. If you determine that the "hypothetical claim" would have been invalid for anticipation or obviousness, then you must find that there is no infringement of this particular claim under the doctrine of equivalents.

Leader has the burden of showing, by a preponderance of the evidence, that such a proposed hypothetical claim would not have been obvious from, and thus does not ensnare, the prior art.

In addition, you may not determine that an alternative aspect of a product or process is equivalent to an unmet requirement of a claim if a finding of infringement under the doctrine of equivalents would effectively eliminate that requirement. Specifically, the alleged equivalent cannot eliminate or ignore an element or requirement of the claim.

AUTHORITY:

Modified The Federal Circuit Bar Association Model Patent Jury Instructions § 3.1(d) (February 2010) which cites *Honeywell Int'l v. Hamilton Sundstrand Corp.*, 370 F.3d 1131 (Fed. Cir. 2004); *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 344 F.3d 1359 (Fed. Cir. 2003) (en banc); *Interactive Pictures Corp. v. Infinite Pictures, Inc.*, 274 F.3d 1371, 1380 (Fed. Cir. 2001); *Al-Site Corp. v. VSI Int'l, Inc.*, 174 F.3d 1308, 1320 (Fed. Cir. 1999); *Wilson Sporting Goods Co. v. David Geoffrey & Assocs.*, 904 F.2d 676, 684-85 (Fed. Cir. 1990).

LEADER'S OBJECTIONS TO FACEBOOK'S PROPOSED JURY

INSTRUCTION NO. 3.8A

Leader objects to this instruction for the same reasons discussed in Leader's motion *in limine* No. 2 to exclude portions of the proposed testimony of Dr. Kearns. Primarily Leader objects to his instruction because it is a matter of law and not an issue for the jury to decide. *DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 567 F.3d 1314, 1324 (Fed. Cir. 2009) (holding that it is not proper to bring evidence of ensnarement in front of a jury).

**FACEBOOK'S PROPOSED JURY INSTRUCTION NO. 3.8B
INDIRECT INFRINGEMENT—GENERALLY**

Leader also argues that Facebook contributed to infringement by another of and induced another to infringe claims 9, 11 and 16 of the '761 patent. Facebook cannot contributorily infringe or induce infringement unless Leader proves that a single third party, that is, someone other than Facebook, directly infringes the patent claim by making, using, selling, offering for sale or importing a product or method that includes all of the requirements of the asserted claims. If Leader has not proven by a preponderance of the evidence that there is direct infringement by a third party, Facebook cannot have contributed to infringement or induced infringement.

AUTHORITY:

Model Patent Jury Instructions for the Northern District of California, § 3.8 (Nov. 2007), which cites *Hewlett-Packard Co. v. Bausch & Lomb, Inc.*, 909 F.2d 1464, 1468-69 (Fed. Cir. 1990).

LEADER'S OBJECTIONS TO FACEBOOK'S PROPOSED JURY

INSTRUCTION NO. 3.8B

Leader objects to this instruction as it is unnecessary because it is redundant of the parties' proposed instruction 3.6.

DISPUTED PROPOSED JURY INSTRUCTION NO. 3.9
INDIRECT INFRINGEMENT—ACTIVE INDUCEMENT

[Facebook does not believe this instruction is necessary.]

Leader alleges that Facebook is liable for infringement by actively inducing others to directly infringe claims 9, 11 and 16 of the '761 Patent literally or under the doctrine of equivalents. You must determine also determine whether there has been active inducement on a claim-by-claim basis.

[In order to show liability][Facebook is liable] for active inducement of a claim [Leader must prove][if Leader proves] by a preponderance of the evidence that:

(1) Facebook took action during the time the '761 Patent was in force intending to cause acts by others to perform steps of the asserted method claims;

(2) Facebook was aware of the '761 Patent and knew or should have known that the acts, if taken, would constitute infringement of that patent; and

(3) the acts are actually carried out by others and directly infringe the asserted method claims. [In order for there to be inducement of infringement by Facebook, someone else must directly infringe a claim of the '761 patent; if there is no direct infringement by anyone, there can be no induced infringement.]

In order to establish active inducement of infringement, it is not sufficient that third parties directly infringe the claims. Nor is it sufficient that Facebook was aware of the acts by third parties that allegedly constitute the direct infringement. Rather, you must find that Leader has proven by a preponderance of the evidence that Facebook specifically intended the third parties to infringe the '761 Patent, in order to find inducement of infringement.

AUTHORITY:

Modified The Federal Circuit Bar Association Model Patent Jury Instructions § 3.2 (February 2010) which cites 35 U.S.C. § 271(b); *DSU Med. Corp. v. JMS Co.*, 471 F.3d 1293, 1306 (Fed. Cir. 2006); *MGM Studios Inc. v. Grokster*, 419 F.3d 1005 (Fed. Cir. 2005); *Insituform Techs., Inc. v. CAT Contracting, Inc.*, 385 F.3d 1360, 1377-78 (Fed.

Cir. 2004); *Ferguson Beauregard/Logic Controls, Div. of Dover Res., Inc. v. Mega Sys., LLC*, 350 F.3d 1327, 1342 (Fed. Cir. 2003); *Warner-Lambert Co. v. Apotex Corp.*, 316 F.3d 1348, 1363-66 (Fed. Cir. 2003).

**FACEBOOK'S OBJECTIONS TO DISPUTED PROPOSED JURY
INSTRUCTION NO. 3.9**

Facebook does not believe this instruction is necessary because this issue should not be in the case.

Facebook would include a statement that there must be direct infringement by a third party in order to find active inducement of infringement.

