

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

PERSONALIZED USER MODEL, L.L.P., )  
 )  
 Plaintiff, )  
 )  
 v. )  
 )  
 GOOGLE INC., )  
 )  
 Defendant. )  
 \_\_\_\_\_ )  
 GOOGLE, INC. )  
 )  
 Counterclaimant, )  
 )  
 v. )  
 )  
 PERSONALIZED USER MODEL, LLP and )  
 YOCHAI KONIG )  
 )  
 Counterdefendants. )

C.A. No. 09-525-LPS

**JURY TRIAL DEMANDED**

**DEFENDANT GOOGLE’S PROPOSED FINAL JURY INSTRUCTIONS**

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## 1. GENERAL INSTRUCTIONS

### 1.1 INTRODUCTION<sup>1</sup> (JOINT PROPOSED INSTRUCTION)<sup>2</sup>

Members of the jury, now it is time for me to instruct you about the law that you must follow in deciding this case.

I will start by explaining your duties and the general rules that apply in every civil case. Then I will explain some rules that you must use in evaluating particular testimony and evidence.

Then I will explain the positions of the parties and the law you will apply in this case. And last, I will explain the rules that you must follow during your deliberations in the jury room, and the possible verdicts that you may return.

Please listen very carefully to everything I say.

You will have a written copy of these instructions with you in the jury room for your reference during your deliberations. You will also have a verdict form, which will list the questions that you must answer to decide this case.

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<sup>1</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012); *The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

<sup>2</sup> Proposed instructions herein which state in the title “(Joint Proposed Instruction)” are agreed to and identical to the instructions set forth in Joint Proposed Final Jury Instructions (Dkt. No. 596.) Google will continue to meet and confer in good faith with PUM to try to reach agreement on additional proposed instructions. PUM states in its Proposed Final Jury Instructions that it only received Google’s proposed instructions this morning. PUM, however, omits that it not provide its own proposed jury instructions to Google until the night of February 17, 2014. Google had previously suggested that PUM provide its proposals several weeks earlier to allow plenty of time to meet and confer, but PUM would not do so.

## **1.2 DUTY OF THE JURY<sup>3</sup> (JOINT PROPOSED INSTRUCTION)**

You have two main duties as jurors. The first one is to decide what the facts are from the evidence that you saw and heard here in court. Deciding what the facts are is your job, not mine. and nothing that I have said or done during this trial was meant to influence your decision about the facts in any way.

Your second duty is to take the law that I give you, apply it to the facts, and decide, under the appropriate burden of proof, which party should prevail on any given issue. It is my job to instruct you about the law, and you are bound by the oath that you took at the beginning of the trial to follow the instructions that I give you, even if you personally disagree with them. This includes the instructions that I gave you before and during the trial, and these instructions. All the instructions are important, and you should consider them together as a whole.

Perform these duties fairly. Do not let any bias, sympathy, or prejudice that you may feel toward one side or the other influence your decision in any way.

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<sup>3</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012); *The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

### 1.3 BURDENS OF PROOF<sup>4</sup>

In any legal action, facts must be proven by a required standard of evidence, known as the "burden of proof." In a case such as this, there are two different burdens of proof. The first is called "preponderance of the evidence." The second is called "clear and convincing evidence."

This is a civil case in which PUM alleges that Google has infringed PUM's patents. PUM has the burden of proving patent infringement by what is called a preponderance of the evidence. That means that PUM has to produce evidence which, when considered in light of all of the facts, leads you to believe that what PUM claims is more likely true than not. To put it differently, if you were to put PUM's and Google's evidence on the opposite sides of a scale, the evidence supporting PUM's claims would have to make the scales tip somewhat to its side. If PUM fails to meet this burden, the verdict must be for Google.

In this case, Google alleges that one of the named inventors of the patents in suit, Yochai Konig, breached his employment agreement with his former employer, SRI. Google further alleges that Konig and PUM unlawfully converted SRI's and Google's interest in the patents-in-suit. Google has the burden of proving its claims of breach of contract and conversion by a preponderance of the evidence. This standard has the same meaning that it does with respect to PUM's claim of infringement. PUM in turn must prove by a preponderance of the evidence its defenses to Google's breach of contract claim.

Google also alleges that PUM's patents are invalid.

[**Google Alternative 1:** Google has the burden of proving by a preponderance of the evidence that the patents in suit are invalid.]<sup>5</sup>

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<sup>4</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012); *The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

[**Google Alternative 2:** Google has the burden of proving by clear and convincing evidence that the patents in suit are invalid. Clear and convincing evidence is evidence that produces an abiding conviction that the truth of a factual contention is highly probable. Proof by clear and convincing evidence is thus a higher burden than proof by a preponderance of the evidence.]

Those of you who are familiar with criminal cases will have heard the term "proof beyond a reasonable doubt." That is a strict standard of proof and it only applies to criminal cases. It does not apply to civil cases such as this; therefore, you should put it out of your mind.

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<sup>5</sup> As detailed in Google's Opposition to PUM's Motion *In Limine* to Exclude Evidence of Reexamination Proceedings at Trial, the final PTO rejections of both patents in suit are relevant information for the jury to consider and should not be excluded. (*See* Final Pretrial Order, Ex. 13.) In the event that the Court precludes Google from introducing evidence that the patents in suit have been rejected by the PTO during the reexamination process, Google requests that the Court read the first alternative instruction. Because the PTO issued final rejections of both patents, the presumption of validity should no longer apply, and Google should not have to meet a higher burden of proof to demonstrate invalidity.



#### **1.4 EVIDENCE DEFINED<sup>6</sup> (JOINT PROPOSED INSTRUCTION)**

You must make your decision based only on the evidence that you saw and heard here in court. Do not let rumors, suspicions, or anything else that you may have seen or heard outside of court influence your decision in any way.

The evidence in this case includes only what the witnesses said while they were testifying under oath (including deposition testimony that has been played or read to you), the exhibits that I allowed into evidence, the stipulations that the lawyers agreed to.<sup>7</sup>

Certain charts and graphics have been used to illustrate testimony from witnesses. Unless I have specifically admitted them into evidence, these charts and graphics are not themselves evidence, even if they refer to, identify, or summarize evidence, and you will not have these demonstratives in the jury room.

Nothing else is evidence. The lawyers' statements and arguments are not evidence. The arguments of the lawyers are offered solely as an aid to help you in your determination of the facts. Their questions and objections are not evidence. My legal rulings are not evidence. Any of my comments and questions are not evidence. The notes taken by any juror are not evidence.

During the trial I may have not let you hear the answers to some of the questions that the lawyers asked. I also may have ruled that you could not see some of the exhibits that the lawyers wanted you to see. You must completely ignore all of these things. Do not even think about them. Do not speculate about what a witness might have said or what an exhibit might have

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<sup>6</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012); *The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

<sup>7</sup> Include reference to stipulations only if applicable.

shown. These things are not evidence, and you are bound by your oath not to let them influence your decision in any way.

Further, sometimes I may have ordered you to disregard things that you saw or heard, or struck things from the record. You must follow my instructions to completely disregard such things you saw or heard, and completely ignore those things struck from the record. Do not even think about them. Do not speculate about what a witness might have said or what an exhibit might have shown. These things are not evidence, and you are bound by your oath not to let them influence your decision in any way.

