

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION**

RED BEND LTD., and
RED BEND SOFTWARE INC.,

Plaintiffs,

v.

GOOGLE INC.,

Defendant.

Civil Action No. 09-cv-11813-DPW

PLAINTIFFS' RESPONSE TO DEFENDANT GOOGLE'S POST-HEARING NOTICE

Last Friday, on June 4, 2010, defendant Google Inc. (“Google”) filed a document entitled “Defendant Google Inc.’s Notice of Post-Hearing Factual Developments in the Reexamination Proceeding At The U.S. Patent and Trademark Office” (“Google’s Post-Hearing Notice”). But Google’s Notice fails to provide the complete picture and implies that the PTO’s initial rejection of certain Asserted Claims¹ should somehow support Google’s opposition to Red Bend’s pending motion for preliminary injunction. Consequently, the Red Bend plaintiffs are compelled to submit this response, respectfully urging the Court to disregard Google’s Post-Hearing Notice as having no evidentiary weight.

First, as expected, and as Google notes, the PTO rejected certain Asserted Claims based on Wetmore and, with regard to certain dependent claims, based on Wetmore in view of Sadowsky. Significantly, however, this rejection was only an initial rejection. Initial or “[i]nterim rejections are the norm at the PTO.” *Krippelz v. Ford Motor Co.*, 675 F. Supp. 2d 881, 894 (N.D. Ill. 2009) (discussing rejections in reexamination proceedings and citing *Q.G. Prods., Inc. v. Shorty, Inc.*, 992 F.2d 1211, 1213 (Fed. Cir. 1993) for the proposition that “rejections often occur as part of the normal application process”). This rejection was also issued based on, and to some extent incorporating, Google’s arguments only. Indeed, the PTO has heard only from Google; Red Bend has yet to provide to the PTO any argument in connection with Google’s reexamination request and/or the PTO’s initial rejection. Red Bend is confident that once it responds to the PTO’s initial rejection of certain of the Asserted Claims, and the PTO understands the meaningful differences between such claims and the prior art, all claims will be confirmed.

Second, the PTO has failed to note or even consider the differences between the Asserted Claims subject to the initial rejection and Wetmore, as detailed in Red Bend’s preliminary injunction briefing (Docket No. 58, Red Bend’s Reply in Support of its Motion for a Preliminary

¹ Red Bend asserts that Google infringes the following claims of the ‘552 Patent: 8-12, 21-25, 28-34, 42-46, 55-60, 62-67 (the “Asserted Claims”). As discussed below, Red Bend asserted at the preliminary injunction stage only claims 8-10, 21-23, 42-44 and 55-57.

Injunction at 12-14) and by its expert (Docket No. 60, Edwards Reply Decl. at 40-51), and as described by counsel in its Validity PowerPoint submission at the April 14, 2010 hearing. (Red Bend Validity Presentation dated 4/14/10 at 6-13). The PTO has yet to appreciate that Wetmore simply fails, completely, to (1) modify executable files (relevant only to claims 8-10, 21-23); (2) to modify such that “substantially each” relevant reference (one changed due to insert/delete modifications) are reflected as invariant; and (3) generate a compact difference result, as properly construed. Red Bend will be providing its response to the PTO quickly, but no later than the July 28th deadline, seeking expedited review and action.

Third, with regard to the obviousness rejections, Google withheld and declined to submit, and the PTO failed to consider, enormous evidence of secondary considerations, including but not limited to evidence previously submitted to this Court under seal, the invention’s commercial success, long felt need and failure of Google (and others) to achieve, and high praise and acceptance by others. (Docket No. 58, Red Bend’s Reply in Support of its Motion for a Preliminary Injunction at 15; Red Bend Validity Presentation dated 4/14/10 at 13-19). Further, Red Bend will submit to the PTO, to the extent permitted and/or necessary, evidence showing that transforming Wetmore into the invention of the ‘552 patent would be challenging and not at all obvious to someone of ordinary skill in the art. (Docket No. 60, Edwards Reply Decl. at 46-47).

Fourth, Google glosses over in just a footnote the fact that the PTO has actually upheld the patentability of many of the Asserted Claims in this action – stating in somewhat misleading fashion that the “PTO has not rejected [certain client side] claims as invalid.” The Court will recall that Red Bend asserted, with its preliminary injunction motion, what can be termed as the “server side” claims (claims 8-10, 21-23, 42-44, and 55-57). These claims are directed to what happens at the server, the generator of the compact difference result, as opposed to what happens at the “client side,” where the compact difference result is applied in order to bring the software on the client’s device up-to-date. For simplicity, Red Bend based its preliminary injunction motion on the server side claims. Since then, Red Bend has asserted the client side claims in its

preliminary infringement contentions (*e.g.*, claims 12, 25, 46 and 59), and fully expects to prove that Google's Courgette algorithm infringes those claims either on summary judgment or at trial. Indeed, the exhibits already of record in connection with the preliminary injunction motion prove that Courgette infringes these client side claims as well, which are similar to the server claims, except for the requirement that the client "reconstitute" the new program. (*See, e.g.*, Docket No. 9 at Exhibit 3 to Red Bend's Brief in Support of its Motion for a Preliminary Injunction (describing operations performed at client side to reconstitute the "update" (i.e. new) program using the "original" (i.e. old) program and the diff); Docket No. 59 at Exhibit 9 to Red Bend's Reply in Support of its Motion for a Preliminary Injunction at GOOG-022439 (depicting Courgette's reconstituting of modified new program ("A'new") and the new program ("new") on the client side).

Accordingly, contrary to Google's suggestion, the PTO's confirmation of the client side claims is significant, and completely undermines Google's purported invalidity defenses. Not only is it highly unusual for the PTO to issue a confirmation so early, and declaration of patentability in the initial action, but this signals the PTO's re-acknowledgement of the inventiveness of the '552 patent and its willingness to allow and confirm the server side claims once it receives Red Bend's opening response and better understands the nature of the server side claims. To be sure, the PTO did not merely "not reject" the client side claims. Rather, after considering Google's arguments, after considering Google's prior art, and without even hearing from Red Bend, the PTO declared that these claims are "patentable and/or confirmed", as it will likely do again with the server side claims upon receiving Red Bend's opening response.

Fifth, Google again cites old and unhelpful cases in support of its contention that the PTO's initial rejection of the Asserted Claims at issue in Red Bend's preliminary injunction motion warrants denial of that motion. As Red Bend cited previously (Docket No. 58, Red Bend's Reply in Support of its Motion for a Preliminary Injunction at 12; Red Bend Validity Presentation dated 4/14/10 at 20), and noted at the Hearing, what transpires at the PTO during a reexamination proceeding is virtually irrelevant and, in any event, merely shows that at least

several (if not all) asserted claims will survive reexamination – severely weakening (if not destroying) Google’s purported invalidity defenses.

In view of the foregoing, Red Bend respectfully submits that Google’s submission should be accorded no weight, and that its previously requested preliminary injunction should be entered.

Dated: June 8, 2010

Respectfully submitted,

By: */s/ Jennifer C. Tempesta*

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CERTIFICATE OF SERVICE

I hereby certify that this document filed through the ECF system will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF) and paper copies will be sent to those indicated as non-registered participants on June 8, 2010.

By: */s/ Jennifer C. Tempesta*

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