**LEADER'S OBJECTIONS TO DISPUTED PROPOSED JURY
INSTRUCTION NO. 3.9**

Facebook's addition language is redundant and therefore suggests that Leader has a greater burden to prove active inducement. Such additional language is unbalance, argumentative, and prejudicial.

LEADER'S PROPOSED JURY INSTRUCTION NO. 3.10
INDIRECT INFRINGEMENT—CONTRIBUTORY INFRINGEMENT

Leader asserts that Facebook has contributed to another's infringement. To show contributory infringement, Leader must prove that it is more likely than not that there was contributory infringement.

It is not necessary to show that Facebook has directly infringed as long as you find that someone has directly infringed. If there is no direct infringement by anyone, Facebook cannot have contributed to the infringement of the patent. If you find someone has directly infringed the '761 Patent, then contributory infringement exists if:

- (1) Facebook sold, offered for sale, or imported;
- (2) a material component of the patented invention that is not a staple article of commerce capable of substantial non-infringing use;
- (3) with knowledge that the component was especially made or adapted for use in an infringing method.

A “staple article of commerce capable of substantial non-infringing use” is something that has uses other than in the patented method, and those other uses are not occasional, farfetched, impractical, experimental, or hypothetical.

AUTHORITY:

Modified AIPLA's Model Patent Jury Instructions § 3.4 (March 2008) which cites 35 U.S.C. § 271(c); *PharmaStem Therapeutics, Inc. v. ViaCell, Inc. et al.*, 491 F.3d 1342, 1356-58 (Fed. Cir. 2007); *Mentor H/S, Inc. v. Med. Device Alliance, Inc.*, 244 F.3d 1365, 1379 (Fed. Cir. 2001); *Hewlett-Packard Co. v. Bausch & Lomb, Inc.*, 909 F.2d 1464, 1469 (Fed. Cir. 1990); *Preemption Devices, Inc. v. Minn. Mining & Mfg. Co.*, 803 F.2d 1170, 1174 (Fed. Cir. 1986).

**FACEBOOK'S OBJECTIONS TO LEADER'S PROPOSED JURY
INSTRUCTION NO. 3.10**

Facebook does not sell, offer to sell, or import the Facebook website. Thus, contributory infringement has no place in this case, and Facebook objects to the inclusion of this instruction at all. Facebook further objects that Leader has provided no evidence supporting its claim of contributory infringement and Facebook has shown that the Facebook website is capable of substantial non-infringing use.

FACEBOOK'S PROPOSED JURY INSTRUCTION NO. 3.10
INDIRECT INFRINGEMENT—CONTRIBUTORY INFRINGEMENT

Leader contends that Facebook is liable for contributory infringement by contributing to the direct infringement of claims 9, 11 and 16 of the '761 Patent by others. You must determine contributory infringement on a claim-by-claim basis.

In order to show liability for contributory infringement of a claim, Leader must prove by a preponderance of the evidence that:

- (1) Facebook sells, offers to sell, or imports within the United States a product or apparatus for use in a process during the time the '761 Patent is in force;
- (2) the component or apparatus has no substantial, noninfringing use;
- (3) the component or apparatus constitutes a material part of the invention;
- (4) Facebook was aware of the '761 Patent and knows that the products or processes for which the component or apparatus has no other substantial use may be covered by a claim of the '761 Patent or may satisfy a claim of the '761 Patent under the doctrine of equivalents; and
- (5) that use directly infringes the claim.

To prove contributory infringement, Leader must prove that each of the above requirements is met. This proof of each requirement must be by a preponderance of the evidence, i.e., that it is more likely than not that each of the above requirements is met.

In order for there to be contributory infringement by Facebook, someone other than Facebook must directly infringe a claim of the '761 patent; if there is no direct infringement by anyone, there can be no contributory infringement.

AUTHORITY:

35 U.S.C. § 271(c).

Modified The Federal Circuit Bar Association Model Patent Jury Instructions § 3.3 (February 2010) which cites 35 U.S.C. § 271(c); *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 377 U.S. 476 (1964); *Ricoh Co. v. Quanta Computer Inc.*, 550 F.3d 1325, 1327 (Fed. Cir. 2008), *cert denied*, 129 S. Ct. 2864 (2009); *Alloc, Inc. v. ITC*, 342

F.3d 1361, 1374 (Fed. Cir. 2003); *Mentor H/S, Inc. v. Med. Device Alliance, Inc.*, 244 F.3d 1365 (Fed. Cir. 2001); *Hewlett-Packard Co. v. Bausch & Lomb, Inc.*, 909 F.2d 1464, 1469 (Fed. Cir. 1990); *Preemption Devices, Inc. v. Minn. Mining & Mfg. Co.*, 803 F.2d 1170, 1174 (Fed. Cir. 1986).

Modified Patent Jury Instructions for the Northern District of California, § 3.9 (Nov. 2007), which cites 35 U.S.C. § 271(c); *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 377 U.S. 476 (1964); *DSU Med. Corp. v. JMS Co.*, 471 F.3d 1293, 1303 (Fed. Cir. 2006); *Mentor H/S, Inc. v. Med. Device Alliance, Inc.*, 244 F.3d 1365 (Fed. Cir. 2001); *Hewlett-Packard Co. v. Bausch & Lomb, Inc.*, 909 F.2d 1464, 1469 (Fed. Cir. 1990); *Preemption Devices, Inc. v. Minn. Mining & Mfg. Co.*, 803 F.2d 1170, 1174 (Fed. Cir. 1986).

**LEADER'S OBJECTIONS TO FACEBOOK'S PROPOSED JURY
INSTRUCTION NO. 3.10**

Leader objects this instruction as confusing, unbalanced, and not a correct recitation of the law and the allegations in this case.