Make your decision based only on the evidence, as I have defined it here, and nothing else.

**1.5 CONSIDERATION OF EVIDENCE<sup>8</sup> (JOINT PROPOSED INSTRUCTION)**

You should use your common sense in weighing the evidence. Consider it in light of your everyday experience with people and events, and give it whatever weight you believe it deserves. If your experience tells you that certain evidence reasonably leads to a conclusion, you are free to reach that conclusion.

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<sup>8</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012); *The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

## **1.6 DIRECT AND CIRCUMSTANTIAL EVIDENCE<sup>9</sup> (JOINT PROPOSED INSTRUCTION)**

Now, some of you may have heard the terms "direct evidence" and "circumstantial evidence."

Direct evidence is simply evidence like the testimony of an eyewitness which, if you believe it, directly proves a fact. If a witness testified that he saw it raining outside, and you believed him, that would be direct evidence that it was raining.

Circumstantial evidence is a chain of circumstances that indirectly proves a fact. If someone walked into the courtroom wearing a raincoat covered with drops of water and carrying a wet umbrella, that would be circumstantial evidence from which you could conclude that it was raining.

It is your job to decide how much weight to give the direct and circumstantial evidence. The law makes no distinction between the weight that you should give to either one, nor does it say that one is any better evidence than the other. You should consider all the evidence, both direct and circumstantial, and give it whatever weight you believe it deserves.

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<sup>9</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012); *The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

## 1.7 STATEMENTS OF COUNSEL<sup>10</sup> (JOINT PROPOSED INSTRUCTION)

A further word about statements and arguments of counsel. The attorneys' statements and arguments are not evidence. Instead, their statements and arguments are intended to help you review the evidence presented. If you remember the evidence differently from the attorneys, you should rely on your own recollection.

[*Google Proposal*: The role of attorneys is to zealously and effectively advance the claims of the parties they represent within the bounds of the law. An attorney may argue all reasonable conclusions from evidence in the record. It is not proper, however, for an attorney to state an opinion as to the truth or falsity of any testimony or evidence. What an attorney personally thinks or believes about the testimony or evidence in a case is not relevant, and you are instructed to disregard any personal opinion or belief concerning testimony or evidence that an attorney has offered during opening or closing statements, or at any other time during the course of the trial.]

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<sup>10</sup> *Tarkus Imaging, Inc. v. Adobe Systems, Inc., et al.*, C.A. No. 10-063-LPS, D.I. 454 (Preliminary Jury Instructions) (D. Del. June 18, 2012). See also *British Telecommunications PLC v. Google Inc.*, No. 11-1249-LPS, D.I. 376 (Joint Proposed Final Jury Instructions) (D. Del. Jan. 17, 2014).

## **1.8 CREDIBILITY OF WITNESSES<sup>11</sup> (JOINT PROPOSED INSTRUCTION)**

You are the sole judges of each witness's credibility. You should consider each witness's means of knowledge; strength of memory; opportunity to observe; how reasonable or unreasonable the testimony is; whether it is consistent or inconsistent; whether it has been contradicted; the witness's biases, prejudices or interests; the witness's manner or demeanor on the witness stand; and all circumstances that, according to the evidence, could affect the credibility of the testimony.

If you find the testimony to be contradictory, you must try to reconcile it, if reasonably possible, so as to make one harmonious story of it all. But if you can't do this, then it is your duty and privilege to believe the testimony that, in your judgment, is most believable and disregard any testimony that, in your judgment, is not believable.

In determining the weight to give to the testimony of a witness, you should ask yourself whether there was evidence tending to prove that the witness testified falsely about some important fact, or, whether there was evidence that at some other time the witness said or did something, or failed to say or do something that was different from the testimony he or she gave at the trial. You have the right to distrust such witness's testimony in other particulars and you may reject all or some of the testimony of that witness or give it such credibility as you may think it deserves.

You should remember that a simple mistake by a witness does not necessarily mean that the witness was not telling the truth. People may tend to forget some things or remember other

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<sup>11</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012); *The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

things inaccurately. If a witness has made a misstatement, you must consider whether it was simply an innocent lapse of memory or an intentional falsehood, and that may depend upon whether it concerns an important fact or an unimportant detail.

This instruction applies to all witnesses.

### **1.9 NUMBER OF WITNESSES<sup>12</sup> (JOINT PROPOSED INSTRUCTION)**

One more point about the witnesses. Sometimes jurors wonder if the number of witnesses who testified makes any difference.

Do not make any decisions based only on the number of witnesses who testified. What is more important is how believable the witnesses were, and how much weight you think their testimony deserves. Concentrate on that, not the numbers.

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<sup>12</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012); *The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).



### 1.10 EXPERT WITNESSES<sup>13</sup> (JOINT PROPOSED INSTRUCTION)

When knowledge of technical subject matter may be helpful to the jury, a person who has special training or experience in that technical field – a person called an expert witness – is permitted to state his or her opinion on those technical matters. This skill or knowledge is not common to the average person, but has been acquired by the expert through special study or experience. [*Google Proposal*: However, you are not required to accept an expert witness's opinion. As with any other witness, it is up to you to decide whether to rely on an expert witness.]

In weighing expert testimony, you may consider the expert's qualifications, the reasons for the expert's opinions, and the reliability of the information supporting the expert's opinions, as well as the factors I have previously mentioned for weighing testimony of any other witness. Expert testimony should receive whatever weight and credit you think appropriate, given all the other evidence in the case. You are free to accept or reject the testimony of experts, just as with any other witness.

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<sup>13</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012); *The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

### **1.11 DEPOSITION TESTIMONY<sup>14</sup> (JOINT PROPOSED INSTRUCTION)**

A deposition is the sworn testimony of a witness taken before trial. The witness is placed under oath and swears to tell the truth, and lawyers for each party may ask questions. A court reporter is present and records the questions and answers. The deposition may also be recorded on videotape.

During the trial, certain testimony was presented to you from the playing of video excerpts or the reading of written excerpts from depositions. Deposition testimony is out of court testimony given under oath and is entitled to the same consideration you would give it had the witness testified in person here in the courtroom.

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<sup>14</sup> *British Telecommunications PLC v. Google Inc.*, No. 11-1249-LPS, D.I. 376 (Joint Proposed Final Jury Instructions) (D. Del. Jan. 17, 2014).

## **1.12 IMPEACHMENT**

In determining the weight to give to the testimony of a witness, you should ask yourself whether there was evidence tending to prove that the witness testified falsely about some important fact, or, whether there was evidence that at some time the witness said or did something, or failed to say or do something, that was different from the testimony the witness gave at the trial.

### **1.13 DEMONSTRATIVE EXHIBITS**

Certain exhibits shown to you are illustrations. We call these types of exhibits “demonstrative exhibits.” Demonstrative exhibits are a party’s description, picture, or model to describe something involved in this trial. If your recollection of the evidence differs from the exhibit, rely on your recollection.

