IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

LEADER TECHNOLOGIES, INC., a Delaware corporation,	)	
Plaintiff-Counterdefendant,	)	Civil Action No. 08-862-LPS
v.	)	
FACEBOOK, INC., a Delaware corporation,	)	
Defendant-Counterclaimant.	)	

PLAINTIFF LEADER TECHNOLOGIES, INC.'S OPPOSITION TO DEFENDANT FACEBOOK, INC.'S MOTION FOR SUMMARY JUDGEMENT OF INVALIDITY OF CLAIMS 1, 4, 7, 21, 23, 25, 31 AND 32 OF U.S. PATENT NO. 7,139,761

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I. NATURE AND STAGE OF THE PROCEEDINGS

Leader Technologies, Inc. ("Leader") asserted Claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31 and 32 of U.S. Patent No. 7,139,761 ("'761 Patent") against Facebook Inc. ("Facebook"). At this stage of the proceedings, the trial has ended and the jury has rendered a verdict. (D.I. 610). Pursuant to the Court's July 16th and August 5th, 2010 Orders, Leader submits this answering brief in opposition to Facebook's pending motion for summary judgment of invalidity of Claims 1, 4, 7, 21, 23, 25, 31, and 32 (D.I. 382) and supporting brief (D.I. 384) ("Motion"). Leader previously filed a Counter-Statement to Facebook's Statement of Material Facts concerning Facebook's Motion. (D.I. 513) ("Counter-Statement").

II. SUMMARY OF THE ARGUMENT

Facebook has failed to meet its heavy burden of proving by clear and convincing evidence that any claim of the '761 Patent is invalid as indefinite under 35 U.S.C. §112. It is well settled that a claim is only considered indefinite if one of skill in the art is not reasonably apprised of its scope. In other words, because a claim is presumed valid, a claim is indefinite only if the claim is insolubly ambiguous. Here, Facebook has not provided the Court with ***any*** evidence, intrinsic or extrinsic, that a person of ordinary skill in the art could not determine the bounds of the claim, *i.e.*, that the claims are insolubly ambiguous. Instead, all of the evidence in this case demonstrates that the '761 Patent contains a definite set of claims. This evidence conclusively shows that (1) those skilled in the art know the scope of the claims; (2) the narrow holding of *IPXL* does not apply because the limitations of the apparatus claims at issue are written in functional language and are not mixed apparatus/method claims; (3) Facebook waived its indefinite arguments during claim construction by attempting to construe the key terms of the phrases at issue; and (4) all of the undisputed facts in this case preclude summary judgment.

As a preliminary matter, computer systems and applications are almost always *interactive* systems. This means they perform certain functions in response to user action. Because the vocabulary of computer science is relatively limited as most systems are described as having various "components" or "modules," computer systems are typically described by how those

components operate. Similarly, to protect computer systems under the patent laws, claims are often written in functional language in order to describe the types of components being protected. In other words, computer software patents typically describe a computer program by what the various components do. The '761 Patent is no exception. It is written in functional language to describe the innovative computer systems and programs by what they do. For example, the system claims of the '761 Patent describe two components, a context component and tracking component. Because those are fairly common terms which can mean a variety of things, the '761 Patent defines those components by their capabilities.

The use of functional language is best explained with an analogy. Imagine a claim that is directed to "an engine that starts when a user turns a key." This claim is clearly written in functional language to describe a particular type of engine, *i.e.,* one that starts when a key is turned. An infringing engine is simply an engine that has this capability. It does not matter whether a user actually turns the key, infringement is found as long as the engine is designed in such a way that it starts when a key is turned. An engine that starts when a user pushes a button would not infringe because this is not the type of engine that is claimed.

The system claims of the '761 Patent are similar. They describe two components, a context component and a tracking component, in functional language to delineate the types of components that they are. The tracking component, which is the component that Facebook takes issue with, is simply written with functional language to describe a particular type of tracking component. In one example, the tracking component of the '761 Patent is one that dynamically updates metadata when a user accesses data from a second context. An infringing tracking component is one that is built with this functionality, *i.e.,* the ability to dynamically update metadata when a user accesses data from a second context. It is immaterial for infringement purposes whether a user actually uses this component. The only relevant inquiry is whether the tracking component has the capability of allowing a user to perform this function.

Because the claims of the '761 Patent define the computer components by what they do -- a permissible means of articulating a claim limitation -- they do not include both a system and the

method of using that system. Accordingly, for the reasons discussed herein, Facebook's motion for summary judgment should be denied.

III. STATEMENT OF FACTS

A. The Technology of the '761 Patent

The '761 Patent discloses an interactive network-based computer system that is an online collaboration tool that facilitates efficient communication, organization, and content sharing between users and allows multiple users to share and use electronically stored content over a network. Ex. A[1] at Col. 3, l. 8 - Col. 4, l. 36; Col. 20, l. 63. The '761 Patent performs these functions using two primary components, one for context and one for tracking. In one example, the context component of the '761 Patent captures context information associated with user-defined data and stores this information in metadata. *Id.* at Col. 20, l. 65 - Col. 21, l. 6. The tracking component tracks a user as they move between contexts and dynamically updates the metadata when a user accesses data from a different context. *Id.* at Col. 21, ll.7-12

B. Claims 1, 21 and 23 of the '761 Patent

Claims 1 and 23 of the '761 Patent are directed to networked based computer systems. While Claims 1 and 23 are both system claims and contain context and tracking components, contrary to what Facebook alleges in its Motion, the components are not the same. Claims 1 and 23, respectively, are reproduced below:

> 1. A computer-implemented network-based system that facilitates management of data, comprising:
>
> a computer-implemented context component of the network-based system for capturing context information associated with user-defined data created by user interaction of a user in a first context of the network-based system, the context component dynamically storing the context information in metadata associated with the user-defined data, the user-defined data and metadata stored on a storage component of the network-based system;
>
> and a computer-implemented tracking component of the network-based system for tracking a change of the user from the first context to a second context of the network-based system and dynamically

[1] "Ex." refers to the exhibits attached to the Declaration of Yuridia Caire in Support of Plaintiff Leader Technologies, Inc.'s Opposition to Defendant Facebook, Inc.'s Motion for Summary Judgment of Invalidity of Claims 1, 4, 7, 21, 23, 25, 31, and 32 of U.S. Patent No. 7,139,761.

updating the stored metadata based on the change, wherein the user accesses the data from the second context.

Ex. A at Col. 20, l. 63 - Col. 21, l. 12.

23. A computer-implemented system that facilitates management of data, comprising:

a computer-implemented context component of a web-based server for defining a first user workspace of the web-based server, assigning one or more applications to the first user workspace, capturing context data associated with user interaction of a user while in the first user workspace, and for dynamically storing the context data as metadata on a storage component of the web-based server, which metadata is dynamically associated with data created in the first user workspace;

and a computer-implemented tracking component of the web-based server for tracking change information associated with a change in access of the user from the first user workspace to a second user workspace, and dynamically storing the change information on the storage component as part of the metadata, wherein the user accesses the data from the second user workspace.

Id. at Col. 23, ll. 20-37.

Claim 1 describes a context component that is capable of capturing context information associated with user-defined data and storing the context information in metadata. Claim 23, however, describes a context component that is capable of defining a user workspace, assigning applications to the workspace, and capturing context data associated with user interaction and storing that data as metadata on a web-based server. As shown, even though both claims recite a context component, they are different types of context components defined by what they do.

Similarly, Claims 1 and 23 describe two different tracking components. The tracking component of Claim 1 tracks a user and dynamically updates metadata in which a user accesses data from a second context. The tracking component of Claim 23 tracks information associated with a change in access of a user and dynamically stores the change information on the storage component as part of the metadata in which a user accesses data from a second user workspace. Again, while both claims describe a tracking component, the tracking components are different based on their capability as recited in the claims.

Instead of reciting a system, Claim 21 covers a computer-readable medium with computer executable instructions. In other words, Claim 21 is directed toward a computer program as

computer programs are typically a series of computer instructions stored in memory or on disk. Specifically, Claim 21 covers:

> 21. A computer-readable medium for storing computer-executable instructions for a method of managing data, the method comprising:
>
> creating data related to user interaction of a user within a user workspace of a web-based computing platform using an application;
>
> dynamically associating metadata with the data, the data and metadata stored on the web-based computing platform, the metadata includes information related to the user of the user workspace, to the data, to the application and to the user workspace;
>
> tracking movement of the user from the user workspace to a second user workspace of the web-based computing platform;
>
> dynamically associating the data and the application with the second user workspace in the metadata such that the user employs the application and data from the second user workspace;
>
> and indexing the data created in the user workspace such that a plurality of different users can access the data via the metadata from a corresponding plurality of different user workspaces.

Id. at Col. 22, ll. 46-67.

In describing the computer program, Claim 21 recites a number of executable computer instructions. These computer instructions are not steps of a method in that they must be performed by a user, rather they are instructions for a computer that have been coded into a piece of software. An infringing piece of software is one that has the ability to execute these claimed instructions regardless of whether the software is actually executed.

C. Prosecution History

During the prosecution of the '761 Patent, the Examiner made an amendment to the claims in order to grant the application in a condition for allowance. Ex. B; *see also* Ex. G, Tr. 1579:23-1580:2. With regard to Claim 1 as an example, the Examiner amended the claim to replace the term "automatically" with "dynamically." Ex. B at LTI 000670; *see also* Ex. G, Tr. 1580:21-1581:1. The Examiner also added the event which triggers the dynamic function in the Examiner's amendment. Specifically, the Examiner added the language "wherein the user accesses the data from the second context" as the triggering function. Similar amendments were made to all pending claims. *Id.*; *see also* Ex. G, Tr. 1580:16-20.

IV. ARGUMENT

Claims of a patent are required to "particularly point[] out and distinctly claim[] the subject matter which the applicant regards as his invention." 35 U.S.C §112. "A claim is considered indefinite if it does not reasonably apprise those skilled in the art of its scope." *IPXL Holdings, Inc. v. Amazon.com, Inc.*, 430 F.3d 1377, 1384 (Fed. Cir. 2005)(citation omitted). Because a claim is presumed valid, "a claim is indefinite only if the 'claim is insolubly ambiguous.'" *Honeywell Int'l, Inc. v. International Trade Comm'n*, 341 F.3d 1332, 1338-39 (Fed. Cir. 2003)(quoting *Exxon Rsrch. & Eng'g Co. v. United States*, 265 F.3d 1371, 1375 (Fed. Cir. 2001)). The sole basis of Facebook's Motion turns on whether the tracking component (or the executable instructions of the tracking component) is indefinite *ipse facto* because it contains functional language, such that the very limited holding of *IPXL* should be followed because the claims contain "both a system and the method for using that system." *IPXL*, 430 F.3d at 1383.