4.0 VALIDITY DEFENSES
LEADER'S PROPOSED JURY INSTRUCTION NO. 4.1
VALIDITY – IN GENERAL

The granting of a patent by the Patent Office carries with it the presumption that the patent is valid. Facebook contends that all of the asserted claims of the '761 Patent are invalid. I will now instruct you on the rules you must follow in deciding whether or not Facebook has proven that claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31 and 32 of the '761 Patent are invalid. To prove that any claim of a patent is invalid, Facebook must persuade you by clear and convincing evidence, i.e., you must be left with a clear conviction that the claim is invalid.

AUTHORITY:

Modified The Federal Circuit Bar Association Model Patent Jury Instructions § 4.1 (February 2010) which cites 35 U.S.C. § 282; *Schumer v. Lab. Computer Sys., Inc.*, 308 F.3d 1304, 1315 (Fed. Cir. 2002); *Buildex, Inc. v. Kason Indus., Inc.*, 849 F.2d 1461, 1463 (Fed. Cir. 1988); *Hybritech Inc. v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1375 (Fed. Cir. 1986).

**FACEBOOK'S OBJECTIONS TO LEADER'S PROPOSED JURY
INSTRUCTION NO. 4.1**

Facebook respectfully submits that a “preponderance of the evidence” standard of proof should be applied to Facebook’s invalidity defenses because they are based on prior art that was never considered by the U.S. Patent and Trademark Office during the prosecution of the ’761 patent. Facebook acknowledges that existing Federal Circuit case law does not presently recognize a different burden of proof when, as here, the invalidating prior art was never considered by the Patent Office.

Facebook nonetheless submits this objection to preserve its right to argue for the extension, modification or reversal of existing law on this subject. As the Supreme Court noted in *KSR Int’l Co. v. Teleflex, Inc.*, 550 U.S. 398, 426 (2007), “the rationale underlying the presumption [of validity] – that the PTO, in its expertise, has approved the claim – seems much diminished” when, as here, the prior art upon which the validity challenge is based was never considered by the PTO. See Petition for Certiorari in *Microsoft Corp. v. z4 Technologies, Inc.*, 2008 WL 877866 (2008). The patent statute specifies that patents are presumed valid, 35 U.S.C. 282, but does not mandate any particular standard for overcoming that presumption. In this case, there are compelling reasons for not applying a “clear and convincing” burden of proof. First, the PTO has granted ex parte and inter partes reexaminations of the ’761 patent on the basis of the new prior art that Facebook is relying upon for its invalidity defense. Second, Facebook’s invalidity defense is also based on the offers of sale and public uses of LTI’s “Leader2Leader” product, which LTI never disclosed to the Patent Office during prosecution of the ’761 patent. There is no rationale justification for forcing Facebook to satisfy a heightened evidentiary standard of proof as to Leader2Leader that was in LTI’s possession at all times, and whose non-disclosure to the USPTO was entirely attributable to LTI.

FACEBOOK'S PROPOSED JURY INSTRUCTION NO. 4.1
VALIDITY – IN GENERAL

Only a valid patent may be infringed. For a patent to be valid, the invention claimed in the patent must be new, useful and nonobvious. A patent cannot take away from the public its right to use what was known or what would have been obvious when the invention was made. The terms “new” and “nonobvious” have special meanings in patent law.

I will now instruct you on the rules you must follow in deciding whether Facebook has proven that claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31 and 32 of the '761 patent are invalid. A challenger's burden is more easily carried when the references on which the assertion of invalidity is based were not directly considered by the examiner during prosecution.

AUTHORITY:

Final Jury Instruction No. 20, *Finjan Software, Ltd. v. Secure Computing Corp.*, 06-cv-369-GMS (D. Del. March 12, 2008).

KSR Int'l Co. v. Teleflex Inc., 550 U.S. 398, 426 (2007) (“We nevertheless think it appropriate to note that the rationale underlying the presumption-that the PTO, in its expertise, has approved the claim-seems much diminished” where a defense of invalidity rests on evidence that the PTO never had a chance to consider.); *Petition for Writ of Certiorari, Microsoft Corp. v. z4 Techs., Inc.*, 2008 WL 877886 (No. 07-1243) (At the district court, Microsoft suggested a jury instruction that “A challenger's burden is more easily carried when the references on which the assertion of invalidity is based were not directly considered by the examiner during prosecution.”).

**LEADER'S OBJECTIONS TO FACEBOOK'S PROPOSED JURY
INSTRUCTION NO. 4.1**

Facebook attempts to change the burden of proof for its claims of invalidity.

There is no support for Facebook's claim that Facebook has a lower burden of proof for invalidity is applied based on whether an examiner received certain references. Invalidity is required to be proven by clear and convincing evidence as patents are presumed valid. 35 U.S.C. §282. Such a position by Facebook is contrary to Facebook's arguments in its *Daubert* motion regarding the appropriate scope of Dr. Herbsleb's proposed testimony at trial.

DISPUTED PROPOSED JURY INSTRUCTION NO. 4.2
PRIOR ART

[Under the patent laws, a person is entitled to a patent only if the invention claims in the patent is new and nonobvious in light of what came before. That which came before is referred to as the “prior art.”] Prior art includes any of the following items received into evidence during trial:

1. any patent that issued more than one year before the effective filing date of the '761 patent;
2. any printed publication that was published more than one year before the [effective] filing date of the '761 patent;
3. any product or method that was in public use or on sale in the United States more than one year before the [effective] filing date of the '761 patent;
4. any printed publication that was published prior to the invention date of the '761 patent;
5. any published United States patent application or issued United States patent with a filing date that predates the invention date of the '761 patent;
6. any product or method that was known or used by others in the United States prior to the invention date of the '761 patent.