#### 1.14 USE OF NOTES<sup>15</sup>

You may use notes taken during trial to assist your memory. Remember that your notes are for your personal use. They may not be given or read to anyone else. Do not use your notes, or any other juror's notes, as authority to persuade fellow jurors. Your notes are not evidence, and they are by no means a complete outline of the proceedings or a list of the highlights of the trial. Your notes are valuable only as a way to refresh your memory. Your memory is what you should be relying on when it comes time to deliberate and render your verdict in this case.

This instruction applies both to notes you have taken on the blank paper the Court has given you, as well as any notes you may have taken on any exhibits given to you by the attorneys.

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<sup>15</sup> Adapted from *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, C.A. No. 06-113 (LPS), District of Delaware, D.I. 540 (Preliminary Jury Instructions) (D. Del. Jan. 27, 2012); *B. Braun Melsungen AG, et al. v. Terumo Medical Corporation, et al.*, C.A. No. 09-347-LPS, D.I. 334 (Preliminary Instructions) (D. Del. Nov. 14, 2010).

## **2. THE PARTIES AND THEIR CONTENTIONS**

### **2.1 THE PARTIES**

I will now review for you the parties in this action, and the positions that you will have to consider in reaching your verdict.

The plaintiff in this case is Personalized User Model LLC. When I refer to the plaintiff, I will refer to it as "PUM."

The defendant and counterclaimant in this case is Google Inc. When I refer to the defendant and counterclaimant, I will refer to it as "Google."

The counterclaim defendants in this case are Yochai Konig and PUM. When I refer to the counterclaim defendants, I will refer to them as Dr. Konig and PUM.

PUM alleges that it is the owner of U.S. Patent Nos. 6,981,040 and 7,685,276. I will refer to these patents collectively as the "patents in suit." At times, I will also refer to these patents as the "'040 patent" and the "'276 patent," respectively, based on the last three digits of each of their patent numbers.

## **2.2 THE PARTIES' CONTENTIONS**

PUM contends that Google infringes 11 claims of the patents in suit. PUM contends that Google infringes claims 1, 11, 22, and 34 of the '040 patent and claims 1, 3, 5, 6, 7, 21 and 22 of the '276 patent. These claims may be referred to as the "asserted claims."

PUM contends that Google infringes the asserted claims of the patents in suit by making, using, selling, and/or offering for sale certain systems and services without PUM's authorization. I will set forth the specific Google systems and services that PUM contends infringe one or more asserted claims in a few minutes, but these Google systems and services may be referred to as the "accused systems and services." I will also describe PUM's specific contentions in a few minutes in more detail.

PUM contends that Google infringes the asserted claims of the patents in suit because Google makes, uses, sells or offers for sale certain systems or services without PUM's authorization. These systems and services include Google Search, Google's Search Ads system; AdSense for Content; and YouTube.

Non-infringement and invalidity are defenses to a charge of infringement. Google denies that it has infringed the patents-in-suit. Google further alleges that the asserted claims of the patents-in-suit are invalid because the patents in suit are anticipated by prior art publications, patents, and products that existed at the time of the invention or were obvious in view of the state of the art at that time. Google also asserts that named inventor of the patents-in-suit Yochai Konig breached his employment agreement with his former employer and that because of this breach, Google is a rightful owner of the patents-in-suit.

## 2.3 SUMMARY OF ISSUES

You must decide the following issues in this case:

- (1) whether PUM has proven by a preponderance of the evidence that one or more of the accused systems and services infringes one or more of the asserted claims of the patents-in-suit;
- (2) whether Google has proven by [Google Alternative 1: a preponderance of the evidence]<sup>16</sup> [Google alternative 2: clear and convincing evidence] that one or more of the asserted claims of the patents-in-suit is invalid;
- (3) whether Google has proven by a preponderance of the evidence that Yochai Konig breached his employment contract with SRI;
- (4) whether Google has proven by a preponderance of the evidence that it is a rightful owner of the patents-in-suit because Konig and PUM unlawfully converted SRI's and Google's interest in the patents-in-suit by failing to assign the patents to SRI; and
- (5) whether PUM has proven by a preponderance of the evidence that Google's breach of contract claim is time-barred, and that Yochai Konig's invention is protected from assignment by California law.

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<sup>16</sup> As detailed in Google's Opposition to PUM's Motion *In Limine* to Exclude Evidence of Reexamination Proceedings at Trial, the final PTO rejections of both patents in suit are relevant information for the jury to consider and should not be excluded. (*See* Final Pretrial Order, Ex. 13.) In the event that the Court precludes Google from introducing evidence that the patents in suit have been rejected by the PTO during the reexamination process, though, Google requests that the Court read the first alternative instruction. Because the PTO issued final rejections of both patents, the presumption of validity should no longer apply, and Google should not have to meet a higher burden of proof to demonstrate invalidity.



## **2.4 THE PATENT LAWS (JOINT PROPOSED INSTRUCTION)**

At the beginning of the trial, I gave you some general information about patents and the patent system and a brief overview of the patent laws relevant to this case. I will now give you more detailed instructions about the patent laws that specifically relate to this case. If you would like to review my instructions at any time during your deliberations, you will have your copy available to you in the jury room.

## 2.5 THE ASSERTED CLAIMS<sup>17</sup>

Before you can decide many of the issues in this case, you will need to understand the role of patent "claims." The patent claims are the numbered sentences at the end of each patent.

The patent claims involved here are claims 1, 11, 22, and 34 of the '040 patent and claims 1, 3, 5, 6, 7, 21, and 22 of the '276 patent. I will refer to these claims collectively as the "asserted claims." The claims are intended to define, in words, the boundaries of the invention. The claims define the patent owner's property rights. Infringement is the act of trespassing on those rights.

Only the claims of the patents can be infringed. Neither the specification, which is the written description of the invention, nor the drawings of a patent can be infringed. Each of the claims must be considered individually. You must use the same claim meaning for both your decision on infringement and your decision on invalidity.

You will first need to understand what each claim covers in order to decide whether or not there is infringement of the claim and to decide whether or not the claim is invalid. The law says that it is my role to define the terms of the claims and it is your role to apply my definitions to the issues that you are asked to decide in this case. Therefore, as I mentioned to you at the start of the case, I have determined the meaning of certain terms in the claims, and I will provide to you my definitions of those claim terms. You must accept my definitions of these words in the claims as being correct. It is your job to take these definitions and apply them to the issues that you are deciding, including the issues of infringement and validity.

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<sup>17</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012). *See also British Telecommunications PLC v. Google Inc.*, No. 11-1249-LPS, D.I. 376 (Joint Proposed Final Jury Instructions) (D. Del. Jan. 17, 2014).

Infringement must be assessed on a product-by-product and claim-by-claim basis. Each of the accused systems and services must be individually compared with each and every claim being asserted against that product. In making the comparison for any given claim, each of the limitations of that claim must be compared to the product to determine whether each of the limitations of that claim are present in the product.

## 2.6 HOW A CLAIM DEFINES WHAT IT COVERS<sup>18</sup>

I will now explain how a claim defines what it covers.

A claim sets forth, in words, a set of requirements. Each claim sets forth its requirements in a single sentence. If a method satisfies each of these requirements, then it is covered by the claim.