Even a cursory reading of the claims show that the '761 Patent is just like most other computer software patents and contains language that defines the components by what they do. The scope of the claims is clear and describes particular types of components that react to user action. Anyone reading the '761 Patent would know that if they designed components with similar features, they would meet the elements of the claims and be liable for infringement regardless of whether a user actually used the system. In other words, infringement turns on the capability of the infringing components, not whether the components are put to use.

A. Facebook Did Not Even Attempt to Meet the Clear and Convincing Burden Required for Indefiniteness

Under 35 U.S.C. §282, the '761 Patent is presumed valid. Accordingly, for its claims of indefiniteness, Facebook must "prove patent invalidity under the clear and convincing evidentiary standard." *Metabolite Labs., Inc. v. Lab. Corp. of Am. Holdings*, 370 F.3d 1354, 1365 (Fed. Cir. 2004)(citation omitted). The Federal Circuit has repeatedly held that "[i]f the meaning of the claim is discernible, even though the task may be formidable and the conclusion may be one over which reasonable persons will disagree, [this Court has] held the claim sufficiently clear to avoid invalidity on indefiniteness grounds." *Exxon Rsrch.*, 265 F.3d at 1375 (citation omitted). The evidence

required to prove a claim indefinite is such an exacting standard because claim construction often poses a difficult task over which "expert witnesses, trial courts, and even the judges of [the Federal Circuit] may disagree." *Id.* Therefore, the standard is only met where an accused infringer shows by clear and convincing evidence that the boundaries of the claim, are not "discernible to a skilled artisan based on the language of the claim, the specification, and the prosecution history, as well as her knowledge of the relevant field of art." *See, e.g., Funai Elec. Co. v. Daweoo Elecs. Corp.*, Nos. 2009-1225, 2009-1244, 2010 WL 3421374, at *11 (Fed. Cir. Sept. 1, 2010).

Facebook's Motion fails because it consists entirely of three conclusory paragraphs[2] of attorney argument, and ***does not cite to a single source of intrinsic or extrinsic evidence*** to support its argument. As such, Facebook has not met its burden to prove the '761 Patent is invalid because it "bases its indefiniteness challenge entirely on attorney argument" and "d[oes] not adduce any evidence to substantiate its claim of indefiniteness." *Mallinckrodt, Inc. v. Masimo Corp.*, 147 Fed.Appx. 158, 179 (Fed. Cir. 2005) (claims found to be definite because defendants failed to show that skilled artisan would not understand the scope of the claims). Moreover, Facebook fails to "qualify or distinguish in any way" the actions of the USPTO and all of the experts in this case who have not "encounter[ed] difficulty in ascertaining" the scope of the claims at issue. *Id.* at 179-80. Accordingly, Facebook's deficient motion should be denied because it does ***not*** contain any summary judgment evidence to support its claim.

Facebook's lack of evidence is particularly shocking since the intrinsic evidence in the prosecution history is inextricably linked to the claim language Facebook takes issue with. Specifically, Facebook argues that the claim language "the user accesses the data" improperly combines two statutory classes of the claims.[3] D.I. 384 at 8. However, what Facebook fails to

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[2] Argument sections A, B and C of Facebook's Motion are directed solely to the legal standards and case law summaries regarding indefiniteness, and make no mention of the claims of the '761 Patent. Facebook finally makes its arguments regarding indefiniteness of the '761 Patent claims in argument section D on page 8 of 9 in the Motion. D.I. 384 at 8-9.

[3] The claim language for Claim 21 that Facebook objects to, on the same grounds as Claims 1 and 23, is "the user employs the application and data." D.I. 384 at 8-9.

mention is that this is the precise language that the Examiner added to the claims during prosecution to put the claims in condition for allowance. *See* Ex. B.

In the Patent Office's Notice of Allowance of the '761 Patent, the Examiner permitted the claims of the '761 Patent to issue on the condition that an "examiner's amendment to the record" was acceptable to the applicant. *Id.* With regard to Claim 1, the amendment required by the Examiner included changing the word "automatically" to "dynamically" and adding the language "wherein ***the user accesses the data*** from the second context," which is the very language that Facebook alleges makes the claims invalid. *Id.* (emphasis added). Stated another way, the language the Patent Office ***required*** Leader to add to its claims to confirm patentability is the ***same*** language Facebook argues the Court should use to deny patentability of the claims.

It is not surprising that Facebook chose to ignore this critical intrinsic evidence, as it weighs heavily against its Motion. In evaluating indefiniteness, the court should consider the actions of the Patent Examiner during prosecution. In this case, it was the Examiner who wrote the disputed claim language and defined the capability of the tracking component. Specifically, the Examiner required the tracking component to operate "dynamically" and perform certain actions "wherein a user accesses data from a second context" in order to overcome the prior art. Facebook's failure to address this key intrinsic evidence is fatal to its Motion because the Examiner presumably understood the scope of the claims with the limitations that she drafted.