In this case, Facebook contends that the following items are invalidating prior art:

- (1) European Patent No. EP 1087306 (“Hubert ’306”)
- (2) U.S. Patent No. 7,590,934 (“Hubert ’034”)
- (3) U.S. Patent No. 6,430,575 (“Dourish ’575”)
- (4) U.S. Patent No. 6,370,538 (“Lamping ’538”)
- (5) U.S. Patent No. 6,236,994 (“Swartz ’994”)
- (6) U.S. Patent No. 6,941,313 (“Seliger ’313”)
- (7) U.S. Patent No. 6,434,403 B1 (“Ausems ’403”)
- (8) iManage DeskSite 6.0 User Reference Manual, July 26, 2001 (“iManage”)

- (9) Christopher Hess and Roy Campbell, A Context File System for Ubiquitous Computing Environments, Technical Report No. UIUCDCS-R-200202285 UIIU-0ENG-2002-1729, Department of Computer Science, University of Illinois at Urbana-Champaign, Urbana, IL., USA, July 2002 (“Hess”)
- (10) [Leader’s Leader2Leader product, also known as Digital Leaderboard and Click2Lead (“Leader2Leader”)]

AUTHORITY:

Modified AIPLA Model Jury Instructions § 5 (March 2008).

**FACEBOOK'S OBJECTION TO LEADER'S PROPOSED JURY
INSTRUCTIONS NOS. 4.2 AND 4.3**

First, Facebook believes the word “effective” should be included before “filing date,” as there is a dispute as to whether the provisional application filing date has any effect in this case. Facebook also believes the first two sentences should be included to give a background as to what “prior art” is and why it is important for them to understand that.

Leader’s proposed “Disputed References” instruction 4.3 is inappropriate and not based on any law or model jury instruction. Facebook believes that Proposed Instruction 4.2, which notes that *Facebook* contends that the references are prior art, is the appropriate way to present the issue to the jury. By stating “Facebook believes,” the jury will understand that Leader disputes that these references are prior art.

Further, in proposed instruction 4.3, Leader provides *no* legal basis for its statements that “If you find that the date of the invention of the ‘761 Patent is prior to the dates of the Disputed References, or the Disputed References are not enabled, you must not consider the Disputed References in your determination of the validity of the ‘761 Patent.” Leader makes no distinction between prior art under 35 U.S.C. § 102(b) – which has no relevance to the date of invention of the ‘761 patent – and prior art under 35 U.S.C. § 102(a) and (e), which does. This is incredibly misleading to the jurors, particularly as Facebook contends several references on the list of “disputed art” qualify as 102(b) art. Under this instruction, for instance, if a juror were to determine that the invention disclosed in the ‘761 patent was complete by 1999, the juror would, under this instruction, find that patents that issued in early 2001 or printed publications with dates in 2001 would not qualify as prior art – even though they could qualify as prior art under 102(b) regardless of the date of “invention.” Thus, this instruction is a misstatement of the law.

Moreover, including a statement regarding enablement of prior art references is also inappropriate because most of Facebook's prior art references are issued patents that are entitled to a presumption of enablement when used as prior art, *Amgen Inc. v. Hoechst Marion Roussel, Inc.*, 314 F.3d 1313, 1355 (Fed. Cir. 2003), and Leader has provided no evidence and submitted no expert testimony regarding the alleged non-enablement of any of those references.

**LEADER'S OBJECTION TO FACEBOOK'S PROPOSED JURY
INSTRUCTIONS NOS. 4.2**

Facebook's instruction is improper because it does not reflect the proper filing date that should be considered by the jury. Furthermore, it adds redundant sections regarding the law of validity. Moreover, Leader's product is not referenced manner.

Like Leader's instruction, Facebook's proposed instruction modifies the AIPLA Model Jury Instructions § 5 (March 2008).

LEADER'S PROPOSED JURY INSTRUCTION NO. 4.4
CONCEPTION AND REDUCTION TO PRACTICE

In this case, you must determine the date of conception and/or reduction to practice for the claimed invention or alleged prior art.

The date of invention is either when the invention was reduced to practice or when conceived, provided the inventor was diligent in reducing the invention to practice. Diligence means working continuously, though not necessarily every day. Conception is the mental part of an inventive act, i.e., the formation in the mind of the inventor of a definite and permanent idea of the complete and operative invention as it is thereafter to be applied in practice, even if the inventor did not know at the time that the invention would work. Conception of an invention is complete when the idea is so clearly defined in the inventor's mind that, if the idea were communicated to a person having ordinary skill in the field of the technology, he or she would be able to reduce the invention to practice without undue research or experimentation. This requirement does not mean that the inventor has to have a prototype built, or actually explained the invention to another person. But, there must be some evidence beyond the inventor's own testimony that confirms the date on which the inventor had the complete idea. Conception may be proven when the invention is shown in its complete form by drawings, disclosure to another person, or other forms of evidence presented at trial.

A claimed invention is "reduced to practice" when it has been constructed/used/ tested sufficiently to show that it will work for its intended purpose or when the inventor files a patent application. An invention may also be reduced to practice even if the inventor has not made or tested a prototype of the invention if it has been fully described in a filed patent application.

AUTHORITY:

Modified The Federal Circuit Bar Association Model Patent Jury Instructions § 4.3a (February 2010) which cites 35 U.S.C. § 102.