There can be several claims in a patent. Each claim may be narrower or broader than another claim by setting forth more or fewer requirements. The coverage of a patent is assessed on a claim-by-claim basis. In patent law, the requirements of a claim are often referred to as "claim elements" or "claim limitations." When a use meets all of the requirements of a claim, the claim is said to "cover" that use, and that use is said to "fall" within the scope of that claim. In other words, a claim covers a use where each of the claim elements or limitations is present in that use.

Sometimes the words in a patent claim are difficult to understand, and therefore it is difficult to understand what requirements these words impose. It is my job to explain to you the meaning of the words in the claims and the requirements these words impose.

As I just instructed you, there are certain specific terms that I have defined and you are to apply the definitions that I provide to you.

By understanding the meaning of the words in a claim and by understanding that the words in a claim set forth the requirements that a use must meet in order to be covered by that claim, you will be able to understand the scope of coverage for each claim. Once you understand

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<sup>18</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012).

what each claim covers, then you are prepared to decide the issues that you will be asked to decide, such as infringement and invalidity.

## 2.7 INDEPENDENT AND DEPENDENT CLAIMS<sup>19</sup>

This case involves two types of patent claims: independent claims and dependent claims. An "independent claim" sets forth all of the requirements that must be met in order to be covered by that claim. Thus, it is not necessary to look at any other claim to determine what an independent claim covers. In this case, the following are each independent claims: claim 1 of the '040 patent; and claim 1 of the '276 patent.

The remainder of the asserted claims in the patents in suit are what are called "dependent claims." A dependent claim does not itself recite all of the requirements of the claim, but refers to another claim for some of its requirements. In this way, the claim "depends" on another claim. A dependent claim incorporates all of the requirements of the claim or claims to which it refers, as well as the additional requirements recited in the dependent claim itself. Therefore, to determine what a dependent claim covers, it is necessary to look at both the dependent claim and any other claims to which it refers.

Here, for example, claim 11 of the '040 patent is a dependent claim. It depends on claim 1. For a system to infringe dependent claim 11 of the '040 patent, the use must have all the elements of both claim 1 and claim 11.

As another example, Claim 3 of the '276 patent is another dependent claim. It depends on claim 1. For a system to infringe dependent claim 3 of the '276 patent, the use must have all the elements of both claim 1 and claim 3.

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<sup>19</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012); *The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

An accused product or process is only covered by a dependent claim if the accused product or process meets all of the requirements of both the dependent claim and the claims to which the dependent claims refers.<sup>20</sup>

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<sup>20</sup> Adapted from the Federal Circuit Bar Association Model Patent Jury Instructions Section 2.2a (2013 ed.).

## 2.8 CLAIM INTERPRETATION<sup>21</sup>

It is the Court's duty under the law to define what the patent claims mean. I have made my determinations, and I will now instruct you on the meaning of the words of the claims in this case. As I have previously instructed you, you must accept my definition of these words in the claims as correct. You must use the definitions that I give you for each patent claim to make your decisions as to whether the claim is infringed or invalid. You must ignore any different definitions used or suggested by the witnesses or the attorneys. You should not take my definition of the language of the claims as an indication that I have a view regarding how you should decide the issues that you are being asked to decide, such as infringement and invalidity. These issues are yours to decide.

I will now read to you certain asserted claims that possess a term that I have construed and provide you with my constructions of certain terms in those claims

- a. The term "**set**" means "group or collection;"
- b. The term "**set of documents associated with the user**" means "group or collection of documents associated with the user;"
- c. The term "**automatic**" means "without human intervention;" and
- d. The term "**central computer**" means "computer on the server side of a client-server relationship."
- e. The term "**user**" and "user u" mean "a person operating a computer or the associated representation of the user;"

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<sup>21</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012).



- f. The term "**user-specific data files**" means "the monitored user interactions with data and a set of documents associated with the user;"
- g. The term "**monitored user interactions with the data**" means "the collected information about the user's interactions with data;"
- h. The term "**parameters**" means "values or weights;"
- i. The term "**estimating parameters of a learning machines**" means "estimating values or weights of the variables of a learning machine;"
- j. The term "**learning machine**" means a "mathematical function and/or model used to make a prediction, that attempts to improve its predictive ability over time by altering the values/weights given to its variables, depending on a variety of knowledge sources, including monitored user interactions with data and a set of documents associated with the user;"
- k. The term "**User Model specific to the user**" means "an implementation of a learning machine updated in part by data specific to the user;"
- l. The term "**user-specific learning machine**" means "a learning machine [as construed] specific to the user;"
- m. The term "**documents**" means "an electronic file including text or any type of media;"
- n. The term "**estimating**" means "approximating or roughly calculating;"
- o. The term "**probability**" means "numerical degree of belief or likelihood;"
- p. The term "**unseen document**" means "document not previously seen by the user;"

- q. The term "**estimating a probability  $P(u/d)$  that an unseen document  $d$  is of interest to the user  $u$** " means "approximating or roughly calculating a numerical degree of belief or likelihood that an unseen document  $d$  is of interest to the user  $u$  given the information that is known about the unseen document;"
- r. The term "**estimating a posterior probability  $P(u/d,q)$  that a document  $d$  is of interest to the user  $u$  given a query  $q$  submitted by the user**" means "approximating or roughly calculating a numerical degree of belief or likelihood that a document  $d$  is of interest to the user  $u$  given the information that is known about the document, and given a query  $q$ ;"
- s. The term "**present**" and "**presenting**" mean "to provide or make available;"
- t. The term "**documents of interest to the user**" means "documents [i.e., electronic files (including text or any type of media)] for which the user has a positive response;"
- u. The term "**documents not of interest to the user**" means "documents [i.e., electronic files (including text or any type of media)] for which the user has a negative response or has ignored;" and
- v. The term "**user interest information derived from the User Model**" means "interests or other information inferred from the User Model."

For any words in the claim for which I have not provided you with a definition, you should apply their common meaning.

### 3. INFRINGEMENT<sup>22</sup>

#### 3.1 INFRINGEMENT GENERALLY<sup>23</sup>

I will now instruct you how to decide whether or not PUM has proven by a preponderance of the evidence that Google has infringed the asserted claims of the patents in suit. Infringement is assessed on a claim-by-claim and product-by-product basis. Therefore, there may be infringement as to one claim but no infringement as to another or infringement by one product and not by another. A patent claim may be directly infringed in two ways. One may directly infringe a patent, either literally or under the doctrine of equivalents. I will explain each of these types of infringement in more detail shortly.

Each of the accused systems and services must be individually compared with each and every one of the requirements of a claim to determine whether all of the requirements of that claim are met by the system or service. The asserted claims cover methods. Offering a system or service does not itself infringe a method claim. In order for a method claim to be infringed, PUM must prove that each step of the claimed method is actually performed, not merely that a system or service has been offered that is capable of performing the claimed method.<sup>24</sup>

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<sup>22</sup> PUM includes proposed instructions for indirect infringement. PUM did not disclose in discovery that it contends Google indirectly infringes its patents, or any facts to support such a claim. Thus, it should be precluded from pursuing a claim of indirect infringement at trial, and the jury should not be instructed on indirect infringement. PUM also includes an instruction for “Open Ended or ‘Comprising’ claims.” This instruction is unnecessary. Google has not argued that it does not infringe because its products have elements in addition to those claimed in the asserted claims. Therefore, this instruction is likely to confuse the jury. PUM further includes an instruction that “Practicing Your Own Patents is Not a Defense to Patent Infringement.” This instruction is unnecessary and confusing.