Facebook also failed to cite to a single source of extrinsic evidence, such as how one skilled in the art would have viewed the '761 Patent claims. While the "determination of claim indefiniteness is a legal conclusion that is drawn from the court's performance of its duty as the construer of patent claims," *Personalized Media Communs., LLC v. International Trade Comm'n*, 161 F.3d 696, 705 (Fed. Cir. 1998)(citation omitted), "[the] court may consider or reject certain extrinsic evidence in resolving disputes en route to pronouncing the meaning of claim language… 'to assist in its construction of the written document.'" *Exxon Rsrch.*, 265 F.3d at 1375 (quoting *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1454 (Fed. Cir. 1998)). Additionally, the factual nature of the inquiry in this case makes it amenable to a "factual finding necessary to provide

substantial evidence in support of its conclusion." *BJ Servs. Co. v. Halliburton Energy Servs., Inc.*, 338 F.3d 1368 (Fed. Cir. 2003)(citation omitted).

Here, Facebook failed to provide the Court with ***any*** extrinsic evidence to support its conclusion of invalidity -- likely due to the fact that all the evidence presented in this case supports the validity of these claims. Indeed, all four experts in this case were able to determine the scope of the '761 Patent at trial. Based on the experts' testimony, the jury was also able to determine the scope of the claims in finding that Facebook infringed the asserted claims. Moreover, Dr. James Herbsleb's declaration submitted in support of this opposition conclusively demonstrates the claims are not "insolubly ambiguous." *See* Declaration of James Herbsleb[4]; *see also Microprocessor Enhancement Corp., v. Texas Instruments, Inc.*, 520 F.3d 1367, 1374 (Fed. Cir. 2008). Every person of ordinary skill in the art who reviewed the claims in this case understood the bounds of the claim, and Facebook has failed to provide any evidence to the contrary. Because Facebook did not even try to meet its burden of proof, summary judgment is not warranted.

B. The '761 Claims Are Definite Because They Were Readily Understood by Those Skilled in the Art

The primary purpose of 35 U.S.C. § 112 ¶ 2 is to give notice to the public of the limits of the invention. *See, e.g., Vas-Cath, Inc. v. Mahurkar*, 935 F.2d 1555, 1563 (Fed. Cir. 1991). As such, only claims that are insolubly ambiguous are indefinite. *See Microprocessor Enhancement,* 520 F.3d at 1374. A patent claim is not indefinite under 35 U.S.C. § 112 ¶ 2 if a person of skill in the art is apprised of its scope. *See IPXL*, 430 F.3d at 1383-84.

1. The '761 Patent Describes Tracking Components In Permissible Functional Language

Claims 1 and 23 of the '761 Patent describe two different tracking components. In order to distinguish between the tracking components, the '761 Patent describes the tracking components in terms of what they do -- a permissible means of articulating a claim limitation, as a "patent

[4] Declaration of James Herbsleb In Support Of Plaintiff Leader Technologies Inc.'s Opposition to Defendant Facebook Inc.'s Motion for Summary Judgment of Invalidity of Claims 1, 4, 7, 21, 23, 25, 31, and 32 of U.S. Patent 7,139,761("Herbsleb Decl.") filed herewith.

applicant is free to recite features of an apparatus either structurally or functionally." *In re Schreiber*, 128 F.3d 1473, 1478 (Fed. Cir. 1997)("[T]here is nothing intrinsically wrong with [defining something by what it does rather than what it is] in drafting patent claims.")(citing *In re Swinehart*, 439 F.2d 210, 212 (CCPA 1971)); *see also Ricoh Co. v. Katun Corp.*, 486 F.Supp.2d 395, 402 (D.N.J. 2007)("It is well-settled law that a functional limitation--an attempt to define something by what it does rather than by what it is--is a permissible means of articulating a claim limitation.")(citation omitted). Specifically, Claim 1 describes a tracking component that "dynamically update[es] the stored metadata based on the change, wherein the user accesses the data from the second context." Ex. A at Col. 21, ll. 10-12. In other words, the tracking component of Claim 1 has the capability of updating the metadata when a user accesses data from a second context with information about the second context. If a component in the system has this capability built in, it meets this claim element.

Claim 23 describes a tracking component that "dynamically stor[es] the change information on the storage component as part of the metadata, wherein the user accesses the data from the second user workspace." Ex. A at Col. 23, ll. 35-37. While similar, the tracking component of Claim 23 is different because it requires the capability of storing change information as part of the metadata when a user accesses data from another workspace. Again, as long as a component in a system contains this functionality, it meets this claim element, regardless of whether the system is actually put to use.

Claim 21, on the other hand, describes the computer instructions for a computer program. It includes a computer instruction for "dynamically associating the data and the application with the second user workspace in the metadata such that the user employs the application and data from the second user workspace." Ex. A at Col. 22, ll. 60-63. Thus, an infringing computer program is one that is capable of associating data with the workspace that a user employs it from.

Facebook's argument that the functional language in the apparatus claims make these claims indefinite *ipso facto* is contrary to a long history of legal precedent. *See, e.g., In re Swinehart*, 439 F.2d at 212. Moreover, there is nothing in these claim elements that requires action by the user.

Indeed, the claim language Facebook objects to is merely describing the types of tracking components and computer instructions, and does not require the user to perform any action in order to infringe. Just because the claims recite "dynamically updating the stored metadata based on the change, wherein ***the user accesses the data*** from the second context" or "dynamically associating the data and the application with the second user workspace in the metadata such that ***the user employs the application and data*** from the second user workspace," does not mean the user has to perform any action in order to meet the claim elements. Ex. A at Col. 21, ll. 10-12; Col, 22, ll. 60-63; and Col. 23, ll. 31-37 (emphasis added). Instead, it only means that the system must contain components that have these capabilities, *i.e.,* dynamically responding to a user accessing or employing data. If the system was never put to use, just like if a user never turned the key to start the engine, the manufacturer would still infringe if they built a system, computer program or engine that has the capability recited in the claims.