**FACEBOOK'S OBJECTIONS TO LEADER'S PROPOSED JURY
INSTRUCTION NO. 4.4**

Facebook objects to the inclusion of this instruction, as Leader has not set forth substantial evidence of conception date or diligence and reduction to practice. Leader should be held to an invention date of the filing date of the patent, December 10, 2003.

Facebook also believes there should be more emphasis on the diligence required.

Facebook further objects to this instruction on the ground that it does not emphasize an important point: "Conception must include every feature or limitation of the claims invention." *Slip Track Sys., Inc. v. Metal-Lite, Inc.*, 304 F.3d 1256, 1262-63 (Fed. Cir. 2002). This point is important in the present case because there is a dispute between the parties as to whether Leader can show that what it allegedly conceived contained every element of the asserted claims.

FACEBOOK'S PROPOSED JURY INSTRUCTION NO. 4.4
DATE OF INVENTION, CONCEPTION AND REDUCTION TO PRACTICE

The date of invention for a claim of a patent is presumed to be the date the application was filed, in this case, December 10, 2003. A patent owner may attempt to claim an earlier date of invention if it establishes, by a preponderance of the evidence, that the invention (1) was conceived prior to the filing date of the patent application and (2) the inventor was diligent in reducing the invention to practice.

Conception is the mental part of an inventive act, i.e., the formation in the mind of the inventor of a definite and permanent idea of the complete and operative invention as it is thereafter to be applied in practice, even if the inventor did not know at the time that the invention would work. Conception must include every feature or limitation of the claimed invention. Conception of an invention is complete only when the idea is so clearly defined in the inventor's mind that, if the idea were communicated to a person having ordinary skill in the field of the technology, he or she would be able to reduce the entire invention to practice without undue research or experimentation. There must also be documentary evidence beyond the inventor's own testimony that independently corroborates the date on which the inventor claims to have conceived of the invention. Conception may be proven when the invention is shown in its complete form by drawings, disclosure to another person, or other forms of evidence presented at trial.

If an inventor attempts to rely on an earlier date of conception, it must show that it exercised reasonable diligence throughout the entire period between the date of conception and the date the invention was reduced to practice. This requires the inventor to show that it took specific and affirmative acts during this entire period that were directly related to the reduction to practice of the invention at issue, and that acceptable excuses be provided for any periods of inactivity. Voluntarily setting aside development of the alleged invention, or taking time to commercially exploit an invention, or a separate product or invention, do not constitute acceptable excuses.

AUTHORITY:

Stern v. Trustees of Columbia Univ. in the City of New York, 434 F.3d 1375, 1378 (Fed. Cir. 2006); *Singh v. Brake*, 222 F.3d 1362, 1367 (Fed. Cir. 2000); MPEP § 2138.06 (“Reasonable Diligence”).

**LEADER'S OBJECTIONS TO FACEBOOK'S PROPOSED JURY
INSTRUCTION NO. 4.4**

Leader objects to this instruction, as the date of invention is a disputed issue in the case and thus it is improper and prejudicial to state that the invention date is the filing date of the patent. This instruction is not based on the law or a model jury instruction. Just one example of the many misstatements of law included in Facebook's proposal is the requirement that conception must be "proven when the invention is shown in its complete form by drawings, disclosure to another person, or other forms of evidence presented at trial." Another example of a misstatement of law is Facebook's statement that the date of invention is the filing date, as opposed to the effective filing date of the patent. Facebook's modified quotations of law and failure to rely on any model jury instruction evidences the unbalanced nature of Facebook's proposed instruction.

FACEBOOK'S PROPOSED JURY INSTRUCTION NO. 4.4A
PRIOR ART – PATENT PRIORITY DATE

As I mentioned above, Facebook contends that certain offers for sale and public uses invalidate the '761 patent because they occurred more than one year prior to the filing of Leader's patent application on December 10, 2003. Facebook also contends that certain prior art references invalidate the '761 patent because they were published more than one year before December 10, 2003.

Leader filed a "provisional" patent application on December 11, 2002. You must determine whether the asserted claims of the '761 patent are entitled to the benefit of the filing date of the provisional application. Leader contends that the asserted claims of the '761 patent are entitled to the filing date of the provisional application, while Facebook contends that the asserted claims are not.

A provisional application is an inexpensive technique whereby an inventor can file a document with the U.S. Patent and Trademark Office providing a description of its alleged invention. The provisional application is not examined by the U.S. Patent and Trademark Office, and the inventor has one year from its filing date to file a placeholder while an inventor determines whether or not to spend the money required for full examination of a patent. A provisional application cannot support later filed claims unless it contains each and every element of the asserted claims in the issued patent. Here, in order for Leader to be entitled to use its provisional filing date, December 11, 2002, Leader must prove that the provisional included each and every element of the asserted claims of the '761 patent.

AUTHORITY:

New Railhead Mfg., LLC v. Vermeer Mfg. Co., 298 F.3d 1290, 1294 (Fed. Cir. 2002); *Eli Lilly & Co. v. Barr Labs.*, 251 F.3d 955, 974 (Fed. Cir. 2001); *PowerOasis, Inc. v. T-Mobile USA, Inc.*, 522 F.3d 1299 (Fed. Cir. 2008).

**LEADER'S OBJECTIONS TO FACEBOOK'S PROPOSED JURY
INSTRUCTION NO. 4.4A**

Leader objects to this instruction, as Leader contends that it is entitled to the priority date of the provisional application. Leader further objects to this instruction because Facebook has not relied on a model jury instruction but relies solely on modified quotations from case law. Facebook's proposal also unnecessarily repeats Facebook's purported allegations against Leader, some of which are the subject Leader's pending *motions in limine*. Facebook's characterization of a provisional application is not proper for a jury instruction. *See e.g.*, "A provisional application is an inexpensive technique . . ."; "an inventor determines whether or not to spend the money . . .". Facebook's proposal also includes misstatements of the law, is argumentative and prejudicial. Federal Rules of Evidence 403.