<sup>23</sup> Adapted from the Federal Circuit Bar Association Model Patent Jury Instructions Section 3.1 (2013 ed.).

<sup>24</sup> Adapted from the Federal Circuit Bar Association Model Patent Jury Instructions Section 3.1a (2013 ed.). *See also NTP, Inc. v. Research in Motion, Ltd.*, 418 F.3d 1282, 1317-18 (Fed. (footnote continued)

In order to prove infringement, PUM must prove infringement by a preponderance of the evidence, i.e., that it is more likely than not that infringement has occurred.

I will now explain each of the relevant types of infringement in more detail.

### **3.2 DIRECT INFRINGEMENT BY "LITERAL INFRINGEMENT"<sup>25</sup>**

In order to prove direct infringement by literal infringement, PUM must prove by a preponderance of the evidence, i.e., that it is more likely than not, that Google, without PUM's authorization, made, used, sold, offered for sale within, or imported into the United States systems or services which meet all of the requirements of the asserted claims of the patents in suit. You must compare the accused systems and services with each and every one of the requirements of the asserted claims to determine whether all of the requirements are met.

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 Google's accused systems and services or methods meets additional requirements of any claims that depend from the independent claim, thus whether those claim have also been infringed. A dependent claim

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Cir. 2005) (the use of a process necessarily involves doing or performing each of the steps recited); *Joy Techs., Inc. v. Flakt, Inc.*, 6 F.3d 770, 773 (Fed. Cir. 1993) (“The law is unequivocal that the sale of equipment to perform a process is not a sale of the process within the meaning of section 271(a).”

<sup>25</sup> Adapted from the Federal Circuit Bar Association Model Patent Jury Instructions Section 3.1a (2013 ed.). See *British Telecommunications PLC v. Google Inc.*, No. 11-1249-LPS, D.I. 376 (Proposed Final Jury Instructions) (D. Del. Jan. 17, 2014); *Leader Technologies, Inc. v. Facebook, Inc.*, C.A. No. 08-862-LPS, D.I. 580 (Preliminary Jury Instructions) (D. Del. July 5, 2010).

includes all the requirements of any of the claims to which it refers plus additional requirements of its own.

PUM contends that the following Google systems and services directly infringe the following asserted claims of each of the patents in suit:

<b>Patent</b>	<b>Accused Google System or Service</b>	<b>Asserted Claims</b>
'040 patent	Google Search	claims 1, 11, 22, and 34
'276 patent	Google Search	claims 1, 3, 6, 21, and 22
'040 patent	Search Ads System	claims 1, 11, 22, and 34
'276 patent	Search Ads System	claims 1, 3, 5, 6, 7, and 21
'040 patent	AdSense for Content	claims 1, 11, 22, and 34
'276 patent	AdSense for Content	claims 1, 3, 6, 7, and 22
'040 patent	YouTube Ads	claims 1, 11, 22, and 34
'276 patent	YouTube Ads	claims 1, 3, 6, 7, and 22
'040 patent	YouTube Video Recommendations	claims 1, 22, and 34

### **3.3 INFRINGEMENT UNDER THE DOCTRINE OF EQUIVALENTS<sup>26</sup>**

PUM alleges that Google infringed certain claims of the patents-in-suit under the “doctrine of equivalents.” If a person or company makes, uses, sells, offers to sell within, or imports into the United States a product that does not meet all of the requirements of a claim and thus does not literally infringe that claim, there can still be direct infringement if that product satisfies that claim "under the doctrine of equivalents."

Under the doctrine of equivalents, Google can only infringe an asserted patent claim if the accused product includes parts or steps that are identical or equivalent to the requirements of the claim. If an identical or equivalent part or step for even one part or step of the asserted patent claim is missing in an accused product, Google 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 Google's accused product 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

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<sup>26</sup> Federal Circuit Bar Association Model Patent Jury Instructions Section 3.1c (2013 ed.)

to prove infringement by "equivalents," PUM must prove the equivalency of the structure or action to a claim element by a preponderance of the evidence.

PUM contends only certain claim limitations are met under the doctrine of equivalents by certain accused Google systems or services. Specifically, PUM contends that the following claim limitations are met under the doctrine of equivalents for the systems and services listed below. Accordingly, you should not apply the doctrine of equivalents analysis to any other claim limitations or to any other systems or services:

<b>Patent</b>	<b>Accused Google System or Service</b>	<b>Asserted Claims</b>
'040 patent	Google Search	claims 1, 11, 22, and 34
'276 patent	Google Search	claims 1, 3, 6, 21, and 22
'040 patent	Search Ads System	claims 1, 11, 22, and 34
'276 patent	Search Ads System	claims 1, 3, 5, 6, 7, and 21
'040 patent	AdSense for Content	claims 1, 11, 22, and 34
'276 patent	AdSense for Content	claims 1, 3, 6, 7, and 22
'040 patent	YouTube Ads	claims 1, 11, 22, and 34
'276 patent	YouTube Ads	claims 1, 3, 6, 7, and 22

## 4. INVALIDITY

### 4.1 INVALIDITY — GENERALLY<sup>27</sup>

Patent invalidity is a defense to patent infringement. Even though the Patent Office examiner has allowed the claims of a patent, an accused infringer has the right to argue here in Federal Court that the claims of the patent are invalid, and you have the ultimate responsibility for deciding whether the claims of the patent are invalid. The Patent Office may not have had available to it all of the prior art that has been presented to you. Therefore, in making your decision whether Google has met its burden as to a particular patent claim, you may consider whether you have heard prior art references that the Patent Office had no opportunity to evaluate before granting the patents. It is your job to consider the evidence presented by the parties and determine independently whether or not Google has proven that the claims of the patents in suit are invalid.

I will now instruct you in more detail on the invalidity issues you should consider.

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<sup>27</sup> Adapted from *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012).



## 4.2 PRIOR ART<sup>28</sup>

Prior art may include items that were publicly known or that have been used or offered for sale, publications, or patents that disclose the claimed invention or elements of the claimed invention. These items may be referred to as prior art references. To be prior art, the item or reference must have been made, known, used, published, or patented either before the invention was made or more than one year before the filing date of the patent application. However, prior art does not include a publication that describes the inventor of the patent-in-suit's own work and was published less than one year before the date of invention.

For the claim to be invalid because it is not new, Google must show that all of the requirements of that claim were present in a single previous device or method that was known of, used, or described in a single previous printed publication or patent. We call these things "anticipating prior art." To anticipate, the prior art does not have to use the same words as the claim, but all of the requirements of the claim must have been disclosed, either stated expressly or implied to a person having ordinary skill in the art in the technology of the invention, so that looking at that one reference, that person could make and use the claimed invention.

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<sup>28</sup> Federal Circuit Bar Association Model Patent Jury Instructions Section 4.3a (2012 ed.).