2. All of the Evidence in this Case Demonstrates that the '761 Patent Claims Are Understood by Those Skilled in the Art

A claim is definite under 35 U.S.C. § 112 ¶ 2 if "one skilled in the art would understand the bounds of the claim when read in light of the specification." *Personalized Media*, 161 F.3d at 705 (quoting *Miles Labs., Inc. v. Shandon, Inc.*, 997 F.2d 870, 875 (Fed. Cir. 1993)). Thus, "[i]f the claims read in light of the specification reasonably apprise those skilled in the art of the scope of the invention, § 112 demands no more." *Miles Labs.*, 997 F.2d at 875 (citation omitted). Facebook's contentions that Claims 1, 21 and 23 are indefinite are against the weight of the evidence because both parties put forward considerable evidence throughout the entire case and at trial to show that a person of ordinary skill in the art would understand the claim language.

Each of Facebook's experts understood the scope of the claims during expert discovery and at trial. Dr. Greenberg, Facebook's validity expert who would presumably be the authority to render an opinion regarding indefiniteness, was able to prepare an invalidity expert report applying several pieces of prior art to the claims. *See* Ex. C, Greenberg Report at ¶¶ 25-28; *see also* Ex. G, Tr. 1404:22-1406:14. Throughout expert discovery and at trial, Dr. Greenberg never offered an

opinion that the claims were indefinite. In addition, Facebook's infringement expert, Dr. Kearns, similarly analyzed the claims of the '761 Patent. *See* Ex. D, Kearns Report at ¶¶ 11-21; *see also* Ex. G, Tr. 991:3-8. He also did not have a problem understanding the claims during expert discovery or at trial and did not offer an opinion that the claims were indefinite.

Similarly, Leader's experts did not have a problem understanding the scope of the claims. Leader's infringement expert, Dr. Vigna, provided a detailed analysis of the asserted claims in his expert report, and under cross-examination in deposition and at trial. *See* Ex. E, Vigna Report ¶¶ 21-23; *see also* Ex. G, Tr. 541:3-542:12; Tr. 720:7-23; Tr. 741:8-742:6. Likewise, Leader's validity expert, Dr. Herbsleb, was able to analyze and opine on the novelty of the technology of the '761 Patent during expert discovery and at trial. *See* Ex. F, Herbsleb Report ¶¶ 16-20; *see also* Ex. G, Tr. 1752:2-1753:12; Tr. 1776:16-1778:2; Tr. 1778:11-1779:15. Consistent with the evidence adduced during discovery and at trial, Dr. Herbsleb's declaration submitted herewith evidences that a person of ordinary skill in the art would be able to understand the scope and bounds of the claims of the '761 Patent. *See* Herbsleb Decl. at ¶ 3. Accordingly, all experts in this case provided opinions regarding the scope of the claims, and none opined that the claims were indefinite.

Even the Examiner understood the scope of the claims and explicitly recognized their functional nature. As discussed above, the '761 Patent was put into a condition of allowance following an Examiner's amendment. In that amendment, for Claim 1, the Examiner changed the term "automatically" to "dynamically" and identified the triggering function for the dynamic event as "wherein the user accesses data from the second context." Ex. B. Thus, the examiner understood the scope of the claims and their functional nature when she amended the claims. Because the claims are readily understood by those skilled in the art, they are not indefinite and Facebook's motion should be denied.

C. The Narrow Holding in *IPXL* Does Not Apply to the Claims of the '761 Patent

Contrary to Facebook's assertions, *IPXL* does not apply to this case because the claims do not require "both a system and the method of using that system." *IPXL*, 430 F.3d at 1383. The

claim in question in *IPXL* was a clear example of a claim that required a system and a method of using that same system. The Court in *IPXL* explicitly stated:

> The system of claim 2 [including an *input means*] wherein the predicted transaction information comprises both a transaction type and transaction parameters associated with that transaction type, and the user uses the *input means* to either change the predicted transaction information or accept the displayed transaction type and transaction parameters.

Id., 430 F.3d at 1384 (emphasis added).

As shown above, the claim at issue in *IPXL* explicitly required the user to use the input means which was described in Claim 1 as a mechanism for providing input to the processor. Thus, the claim at issue included a system, *i.e.*, "an input means," and a method of using that system, *i.e.*, "the user uses the input means."

Claims 1, 21 and 23 are completely different from the claims of *IPXL*. For example, Claims 1 and 23 do not describe a system and a method of using that system. Rather, Claims 1 and 23 contain functional language that describe the type of tracking components that are present in the respective systems. In order for *IPXL* to apply to Claim 1 or Claim 23, they would have to be rewritten to "the user uses the network-based system" or "the user uses the computer-implemented system." Instead, as written, these claims provide functional language that describe two particular types of tracking components, one that dynamically updates metadata when a user accesses data from a second context and the other which dynamically stores change information when a user accesses data from a second user workspace. They do not require the user to use the system at all. Rather, the claims only require tracking components that are designed to react in a specified way.

Similarly, Claim 21 is distinct from *IPXL*. Like Claims 1 and 23, the user is not required to use the computer-readable medium for storing computer-executable instructions. Instead, Claim 21 describes a computer program that dynamically associates data when a user employs data from a second workspace. For *IPXL* to apply, Claim 21 would have to be rewritten to the "user uses the computer-readable medium." This is not the case, and *IPXL* therefore does not apply.