LEADER'S PROPOSED JURY INSTRUCTION NO. 4.4A
PRIOR ART – PATENT PRIORITY DATE

Leader filed a “provisional” patent application on December 11, 2002. You must determine whether the asserted claims of the '761 patent are entitled to the benefit of the filing date of the provisional application. Leader is entitled to rely on the filing date of its provisional application if the application teaches one of skill in the art how to make the claimed invention of the '761 Patent. Leader contends that the asserted claims of the '761 patent are entitled to the filing date of the provisional application, while Facebook contends that the asserted claims are not. If you find that Leader is entitled to the priority date of its provisional application, then you must consider December 11, 2002 as the effective filing date of the '761 Patent.

FACEBOOK'S OBJECTIONS TO LEADER'S PROPOSED JURY

INSTRUCTION NO. 4.4A

Leader's instruction does not explain how the jury should determine whether or not Leader is entitled to rely on its provisional application filing date, but just state's Leader's contention. As several of Facebook's invalidity references rely on Facebook's well supported contention that Leader is not entitled to this earlier date, this determination is important, and not giving the jury the instruction that every element of the asserted claims must be contained in the provisional application is not giving the jury sufficient information by which to make such a decision.

Facebook objects to this proposed instruction on the ground that it misstates the law by glossing over or entirely ignoring multiple requirements. Under 35 U.S.C. 119, a patent is entitled to the filing date of the provisional application only if it discloses the alleged invention "in the manner provided by the first paragraph of section 112 of this title [35 U.S.C. 112(1)]..." 35 U.S.C. 119(e)(1). The Federal Circuit has recently confirmed that 35 U.S.C. 112(1) contains separate written description and enablement requirements. *See Ariad Pharmaceuticals, Inc. v. Eli Lilly and Co.*, 598 F.3d 1336, 1345 (Fed. Cir. 2010) (en banc). "Every patent must describe an invention. It is part of the *quid pro quo* of a patent; one describes an invention, and, if the law's other requirements are met, one obtains a patent. The specification must then, of course, describe how to make and use the invention (i.e., enable it), but that is a different task." *Id.*

Contrary to this controlling precedent, Leader's instruction omits the written description requirement, which requires that the application disclose each and every element of the claimed invention. *See id.* at 1353 ("Requiring a written description of the invention limits patent protection to those who actually perform the difficult work of 'invention'-that is, conceive of the complete and final invention with all its claimed limitations-and disclose the fruits of that effort to the public.") (emphasis added). Because Leader's instruction ignores this critical requirement, it should be rejected.

But to make matters worse, Leader has compounded this flaw by misstating even the standard for enablement, the only requirement addressed by Leader's instruction. It ignores, for example, that the requirement that the application teach one of ordinary skill in the art to make and use the claimed invention, and do to so without undue experimentation." *Id.* at 1361 (quoting *Martek Biosciences Corp. v. Nutrinova, Inc.*, 579 F.3d 1363, 1378 (Fed. Cir. 2009)) ("To meet the enablement requirement, the specification of a patent must teach those skilled in the art how to make and use the full scope of the claimed invention without undue experimentation."). Under Leader's instruction, even if it took one of ordinary skill in the art 30 years of nonstop and excessive experimentation to convert the sparse provisional into a system that met the claim limitations, Leader would nonetheless be entitled to "rely" on the provisional application filing date. That is clearly not the law.

Finally, Leader's instruction should be rejected because it simply makes no sense. It is based on the vague statement that "Leader is entitled to rely on the filing date of its provisional application," but for what purpose? To establish entitlement to the provisional filing date for assessing prior art? To argue that it lacked the requisite intent to commit inequitable conduct because of its 2002 sales of Leader2Leader? To assert that its "patent pending" notices do not further evidence false patent marking? The instruction is not tied to a legal principle or issue in dispute.

DISPUTED PROPOSED JURY INSTRUCTION NO. 4.5
ANTICIPATION

A person cannot obtain a patent if someone else already has made an identical invention. Simply put, the invention must be new. An invention that is not new or novel is said to be “anticipated by the prior art.” Under the U.S. patent laws, an invention that is “anticipated” is not entitled to patent protection. To prove anticipation, Facebook must prove with clear and convincing evidence that the claimed invention is not new.

[In determining whether the single item of prior art anticipates a patent claim, you should take into consideration not only what is expressly disclosed in the particular item of prior art, but also what inherently resulted from its practice. This is called “inherency.” To establish inherency, the evidence must make clear that the prior art either necessarily resulted in the missing descriptive matter and that it would be so recognized by a person of ordinary skill of the art at the time the patent application was filed. It is not required, however, that the person of ordinary skill would have recognized the inherent disclosure. Thus, the prior use of the patented invention that was unrecognized and unappreciated can still be an invalidating anticipation.]

In this case, Facebook contends that claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31 and 32 of the ‘761 Patent are anticipated. To anticipate a claim, each and every element in the claim must be present in a single item of prior art. You may not combine two or more items of prior art to prove anticipation. In determining whether every one of the elements of the claimed invention is found in the prior art you should take into account what a person of ordinary skill in the art would have understood from his or her examination of the particular prior art.

You must keep these requirements in mind and apply them to each kind of anticipation you consider in this case. There are additional requirements that apply to the particular categories of anticipation that Facebook contends apply in this case. I will now instruct you about those.