### **4.3 ANTICIPATION<sup>29</sup>**

The patent laws of the United States require that an invention must be new for a person to be entitled to a patent. In general, inventions are new when the product has not been made, used, or disclosed before. Google contends that claims 1, 11, 22, and 34 of the '040 patent and claims 1, 3, 5, 6, 7, 21 and 22 of the '276 patent are invalid because they were not new or lacked novelty. For a claim to be invalid because it is not new, all of its requirements must have existed in a single device or method that predates the claimed invention, or must have been described in a single previous publication or patent that predates the claimed invention. If a patent claim is not new, we say it is "anticipated" by a prior art reference.

The disclosure in the prior art reference does not have to be in the same words as the claim, but all of the requirements of the claim must be there, either stated or necessarily implied so that someone of ordinary skill in the relevant field looking at that one reference would be able to make and use at least one embodiment of the claimed invention.

Anticipation also occurs when the claimed invention inherently or necessarily results from the practice of what is disclosed in the written reference, even if the inherent disclosure was unrecognized or unappreciated by one of ordinary skill in the field of the invention.

In order for someone to be entitled to a patent, the invention must actually be "new" and the inventor must not have lost her or his rights by delaying the filing of an application claiming the invention. In general, inventions are new when the identical product or process has not been made, used, or disclosed before. Anticipation must be determined on a claim-by-claim basis.

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<sup>29</sup> Federal Circuit Bar Association Model Patent Jury Instructions Section 4.3b (2012 ed.).

Here is a list of ways that Google can show that a patent claim was not new or that the patentee lost the right to patent the claims:

(1) An invention is not new if it was known to or used by others in the United States before the inventors' invention. An invention is known when the information about it was reasonably accessible to the public on that date.

(2) An invention is not new if it was already patented or described in a printed publication, anywhere in the world before the inventors' invention.

(3) PUM has lost its rights if the claimed invention was already patented or described in a printed publication, anywhere in the world by the inventors or anyone else, more than a year before December 28, 1999, which is the effective filing date of the application for the '040 patent. An invention was patented by another if the other patent describes the same invention claimed by PUM to a person having ordinary skill in the technology.

(4) PUM has lost its rights if the claimed invention was publicly used, sold, or offered for sale in the United States more than one year before December 28, 1999, which is the effective filing date of the application for the '040 patent. An invention was publicly used when it was either accessible to the public or commercially exploited. An invention was sold or offered for sale when it was offered commercially and what was offered was ready to be patented, i.e., a description to one having ordinary skill in the field of the technology could have made and used the claimed invention, even if it was not yet reduced to practice.

(5) An invention is not new if it was described in a published patent application filed by another in the United States before the effective filing date of the patent, in this case December 28, 1999.

(8) An invention is not new if the claimed invention was described in a patent granted on an application for patent by another filed in the United States and the application was filed before the effective filing date of the patent, in this case December 28, 1999.

If a patent claim is not new, as explained above, you must find that claim to be invalid.

#### 4.4 OBVIOUSNESS

Even though an invention may not have been identically disclosed or described in the prior art before it was made by an inventor, in order to be patentable, the invention must also not have been obvious to a person of ordinary skill in the art to which the claimed invention pertains at the time the invention was made.

Google contends that the asserted claims are invalid for obviousness. A patent claim is invalid if the claimed invention, as a whole, would have been obvious to a person of ordinary skill in the field of the invention at the time the application was filed. This means that even if all the requirements of the claim cannot be found in a single prior art reference that would anticipate the claim, a person of ordinary skill in the field of the invention who knew about all of the prior art would have come up with the claimed invention.

The ultimate conclusion of whether a claim is obvious should be based on your determination of several factual issues:

1. You must decide the level of ordinary skill in the field of the invention that someone would have had at the time the claimed invention was made.
2. You must decide the scope and content of the prior art. In determining the scope and content of the prior art, you must decide whether a reference is pertinent, or analogous, to the claimed invention. Pertinent, or analogous, prior art includes prior art in the same field of endeavor as the claimed invention, regardless of the problems addressed by the reference, and prior art from different fields reasonably pertinent to the particular problem with which the claimed invention is concerned.
3. You should consider any difference or differences between the prior art and the claim requirements.

You should also consider any of the following factors that you find have been shown by the evidence:

A. Factors tending to show non-obviousness:

1. commercial success of a product due to the merits of the claimed invention;

2. a long-felt, but unsolved, need for the solution provided by the claimed invention;
3. unsuccessful attempts by others to find the solution provided by the claimed invention;
4. copying of the claimed invention by others;
5. unexpected and superior results from the claimed invention;
6. Acceptance by others of the claimed invention as shown by praise from others in the field of the invention or from the licensing of the claimed invention;
7. disclosures in the prior art that criticize, discredit, or otherwise discourage the claimed invention and would therefore tend to show that the invention was not obvious;
8. other evidence tending to show non-obviousness.

You may consider the presence of any of the list factors A.1-8 as an indication that the claimed invention would not have been obvious at the time the claimed invention was made. There must be a nexus, or connection, between the evidence showing any of these factors and the claimed invention if this evidence is to be given weight by you in arriving at your conclusion on the obviousness issue. For example, if commercial success is due to advertising, promotion, salesmanship or the like, or is due to features of the product other than those claimed in the patents in suit, then any commercial success may have no relation to the issue of obviousness.<sup>30</sup>

#### B. Factors tending to show obviousness

1. independent invention of the claimed invention by others before or at about the same time as the named inventor thought of it;
2. other evidence tending to show obviousness.

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<sup>30</sup> *The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

You may consider the presence of the list factors B.1-2 as an indication that the claimed invention would have been obvious at such time.

Although you should consider any evidence of these factors, the relevance and importance of them to your decision on whether the claimed invention would have been obvious is up to you.

Keep in mind that the existence of each and every element of the claimed invention in the prior art does not necessarily prove obviousness. Most, if not all, inventions rely on building blocks of prior art. In considering whether a claimed invention is obvious, you may but are not required to find obviousness if you find that at the time of the claimed invention there was a reason that would have prompted a person having ordinary skill in the field of the invention to combine the known elements in a way the claimed invention does, taking into account such factors as (1) whether the claimed invention was merely the predictable result of using prior art elements according to their known functions; (2) whether the claimed invention provides an obvious solution to a known problem in the relevant field; (3) whether the prior art teaches or suggests the desirability of combining elements claimed in the invention; (4) whether the prior art teaches away from combining elements in the claimed invention; (5) whether it would have been obvious to try the combinations of elements, such as when there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions; and (6) whether the change resulted more from design incentives or other market forces. To find it rendered the invention obvious, you must find that the prior art provided a reasonable expectation of success. Obvious to try is not sufficient in unpredictable technologies.<sup>31</sup>

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<sup>31</sup> See Patent Jury Instructions prepared by the Federal Circuit Bar Association.

But you must be careful not to determine obviousness using hindsight; many true inventions can seem obvious after the fact. You should put yourself in the position of a person of ordinary skill in the field of the invention at the time the claimed invention was made, and you should not consider what is known today or what is learned from the teaching of the patent.

If you find that a claimed invention was obvious as explained above, you must find that claim invalid.



