FACEBOOK'S OBJECTIONS TO LEADER'S PROPOSED INSTRUCTION NO. 4.2

With respect to Leader's Proposed Jury Instruction No. 4.2 ("Prior Art"), the instruction incorrectly suggests that the status of all of Facebook's prior art references are subject to a dispute regarding the effective filing date of the '761 patent. In particular, the proposed instruction states that "[t]he parties dispute what is prior art in this case," and that "Facebook contends that the following are prior art," listing both the printed publications as well as Leader2Leader, and tells the jury that it has to "determine[] what can be considered prior art."

The only "prior art" that implicates the question of the effective filing date of the '761 patent is Leader2Leader. The three primary references relied upon by Professor Greenberg (Swartz '994, Hubert '306 and iManage) are subject to the absolute bar to patentability under Section 102(b), which requires a finding of invalidity of the '761 patent if "the invention was patented or described in a printed publication ... more than one year prior to the date of the application for patent in the United States." 35 U.S.C. 102(b). In particular, the Swartz '994 patent was published on May 22, 2001; Hubert '306 on March 28, 2001; and iManage on July 26, 2001 – in all three cases, more than one year before the December 11, 2002 provisional filing date. Accordingly, even if Leader were to prevail on its contention that the '761 patent is entitled to the filing date of the provisional, that would have no impact whatsoever on the status of Swartz '994, Hubert '306 or iManage as prior art. With respect to Ausems '403, it is also indisputably prior art to the '761 patent under 35 U.S.C. 102(e) because the application for that patent was filed on February 19, 1999, well before the earliest date of invention Leader has ever claimed with respect to the '761 patent (August 1999). There can be no dispute that it qualifies as prior art, and the jury should not be misled into thinking that there is any question for them to decide

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as to the status of these references as prior art. Facebook further objects to Proposed Instruction 4.2 in that it does not include U.S. Patent No. 7,590,934 to Hubert ("Hubert '934"), which is the United States counterpart to the published international Hubert '306 application and was entered into evidence during Professor Greenberg's direct examination.

FACEBOOK'S OBJECTIONS TO A STIPULATION REGARDING COMMERCIAL SUCCESS

Facebook further objects to Leader's proposed stipulation on the commercial success of the Facebook website because such a stipulation is entirely unnecessary and reading this statement to the jury among the stipulated facts is potentially prejudicial. There is no dispute that Facebook is commercially successful, a fact that was established at trial through testimony reflecting the number of users of the Facebook website. The success of Facebook is potentially relevant to such a small fraction of the case, secondary considerations of non-obviousness, that it should be reserved for closing argument on that issue. But there is no telling how the jury will interpret a statement from the Court that "the Facebook website is commercially successful," since the statement provides no explanation as to why that fact is relevant. Having the Court, with its naturally authoritative and neutral position, tell the jury that Facebook is successful can do nothing more than play into the type of prejudicial "deep pocket" arguments that Leader sought to make through its earlier attempts to introduce information regarding Facebook's finances.

FACEBOOK'S OBJECTIONS TO LEADER'S LIMITING INSTRUCTION ENTITLED "COMPARE THE FACEBOOK WEBSITE WITH THE ASSERTED CLAIMS OF THE '761 PATENT

Leader's proposed instruction on "compare the Facebook website with the asserted claims of the '761 patent" is also unnecessary. Facebook has no intention of arguing non-infringement based on comparison between Leader2Leader and Facebook. No evidence was presented at trial with respect to how Leader2Leader currently works, or what it looks like. The instruction is also objectionable because it goes beyond purported "product-to-product" comparisons, and instructs the jury not to consider anything about Leader's *business*. In deciding the issues in this case, the jury is free to consider what Mr. McKibben perceived as the problems he was trying to solve. If an instruction is given, moreover, the title should make crystal clear that it relates solely to issues of infringement so as not to prejudice Facebook's on sale bar defense, and the instruction should include a statement that the jury may consider Leader's products or its business in connection with Facebook's invalidity defenses.

Facebook's Proposed Limiting Instruction No. 1 re the Swartz Reference

On Friday during the testimony of Professor Greenberg, Leader's counsel made statements implying that the U.S. Patent Office examiner who worked on the '761 patent, Diane Mizrahi, was aware of and considered the Swartz patent. I hereby instruct you that the Patent Office has recently made a finding that the Swartz patent was not considered by Ms. Mizrahi before the '761 patent issued. Additionally, on September 25, 2009, the U.S. Patent Office ordered a reexamination of the validity of the '761 patent and made the following findings: (1) that Swartz was not before Ms. Mizrahi during prosecution of the ' 761 patent, (2) that a reasonable examiner would have considered the teachings of Swartz important in deciding whether the claims of the '761 patent are valid, and (3) that Swartz raises a substantial new question of validity as to each claim asserted in this litigation, which was not decided in the previous examination of the '761 patent.