AUTHORITY:

Modified AIPLA Model Jury Instructions § 6 (March 2008) which cites *Toro Co. v. Deere & Co.*, 355 F.3d 1313, 1320-1321 (Fed. Cir. 2004); *Schering Corp. v. Geneva Pharms., Inc.*, 339 F.3d 1373, 1377-1378 (Fed. Cir. 2003); *In re Robertson*, 169 F.3d 743, 745 (Fed. Cir. 1999); *Atlas Powder Co. v. IRECO Inc.*, 190 F.3d 1342, 1346-1347 (Fed. Cir. 1999); *Glaverbel Societe Anonyme v. Northlake Mktg. & Supply, Inc.*, 45 F.3d 1550, 1554 (Fed. Cir. 1995); *Minn. Mining & Mfg. Co. v. Johnson & Johnson Orthopaedics, Inc.*, 976 F.2d 1559, 1565 (Fed. Cir. 1992); *Cont'l Can Co. USA v. Monsanto Co.*, 948 F.2d 1264, 1267-1269 (Fed. Cir. 1991); *Buildex, Inc. v. Kason Indus., Inc.*, 849 F.2d 1461, 1463 (Fed. Cir. 1988).

**FACEBOOK'S OBJECTIONS TO DISPUTED PROPOSED JURY
INSTRUCTION NO. 4.5**

Facebook objects to Leader's proposed instruction as it eliminates the section of AIPLA Model Jury Instructions § 6 that discusses inherency.

**LEADER'S OBJECTIONS TO DISPUTED PROPOSED JURY
INSTRUCTION NO. 4.5**

Leader objects to Facebook's proposed instruction because inherency is not an issue in the case and as such, such an instruction is unnecessary, prejudicial and likely to confuse the jury. None of Facebook's experts have disclosed an opinion regarding whether inherency. As of the filing of these objections, Facebook has been unable to identify how this is an issue in the case.

FACEBOOK'S PROPOSED JURY INSTRUCTION NO. 4.5A
ANTICIPATION – INCORPORATION BY REFERENCE

As I mentioned earlier, in order to show that a claim is anticipated, each and every element in the claim must be present in a single piece of prior art. However, material that is not explicitly contained in the single, prior art document may still be considered for purposes of anticipation if that material is incorporated by reference into the document.

Facebook contends that U.S. Patent No. 6,370,538 (“Lamping ’538”) and U.S. Patent No. 6,941,313 (“Seliger ’313”) are prior art references that anticipate certain asserted claims of the ’761 patent. Lamping ’538 incorporates by reference the disclosures of U.S. Patent No. 6,380,179 to Karin Petersen (“Petersen ’179”), which has been entered into evidence as Exhibit ___. Seliger ’313 incorporates by reference U.S. Patent No. 7,346,648 (“Seliger ’648”), which has been entered into evidence as Exhibit ___.

You are hereby instructed that Lamping ’538 and Petersen ’179 are to be treated as a single prior art reference for determining whether they anticipate the asserted claims of the ’761 patent. You are further instructed that Seliger ’313 and Seliger ’648 are to be treated as a single prior art reference for determining whether they anticipate the asserted claims of the ’761 patent.

AUTHORITY:

Advanced Display Systems, Inc. v. Kent State University, 212 F.3d 1272, 1283 (Fed. Cir. 2000); *Harari v. Hollmer*, ___ F.3d ___, 2010 WL 1540911, at *2-3 (Fed. Cir. Apr. 19, 2010).

**LEADER'S OBJECTIONS TO FACEBOOK'S PROPOSED JURY
INSTRUCTION NO. 4.5a**

Leader objects to this instruction because this is not a proper issue for the jury to consider. As the *Advance Display Systems* decision cited by Facebook states, incorporation by reference is a question of law and submitting this issue to the jury is a prejudicial legal error. *Advanced Display Systems, Inc. v. Kent State University*, 212 F.3d 1272, 1283 (Fed. Cir. 2000). The Court further stated that the proper instruction would have been “no instruction.” Furthermore, Facebook’s recitation of the law is incorrect, as it confuses the law of for incorporating by reference during prosecution with the law surrounding the doctrine of incorporation by reference for purposes of anticipation, as set forth in Leader’s opposition to Facebook’s *Daubert* motion.

LEADER'S PROPOSED JURY INSTRUCTION NO. 4.6
PRIOR PUBLIC USE

Facebook contends that 1, 4, 7, 9, 11, 16, 21, 23, 25, 31 and 32 of the '761 Patent are anticipated because the invention defined in that claim was publicly used in the United States more than one year before Leader filed its provisional patent application on December 11, 2002.

A patent claim is invalid if the invention defined in that claim was publicly used by a person other than Leader in the United States be more than one year before the filing date of Leader's Patent Application for the '761 Patent on December 11, 2002. An invention is publicly used if it is used by the inventor or by a person who is not under any limitation, restriction, or obligation of secrecy to the inventor. The absence of affirmative steps to conceal is evidence of a public use. However, secret use by a third party is not public. If the public use was an experimental use performed in order to bring the invention to perfection or to determine if the invention was capable of performing its intended purpose then such a use does not invalidate the claim.