#### **4.5 LEVEL OF ORDINARY SKILL<sup>32</sup>**

Several times in my instructions, I have referred to a person of ordinary skill in the filed of the invention. It is up to you to decide the level of ordinary skill in the field of the invention. In deciding what the level of ordinary skill in the field of the invention is, you should consider all the evidence introduced at trial, including but not limited to: (1) the levels of education and experience of the inventor and other persons actively working in the field; (2) the types of problems encountered in the field; (3) prior art solutions to those problems; (4) rapidity with which innovations are made; and (5) the sophistication of the technology.

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<sup>32</sup> Federal Circuit Bar Association Model Patent Jury Instructions Section 4.3c(i) (2012 ed.). *See also The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

## 5. BREACH OF CONTRACT<sup>33</sup>

### 5.1 BREACH OF CONTRACT - GENERALLY<sup>34</sup>

Google asserts that Yochai Konig entered into an employment contract with SRI on or about April 8, 1996 that obliged him to assign to SRI any inventions conceived during his employment with SRI. Google asserts that Konig conceived the inventions in the patents-in-suit

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<sup>33</sup> PUM includes a proposed construction on “Conception.” PUM’s lengthy instruction on the patent-law definition of conception is improper for several reasons. First, as stated elsewhere, Google disputes that there is any *conflicting* evidence on the meaning of “conceived” from the Employment Agreement. Thus, it is improper to task the jury with deciding whether this word tracks the patent-law definition of conception. Second, even if the jury is tasked with resolving this issue, it is PUM’s burden to prove to the jury what “conception” means. That is, if it is PUM’s position that the parties to the Konig-SRI agreement intended for the term “conceived” in the agreement to mean patent law conception, PUM must show that “conceived” has a patent law meaning and what that means. In proposing a jury instruction defining patent law conception, PUM is improperly putting its arguments on the merits into the instruction. Finally, even if “conceived” did track the patent-law definition of conception, PUM’s instruction deviates radically from other instructions that the Federal Circuit has approved in similar situations. For example, in *Arachnid Inc. v. Industrial Design Elecs. Assoc., Inc.*, 837 F.2d 1097 (Fed. Cir. 1987) (table), the dispute (as here) was whether plaintiff owned a patent based on its contractual right to all inventions “conceived” during the duration of a contract between the parties. The patent-law definition of conception applied to that dispute, yet the Federal Circuit explicitly approved a jury instruction on conception that was radically different in scope and content from the type of jury instruction that PUM proposes here. The approved instruction in *Arachnid* stated: “To conceive an invention means to complete the mental act of formulating the invention. It does not mean putting the invention into practice or building a working model. If you find that [Arachnid] has proven by a preponderance of the evidence that defendant IDEA had determined before January 26, 1982, that using two microcomputers as opposed to one would eliminate scoring problems on electronically scored dart games, then you should answer yes to question number 2 [Was the patented dual microcomputer invention conceived by IDEA before January 26, 1982?].” *Id.* at \*1-2 (brackets in original). Any jury instruction on the patent-law definition of conception, as applied to this dispute, should track the approved instruction in *Arachnid*, though obviously substituting a very brief overview of *these* patented inventions for the very brief overview of the patented inventions in *Arachnid*.

<sup>34</sup> *Abdelhamid v. Fire Ins. Exch.*, 182 Cal.App.4th 990, 999 (3d Dist. 2010) (“The standard elements of a claim for breach of contract are (1) a contract, (2) plaintiff’s performance or excuse for nonperformance, (3) defendant’s breach, and (4) damage to plaintiff therefrom.”).

during his employment with SRI and that Konig breached his employment contract because he failed to assign the inventions in the patents-in-suit to SRI as required by his employment contract. Google asserts that Konig's breach of his employment contract causes Google harm by denying it acknowledgement as a rightful co-owner of the patents-in-suit.

## **5.2 ASSIGNMENT NOT CONTESTED<sup>35</sup>**

Google was not a party to the original employment contract between SRI and Konig. However, Google may bring a claim for breach of contract because SRI transferred its rights under the contract to Google. This transfer is referred to as an “assignment.”

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<sup>35</sup> CACI 327

### 5.3 SECTION 2870 OF THE CALIFORNIA LABOR CODE

Konig asserts that even if his inventions are found to have been conceived during his employment with SRI, he did not have a duty to transfer these inventions to SRI because they are exempt from his transfer obligations under Section 2870 of the California Labor Code. Konig bears the burden of proving by a preponderance of the evidence that the inventions are exempt from his transfer obligations under Section 2870.

To prove that the inventions are exempt from his transfer obligations, Konig must prove each of the following three things: (1) The inventions were not related to SRI's business or actual or demonstrably anticipated research or development when the inventions were conceived or reduced to practice; (2) The inventions did not result from any work performed by Konig for SRI; and (3) Konig developed the inventions entirely on his own time without using SRI's equipment, supplies, facilities, or trade secret information.<sup>36</sup> If you find that Konig cannot prove each of these three criteria, you must find that the inventions are not exempt from Konig's transfer obligations under Section 2870. You must interpret the phrase "related to" broadly.<sup>37</sup>

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<sup>36</sup> Cal. Labor Code § 2870; *Cadence Design Sys., Inc. v. Bhandari*, 2007 WL 3343085, \*5 (N.D. Cal. Nov. 8, 2007) (“[T]here are three independent scenarios in which an agreement assigning an invention to an employer is enforceable under section 2870: (1) The invention was developed using the employer's time or resources; or (2) The invention relates to the employer's business or actual or demonstrably anticipated research or development; or (3) The invention resulted from work performed by the employee for the employer.”); *Cubic Corp. v. Marty*, 185 Cal. App. 3d 438, 451 (4<sup>th</sup> App. Dist. 1986); CACI 300.

<sup>37</sup> *Cadence Design*, 2007 WL 3343085 at \*5.

#### **5.4 INTERPRETATION-DISPUTED TERM<sup>38</sup>**

**[Google's Comment:** Google believes that the meaning of the word “conceived” in Yochai Konig’s employment agreement with SRI is an issue of law to be decided by the Court and that there is no conflicting extrinsic evidence such that this issue could be decided by the jury. Nevertheless, to the extent that this issue is given to the jury to decide, Google proposes instructions 5.4 and 5.5 herein. If this issue is not given to the jury, then these two instructions should not be read to the jury.]

Google, and PUM and Konig dispute the meaning of the following term contained in Konig’s employment agreement with SRI: conceived. Google claims that the term has a layperson’s meaning. PUM and Konig contend that it has a patent law meaning.

In deciding what the terms of a contract mean, you must decide what the parties intended at the time the contract was entered into. You may consider the usual and ordinary meaning of the language used in the contract as well as positions of the parties and the circumstances surrounding the making of the contract.

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<sup>38</sup> CACI 314

## **5.5 INTERPRETATION-MEANING OF ORDINARY WORDS<sup>39</sup>**

You should assume that the parties intended the words in their contract to have their usual and ordinary meaning unless you decide that the parties intended the words to have a special meaning.

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<sup>39</sup> CACI 315 ; Cal. Civ. Code 1644.