Furthermore, Facebook's argument is technically unfeasible because it necessarily requires a

user to use back-end components of a network-based system. Claims 1 and 23 are directed toward back-end components of a network-based system. It is not possible for a user to "use" these components as Facebook claims because they are not accessible to the user. Rather, these components are maintained on the servers of the network-based system and perform functions in response to user action. For instance, a user cannot use the context or tracking components to do anything. However, if the user uploads a picture, or moves from one context to another and accesses that picture, the components will perform the functions that they are designed to do. *See* Ex. G, Tr. 299:22-301:5; 301:20-303:5; 303:6-17; 303:19-304:3; 304:4-18. While this distinction may seem slight, it is important because the narrow holding in *IPXL* is limited to a user using components of a system. Such use however, is impossible with the '761 Patent because the user cannot "use," and does not even have access to, the claimed components. *See* Ex. G, Tr. 304:19-305:1; *see also IPXL*, 430 F.3d at 1384.

1. *IPXL*'s Narrow Holding Does Not Apply to Claims with Functional Limitations

Accused infringers in several other recent cases have attempted to convince courts to find claims invalid under *IPXL*. In almost all cases that cite *IPXL* for the proposition that mixed method and apparatus claims are indefinite, the courts found that the narrow holding of *IPXL* did not apply. The majority of district courts have held that the suspect claims did not cover both an apparatus and a method but rather were apparatus claims containing functional limitations.[5]

For example, the district court in *Yodlee, Inc. v. CashEdge, Inc.* denied summary judgment because the disputed claims simply used active language to describe the *capability* of the

[5]The only two cases that actually followed *IPXL* are distinguishable from the present case. In, *Rembrandt Data Techs., LP, v. AOL, LLC*, the plaintiff ***conceded*** that the claim language was an apparatus/method claim. 673 F.Supp.2d 420, 426-28 (E.D. Va. 2009). Leader does not concede that the '761 Patent contains mixed method/apparatus claims but rather contains functional language to describe particular types of components. The second case, *Ariba, Inc. v. Emptoris, Inc.*, involved a patent claim where the user was clearly required to use the claimed device. No. 9:07-CV-90, 2008 WL 3482521, at * 7-8 (E.D. Tex. Aug. 7, 2008). The disputed claim was an apparatus claim directed to "a bidding device." However, the limitations of the claim required "a potential seller operating the bidding device." *Id.* at *6-7. Unlike *Ariba*, the claims of the '761 Patent do not contain any language requiring "a user operating the network-based system."

apparatuses and did not claim the activity itself. No. C 05-01550 SI, 2006 WL 3456610, at *4 (N.D. Cal. Nov. 29, 2006). The disputed claim language in relevant part recites:

> A computer-readable storage device storing instructions that upon execution cause a processor to automatically access personal information associated with an end user, wherein the personal information is stored on a personal information provider by performing the steps comprising of: . . .
> (b) upon activation of the presented link, downloading an application to the client computer, wherein the downloaded application upon execution on the client computer performs the steps of . . .

Id. The infringers argued that the claim language "activation of the presented link" did not provide whether infringement "occurs when the computer-readable storage device is manufactured or sold, *or* whether infringement occurs when a user activates such a system's presented link, *or both.*" *Id.* (emphasis in original). The *Yodlee* court rejected that argument, stating that infringement occurs if a device presents such a link, and activating such link would initiate the process described under paragraph (b). *Id.* ("[W]hether a user "actually activates the link presented by the infringing device is of absolutely no import.").

Facebook makes the same argument here. It alleges that is unclear whether Claims 1, 21, and 23 are infringed by the making, using or selling of the claimed system or computer readable medium or when an end-user accesses the data. However, Facebook's argument fails for the same reason as found in *Yodlee* because infringement occurs if a system is built with a context component and tracking component that is capable of performing the recited functions. Like *Yodlee*, whether the functions are actually executed is of no importance in determining infringement as long as the system contains the claimed components. *See id.* at *4.

Because so many parties have attempted, albeit unsuccessfully, to find claims indefinite under *IPXL*, the *Yodlee* court provided a simple but useful analogy to determine if a claim is a "mixed-method claim":

> [A] claim which physically describes a pair of scissors designed to cut paper, then states, 'upon opening and closing the sharp edges of the scissors on a piece of paper, the paper is cut.' The language describes the capability of the scissors; it is functional language.

> Infringement occurs upon the manufacturing and sale of scissors that are capable of cutting paper. The IPXL rule would apply only if the patent claimed the physical description of the scissors, then stated within the same claim: "and the method of using said scissors to cut a piece of paper.

Id. at *5.

The example in *Yodlee* is particularly informative because like *Yodlee*, the claims of the '761 Patent describe "the capability of the [tracking component]," *i.e.*, the ability to dynamically update metadata when a user accesses data from a second context. The claims do not require "the method of using said [tracking component]." Thus, infringement occurs upon manufacturing and selling a system with a context component and a tracking component that are capable of performing the same functions as recited in the claims.

In *Collaboration Props., Inc. v. Tandberg ASA*, the court declined to apply *IPXL* because the language at issue was purely functional language. No. C 05-01940MHP, 2006 WL 1752140, at *6-7 (N.D. Cal. June 23, 2006). The claim at issue, in relevant part stated:

> A teleconferencing system for conducting a teleconference . . .; wherein, the system is *configured to* reproduce images, based on data signals shared along the data path, on at least two first monitors so as to permit participants associated with the workstations having the two first monitors to interactively share the reproduced images and reproduce participant video images, based on AV signals carried along the second path, on at least two second monitors.