AUTHORITY:

Modified APLA Model Jury Instructions § 6.2 (March 2008) which cites 35 U.S.C. § 102(a), (b); *SmithKline Beecham Corp. v. Apotex Corp.*, 365 F.3d 1306, 1316-20 (Fed. Cir. 2004); *Netscape Commc'ns Corp. v. Konrad*, 295 F.3d 1315, 1320-23 (Fed. Cir. 2002); *Grain Processing Corp. v. Am. Maize-Prods. Co.*, 840 F.2d 902, 906 (Fed. Cir. 1988); *Moleculon Research Corp. v. CBS, Inc.*, 793 F.2d 1261, 1265-67 (Fed. Cir. 1986); *Kinzenbaw v. Deere & Co.*, 741 F.2d 383, 390-91 (Fed. Cir. 1984); *TP Lab., Inc. v. Prof'l Positioners, Inc.*, 724 F.2d 965, 970-72 (Fed. Cir. 1984); *WL Gore & Assocs., Inc. v. Garlock, Inc.*, 721 F.2d 1540, 1549-50 (Fed. Cir. 1983); *In re Smith*, 714 F.2d 1127, 1134-37 (Fed. Cir. 1983).

**FACEBOOK'S OBJECTIONS TO LEADER'S PROPOSED JURY
INSTRUCTION NO. 4.6**

Facebook objects to Leader's description of Facebook's contentions, as Facebook does not rely on the December 2002 provisional date, and this date absolutely cannot be included in this instruction – if Leader purports to state what Facebook's "contentions" are, it should include December 10, 2003 as the date.

Any reference to the date of filing should not include an actual date, as whether Leader is entitled to the benefit of its provisional application is in dispute.

Facebook's instruction relies primarily on Final Jury Instruction No. IV.4, used in this Court's case, *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, 04-cv-1371-JJF (D. Del. Sept. 21, 2007).

FACEBOOK'S PROPOSED JURY INSTRUCTION NO. 4.6
PRIOR PUBLIC USE

Facebook contends that 1, 4, 7, 9, 11, 16, 21, 23, 25, 31 and 32 of the '761 Patent are anticipated because the invention defined in those claims was publicly used more than one year before the filing date of the patent.

A prior public use by any person, including Leader or any Leader inventor, who is under no limitation, restriction or obligation of secrecy by the inventor, may invalidate the patents-in-suit if it occurred one year or more prior to December 10, 2003, the filing date of the '761 patent.

The absence of affirmative steps to conceal is evidence of a public use.

AUTHORITY:

Final Jury Instruction No. IV.4, *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, 04-cv-1371-JJF (D. Del. Sept. 21, 2007).

Modified APLA Model Jury Instructions § 6.2 (March 2008) which cites 35 U.S.C. § 102(a), (b); *SmithKline Beecham Corp. v. Apotex Corp.*, 365 F.3d 1306, 1316-20 (Fed. Cir. 2004); *Netscape Commc'ns Corp. v. Konrad*, 295 F.3d 1315, 1320-23 (Fed. Cir. 2002); *Grain Processing Corp. v. Am. Maize-Prods. Co.*, 840 F.2d 902, 906 (Fed. Cir. 1988); *Moleculon Research Corp. v. CBS, Inc.*, 793 F.2d 1261, 1265-67 (Fed. Cir. 1986); *Kinzenbaw v. Deere & Co.*, 741 F.2d 383, 390-91 (Fed. Cir. 1984); *TP Lab., Inc. v. Prof'l Positioners, Inc.*, 724 F.2d 965, 970-72 (Fed. Cir. 1984); *WL Gore & Assocs., Inc. v. Garlock, Inc.*, 721 F.2d 1540, 1549-50 (Fed. Cir. 1983); *In re Smith*, 714 F.2d 1127, 1134-37 (Fed. Cir. 1983).

LEADER'S OBJECTIONS TO FACEBOOK'S PROPOSED JURY
INSTRUCTION NO. 4.6

_____ Leader objects to this instruction, as Leader contends that it is entitled to the priority date of the provisional application. Leader further objects to this instruction because Facebook has omitted portions of the model instruction that properly define anticipation. For example, Facebook's proposal omits "use by a third party is not public. If the public use was an experimental use performed in order to bring the invention to perfection or to determine if the invention was capable of performing its intended purpose then such a use does not invalidate the claim." Facebook's modified model jury instruction evidences the unbalanced and argumentative nature of Facebook's proposed instruction.

LEADER'S PROPOSED JURY INSTRUCTION NO. 4.7

ON SALE BAR

Facebook contends that claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31 and 32 of the '761 Patent are anticipated because the invention defined in each of these asserted claims was on sale in the United States more than one year before Leader filed the '761 Patent..

A patent claim is invalid if an embodiment of the claimed invention was both (1) subject to commercial offer for sale in the United States; and (2) ready for patenting more than one year before the patent application date.

An invention was "on sale" if the claimed invention was embodied in the thing sold or commercially offered for sale.

It is not required that a sale was actually made. The essential question is whether or not there was an attempt to obtain commercial benefit from the invention.

In order to be on sale, the invention must have been ready for patenting at the time of the alleged offer for sale is made. An invention is ready for patenting either when it is reduced to practice or when the inventor has prepared drawings or other descriptions of the invention sufficient to allow a person of ordinary skill in the art to make or use the invention. The claimed invention is ready for patenting when there is reason to believe it would work for its intended purpose.

AUTHORITY:

Modified AIPLA Model Jury Instructions § 6.3 (March 2008) which cites 35 U.S.C. § 102; *Pfaff v. Wells Elecs.*, 525 U.S. 55, 67-68 (1998); *Allen Eng'g Corp. v. Bartell Indus., Inc.*, 299 F.3d 1336, 1352-55 (Fed. Cir. 2002); *Linear Tech. Corp. v. Micrel, Inc.*, 275 F.3d 1040, 1047-54 (Fed. Cir. 2001); *Group One, Ltd. v. Hallmark Cards, Inc.*, 254 F.3d 1041, 1045-49 (Fed. Cir. 2001).