## 5.6 CONVERSION<sup>40</sup>

Google asserts that Konig and PUM unlawfully converted SRI's and Google's interest in the patents-in-suit. Conversion is the wrongful exercise of dominion over the property of another. Google must prove by a preponderance of the evidence that (1) SRI had an ownership interest or right of possession to the patented inventions and any patents embodying those inventions; (2) Konig converted this interest through the wrongful act of failing to assign the inventions to SRI; and (3) SRI and Google suffered damage as a result of this conversion, at least because SRI was not assigned the patents-in-suit at the time the patents were filed or at any time since.

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<sup>40</sup> *Spates v. Dameron Hosp. Assn.*, 114 Cal.App.4th 208, 221 (3d Dist. 2003); 14A Cal. Jur. 3d Conversion § 54.



## 5.7 STATUTE OF LIMITATIONS<sup>41</sup>

PUM and Konig assert that Google's claims for breach of contract, ownership, and conversion were not filed within the time set by law. To succeed on this defense, PUM and Konig must prove that Google's claimed harm occurred more than 3 years before the date of filing of Google's claims for breach of contract, ownership, and conversion.

However, Google maintains that the statute of limitations was tolled and did not begin to run until after this lawsuit was filed and PUM provided confidential discovery concerning the conception date of the patented inventions. The statute of limitations must be tolled if the injury was inherently unknowable and Google and SRI were blamelessly ignorant of the wrongful act and the injury they suffered. You must find that the statute of limitations was tolled if, before PUM produced confidential discovery in this case, it was inherently unknowable to Google and SRI that the inventions were conceived during Konig's SRI employment, and Google and SRI were blamelessly ignorant of this fact. You must consider whether Google or SRI were aware of the conception date before this lawsuit was filed, whether any facts available to Google or SRI would have caused a person of ordinary intelligence and prudence to conduct an inquiry into the conception date, and whether such an inquiry would have led to the discovery of the conception date. If you find that Google and SRI were unaware of the conception date before this lawsuit and that no inquiry they reasonably should have conducted before this lawsuit would have caused them to discover the conception date, you must find that the statute of limitations was tolled until PUM produced confidential discovery in this lawsuit concerning the conception date.

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<sup>41</sup> CACI 338; *Wal-Mart Stores, Inc. v. AIG Life Ins. Co.*, 860 A.2d 312, 319 (Del. 2004).

## **6. DELIBERATION AND VERDICT**

### **6.1 INTRODUCTION<sup>42</sup> (JOINT PROPOSED INSTRUCTION)**

That concludes the part of my instructions explaining the rules for considering some of the testimony and evidence. Now let me finish up by explaining some things about your deliberations in the jury room, and your possible verdicts.

Once you start deliberating, do not talk to the jury officer, or to me, or to anyone else except each other about the case. If you have any questions or messages, you must write them down on a piece of paper, sign them, and then give them to the jury officer. The officer will give them to me, and I will respond as soon as I can. I may have to talk to the lawyers about what you have asked, so it may take me some time to get back to you. Any questions or messages normally should be sent to me through your foreperson, who by custom of this Court is juror No. 1.

One more thing about messages. Do not ever write down or tell anyone how you stand on your votes. For example, do not write down or tell anyone that you are split 5-3, or 7-1, or whatever your vote happens to be. That should stay secret until you are finished.

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<sup>42</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012). *See also The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

## 6.2 UNANIMOUS VERDICT<sup>43</sup> (JOINT PROPOSED INSTRUCTION)

Your verdict must represent the considered judgment of each juror. In order for you as a jury to return a verdict, it is necessary that each juror agree to the verdict. Your verdict must be unanimous.

It is your duty, as jurors, to consult with one another and to deliberate with a view towards reaching an agreement, if you can do so without violence to your individual judgment. Each of you must decide the case for yourself, but do so only after an impartial consideration of the evidence with your fellow jurors. In the course of your deliberations, do not hesitate to reexamine your own views and change your opinion, if convinced it is erroneous. But do not surrender your honest conviction as to the weight or effect of evidence solely because of the opinion of your fellow jurors, or for the purpose of returning a verdict. Remember at all times that you are not partisans. You are judges — judges of the facts. Your sole interest is to seek the truth from the evidence in the case.

A form of verdict has been prepared for you. You will take this form to the jury room and when you have reached unanimous agreement as to your verdict, you will have your foreperson fill in, date, and sign the form. Then each of you will sign and date the form. You will then return to the courtroom and your verdict will be read in open Court by my deputy.

It is proper to add the caution that nothing said in these instructions and nothing in the form of verdict is meant to suggest or convey in any way or manner any intimation as to what

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<sup>43</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012). *See also The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

verdict I think you should find. What the verdict shall be is the sole and exclusive duty and responsibility of the jury.

### **6.3 DUTY TO DELIBERATE<sup>44</sup> (JOINT PROPOSED INSTRUCTION)**

Now that all the evidence is in and the arguments are completed, you are free to talk about the case in the jury room. In fact, it is your duty to talk with each other about the evidence, and to make every reasonable effort you can to reach unanimous agreement. Talk with each other, listen carefully and respectfully to each other's views, and keep an open mind as you listen to what your fellow jurors have to say. Try your best to work out your differences. Do not hesitate to change your mind if you are convinced that other jurors are right and that your original position was wrong.

But do not ever change your mind just because other jurors see things differently, or just to get the case over with. In the end, your vote must be exactly that — your own vote. It is important for you to reach unanimous agreement, but only if you can do so honestly and in good conscience.

No one will be allowed to hear your discussions in the jury room, and no record will be made of what you say. So you should all feel free to speak your minds.

Listen carefully to what the other jurors have to say, and then decide for yourself.

You might have questions about the schedule for deliberations. Generally speaking, your deliberations will run until \_\_\_ p.m., unless you unanimously decide you wish to deliberate until a later time. If you do not complete your deliberations today, you will return to continue deliberating tomorrow beginning at \_\_\_ a.m.

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<sup>44</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012). *See also The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

#### 6.4 SOCIAL MEDIA<sup>45</sup> (JOINT PROPOSED INSTRUCTION)

During your deliberations, you must not communicate with or provide any information to anyone by any means about this case. You may not use any electronic device or media, such as the telephone, a cell phone, smart phone, iPhone, blackberry or computer, the internet, any internet service, any text or instant messaging service, any internet chat room, blog, or website such as Face book, MySpace, Linkedin, YouTube or Twitter, to communicate to anyone any information about this case or to conduct any research about this case until I accept your verdict. [***PUM proposal:*** Nor should you perform any research or use any Google product to reach your own judgments about the issues in this case.] In other words, you cannot talk to anyone on the phone, correspond with anyone, or electronically communicate with anyone about this case [***PUM proposal:*** or perform any research]. You can only discuss the case in the jury room with your fellow jurors during deliberations.

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<sup>45</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012).

## **6.5 COURT HAS NO OPINION<sup>46</sup> (JOINT PROPOSED INSTRUCTION)**

Let me finish up by repeating something that I said to you earlier. Nothing that I have said or done during this trial was meant to influence your decision in any way. You must decide the case yourselves based on the evidence presented.

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<sup>46</sup> *Sunovion Pharmaceuticals Inc. v. Dey Pharama, L.P. et al.*, No. 06-113 (LPS), D.I. 571 (D. Del. Feb. 8, 2012). *See also The Uniform Jury Instruction for Patent Cases in the United States District Court for the District of Delaware* (March 1993).

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