Id. at *6.

The court in *Collaboration Props.* concluded that the "configured to" claim language indicated functionality, such as might be implemented in hardware or software, but did not render claims invalid even though the limitation explicitly referred to the claimed system. *Id.* Under *Collaboration Props.*, the claims of the '761 Patent are clearly functional and do not cover both an apparatus and a method because the claims never refer to the "system" or "computer-readable medium," and certainly do not require use of a "system" or "computer-readable medium." Instead, the '761 Patent merely describes the types of components an infringer would have to build in order to infringe.

Similarly, in *August Tech. Corp. v. Camtek, Ltd.*, the district court denied summary judgment because the disputed claim language described functionality and not a specific method of using that system or requiring use. No. 05-1396, 2008 WL 2774696, at *4-5 (D. Minn. July 14, 2008). The claim in relevant part described an automated system comprising "a visual inspection device for visual inputting of a plurality of known good quality wafers during training and for visual inspection of other unknown quality wafers during inspection." *Id.* at *1. The court found that the phrase, "visual inputting of a plurality of known good quality wafers" describes the functionality of the "visual inspection device," and not a specific method of using that system or requiring use. *Id.* at *4. Like in *August Tech.*, the claims of the '761 Patent describe the functionality of the various tracking component and do not describe any method of using the tracking components.

Below are just a few additional cases that have found claims containing functional language are not indefinite under *IPXL*:

- *Microprocessor Enhancement Corp. v. Texas Instruments Inc.*, 520 F.3d 1367, 1374-75 (Fed. Cir. 2008) (direct infringement clearly limited to a processor possessing the recited structure and capable of performing the recited functions, and thus not indefinite)
- *Ricoh Co.*, 486 F.Supp.2d at 402-03 (claim covering photocopier toner bottle, which was limited by language in preamble that read, "to selectively plug or unplug a discharge mouth of a developer container mounted to an image forming apparatus," did not describe active use, but described claimed apparatus in functional terms and not an impermissible method-apparatus claim)
- *Research Corp. Tech. Inc., v. Microsoft Corp.*, No. CV-01-658-TUG-RCJ, 2009 WL 1676125, at *12-13 (D. Ariz. June 5, 2009) (claim limited to a comparator possessing the recited ability and structures capable of performing the recited function was not indefinite)
- *Lamoureux v. AnazaoHealth Corp.*, 669 F. Supp. 2d 227, 262-63 (D. Conn. 2009) (claim language including "the assembly as claimed in Claim 9" and "wherein the needle assembly is pre-loaded with said line of elements and is sterile" did not cover both an apparatus and method, but rather an apparatus claim containing functional limitations)
- *Freedom Wireless, Inc. v. Alltel Corp.*, No. 06-cv-504-TJW, 2008 WL 4647270, at *13-14 (E.D. Tex. Oct. 17, 2008) ("The undersigned construes this claim to be an apparatus claim that describes the apparatus by reference to its functional capabilities. . . As such it does not run afoul of *IPXL Holdings*.")
- *Metso Paper, Inc. v Enerquin Air Inc.*, No. 06-Cv-1170, 2008 WL 5068712, at *75 (E.D. Wis. July 23, 2008) (Claim 1 can only be read as describing an apparatus which had a particular functional capability)

- *Datamize, LLC v. Plumtree Software, Inc.*, No. C04-2777-VRW, 2007 WL 5720627, at *12 (N.D. Cal. Aug. 7, 2007) (claim language described a tangible item defined by certain steps, essential to the claimed invention and thus valid apparatus claims)
- *Toshiba Corp. v. Juniper Networks, Inc.*, No. 03-1035-SLR, 2006 WL 1788479, at *2-5 (D. Del. June 28, 2006) (claim relating to data networks which focused on an apparatus that incorporated limitations that were directed to the function of the claimed device, and not the method of using the claimed device, was not invalid)
- *Collegenet, Inc. v. XAP Corp.*, 442 F. Supp. 2d 1036, 1062-63 (D. Or. 2006) (method claims for processing customized forms and payment information from a user were not invalid for indefiniteness, despite accused infringer's contentions that asserted claims included descriptions of apparatus and functional limitations associated with the apparatus)
- *Sienna, LLC v. CVS Corp.*, 06-cv-3364-DLC, 2007 WL 13102, at *7-8 (S.D.N.Y. Jan. 3, 2007) (disputed claim language "notwithstanding the use of excessive manual force to attempt to overcome such interference" was not a separate method step, but rather descriptive of the apparatus and not indefinite)
- *Spine Solutions, Inc., v. Medtronic Sofamor Danek, Inc.*, No. 07-2175-JPM-DRV, 2008 WL 4831770, at * 8 (W.D. Tenn. July 2, 2008) (terms at issue "used active language to describe the capability of the apparatuses; they do not claim the activity itself.")
- *Synqor, Inc. v. Artesyn Tech., Inc.*, 07-cv-497-TJW-CE, 2010 WL 2991037, at *30 (E.D. Tex. July 26, 2010) (claim language "is not driven into saturation," did not describe a method step and instead is used to describe the structure and capabilities of the claimed apparatus)
- *Petter Investments, Inc., v. Hydro Eng'g, Inc.*, 07-cv-1033, 2009 WL 2922303, at *2 (W.D. Mich. Sept. 8, 2009) (claims were not indefinite for simultaneously claiming an apparatus and a method because the patent claimed "ridges" and explained that a characteristic of the "ridges" is that they are capable of "structurally supporting the weight of the vehicle")
- *Alan Lee Distributors, Inc. v. Brown*, CV-05-646-AHM, 2006 WL 6130341, at *6-7 (C.D. Cal. April 14, 2006) (claim language "and promoting" modified the term "meat product" did not render the claims invalid)
- *Netscape Comm'ns Corp. v. ValueClick, Inc.*, 684 F.Supp.2d 699, 722 (E.D. Va. 2010) (claims not indefinite because they did not require the user to execute the claimed method; rather, the claimed computer systems simply described as capable of performing the method, not as actually performing the method).

Accordingly, there is no need to deviate from the majority of district courts that declined to find patent claims indefinite under *IPXL*. The claim language of the '761 Patent, like the claims in those cases, relate to the functionality of the claimed apparatus and computer-readable medium.

2. *IPXL* Does Not Apply Because Infringers are Reasonably Apprised of the Scope of the Claims of the '761 Patent

In passing, Facebook argues that potential competitors would not know what would constitute infringement of Claims 1, 21 and 23. The answer is simple, anyone who makes a system

with a context component and tracking component capable of performing the functions recited in the claims infringes Claims 1, 21 and 23. As determined by the jury, one such infringer is Facebook. Facebook makes a system that contains a context component that captures context information and stores the context information in metadata and a tracking component that tracks users and dynamically updates the metadata when a user accesses data from a second context. The users do not have to use the system at all in order to infringe. Rather, Facebook infringes because as the jury found, it manufactures a system and contains computer code that is capable of performing the functions recited in the Claims 1, 21 and 23. Because the scope of the claims is clear, the claims are not invalid for indefiniteness and Facebook's motion should be denied.

D. Facebook Waived Its Indefinite Arguments Because It Offered Constructions for the Disputed Terms

Not only do Facebook's arguments fail on the merits, but they are also waived because Facebook understood the claims as it offered claim constructions for the terms that Facebook takes issue with. It is well settled that terms that can be construed are not indefinite. *See, e.g., Microprocessor Enhancement*, 520 F.3d at 1376 ("a claim that is amenable to construction is not invalid on the ground of indefiniteness.")(quotation omitted). Thus, Facebook waived its right to argue indefiniteness. *See id.*

Facebook originally presented over 40 terms for construction. (D.I. 191). During the claim construction process, these terms included "accesses the data" and "employs the application and data." *Id.* at 22-24. At trial, Facebook additionally asked the Court to construe the term "wherein." (D.I. 596); *see also* Ex. G, Tr. 1613:24-1614:12. As a result, Facebook offered a construction for every key term of the phrases that it now says are indefinite, as shown below:

Claim 1 - "wherein the user accesses the data from the second context"

Claim 21 - "the user employs the application and data from the second user workspace"

Claim 23 - "wherein the user accesses the data from the second user workspace."

Because Facebook offered a construction for the terms that are in dispute, it cannot now argue the terms are insolubly ambiguous and incapable of being understood by one of skill in the art. *See,*

e.g., Microprocessor Enhancement, 520 F.3d at 1376. Accordingly, Facebook's motion should be denied because it has waived its right to argue the phrases at issue are indefinite. *Id.*

E. Facebook's Motion Should Be Denied Because All of the Factual Issues Presented in this Case Preclude Granting Summary Judgment

As the moving party, Facebook must establish that no material facts are in dispute. *See Celotex Corp. v. Catrett,* 477 U.S. 317, 323 (1986). Facebook's motion for summary judgment is improper because it failed to present ***any*** evidence or undisputed facts in support of its motion. Instead, its Motion is based entirely on one page of attorney argument that remarkably is repetitive. The only undisputed facts presented to the Court are those raised in this opposition. Namely, Facebook did not raise this issue with its validity expert, Dr. Greenberg. In fact, no expert offered an opinion that the claims of the '761 Patent are indefinite. Quite the contrary, all of the experts and the jury understood the scope of the claims. Moreover, the Court issued a number of rulings regarding the scope of the claims, including claim construction and a JMOL regarding indirect infringement finding that there was not sufficient evidence that third parties practiced each of the elements of the claims. Thus, Facebook's assertion that the '761 Patent is not understandable is against the clear weight of the evidence, and totally without factual or evidentiary support.

F. Dependent Claims 4, 7, 25, 31 and 32 Are Not Indefinite

Facebook does not address the definiteness of Claims 4, 7, 25, 31 and 32 in its motion except to state that they are indefinite for the same reasons that Claims 1, 21 and 23 are indefinite. As described above Claims 1, 21, and 23 are not indefinite and are valid. Accordingly, for the same reasons, and because Facebook has not challenged Claims 4, 7, 25, 31 and 32 apart from the arguments regarding the independent claims, these claims are also definite. Therefore, summary judgment is unwarranted for the same reasons discussed above.

V. CONCLUSION

For the reasons noted above, Facebook's motion for summary judgment of invalidity should be denied.

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982890

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

CERTIFICATE OF SERVICE

I, Philip A. Rovner, hereby certify that on September 20, 2010, the within document was filed with the Clerk of the Court using CM/ECF which will send notification of such filing(s) to the following; that the document was served on the following counsel as indicated; and that the document is available for viewing and downloading from CM/ECF.

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