

TABLE OF CONTENTS

TABLE OF AUTHORITIES ii

I. INTRODUCTION1

II. LEGAL STANDARDS3

III. THE CONSTRUCTION OF THE ASSERTED CLAIMS.....6

IV. JMOL IS INAPPROPRIATE7

 A. *Yahoo’s Evidence that the 1995 Linux Code Anticipates Claim 1 is Legally Deficient.*7

 B. *Yahoo Cannot Show That the NRL Code Renders Claim 1 Obvious.*10

 C. *Dr. Nemes’s Own ’495 Patent Does Not Render Obvious Claim 1.*.....12

 D. *None of Yahoo’s Many Obviousness Combinations Invalidate Claim 2.*.....15

V. THE COURT MAY DECIDE THE ISSUE OF INVALIDITY AS FACT FINDER.....16

TABLE OF AUTHORITIES

	Page(s)
CASES	
<i>Anderson v. Cryovac, Inc.</i> , 862 F.2d 910 (1st Cir. 1988).....	17
<i>Apple Computer, Inc. v. Articulate Sys., Inc.</i> , 234 F.3d 14 (Fed. Cir. 2000).....	4
<i>Bank of La. v. Aetna U.S. Healthcare Inc.</i> , 468 F.3d 237 (5th Cir. 2006)	3
<i>Estate of Sanford v. Commissioner</i> , 308 U.S. 39 (1939).....	4
<i>i4i Ltd. P’ship v. Microsoft Corp.</i> , 598 F.3d 831 (Fed. Cir. 2010).....	2, 3, 4
<i>i4i Ltd. P’ship v. Microsoft Corp.</i> , 670 F. Supp. 2d 568 (E.D. Tex. 2009).....	passim
<i>In re Mixon</i> , 59 C.C.P.A. 1396 (C.C.P.A. 1973).....	14
<i>Kamen v. Kemper Fin. Servs. Inc.</i> , 500 U.S. 90 (1991).....	4
<i>KSR Int’l Co. v. Teleflex Inc.</i> , 550 U.S. 398 (2007).....	10, 11
<i>McDaniel v. Anheuser-Busch, Inc.</i> , 987 F.2d 298 (5th Cir. 1993)	16
<i>McNair v. City of Cedar Park</i> , 993 F.2d 1217 (5th Cir. 1993)	4
<i>Microsoft Corp. v. i4i Ltd. P’ship</i> , 180 L. Ed. 2d 131 (2011).....	1, 2, 4
<i>Mirror Worlds, LLC v. Apple, Inc.</i> , 2011 U.S. Dist. LEXIS 36451 (E.D. Tex. Apr. 4, 2011).....	5, 8
<i>Network Appliance, Inc. v. Bluearc Corp.</i> , 374 F. Supp. 2d 825 (N.D. Cal. 2005).....	5, 7

<i>Nobelpharma AB v. Implant Innovations, Inc.</i> , 141 F.3d 1059 (Fed. Cir. 1998).....	4
<i>Provident Financial Inc. v. Strategic Energy L.L.C.</i> , 404 Fed. Appx. 835 (5th Cir. 2010).....	4
<i>Sinsky v. Pharmacia Ophthalmics, Inc.</i> , 982 F.2d 494 (Fed. Cir. 1992).....	5
<i>Spectra-Physics, Inc. v. Coherent, Inc.</i> , 827 F.2d 1524 (Fed. Cir. 1987).....	17
<i>Therrell v. Georgia Marble Holdings Corp.</i> , 960 F.2d 1555 (11th Cir. 1992)	17
<i>Tokai Corp. v. Easton Enters.</i> , 632 F.3d 1358 (Fed. Cir. 2011).....	14
<i>United States v. Adams</i> , 383 U.S. 39 (1966).....	11
<i>W.L. Gore & Associates, Inc. v. Garlock, Inc.</i> , 721 F.2d 1540 (Fed. Cir. 1983).....	11
<i>z4 Techs., Inc. v. Microsoft Corp.</i> , 507 F.3d 1340 (Fed. Cir. 2007).....	3, 4

STATUTES

35 U.S.C. § 102.....	3
35 U.S.C. § 112 ¶ 6.....	1
35 U.S.C. § 282.....	4

OTHER AUTHORITIES

FED. R. CIV. P. 49	16
FED. R. CIV. P. 49(a)	1, 15, 16
FED. R. CIV. P. 49(a)(3).....	1, 15
FED. R. CIV. P. 50(a)(1).....	2

FED. R. CIV. P. 51(c) and (d).....15
FED. R. CIV. P. 52(a)16
Wright & Miller, FEDERAL PRACTICE & PROCEDURE § 2507 (3d ed. 2008)16

I. INTRODUCTION

Yahoo's renewed motion for judgment as a matter of law on invalidity should be denied just as the Court denied Yahoo's motion for judgment as a matter of law at the close of evidence at trial. TT. 5/9 p.m. at 306-07. Yahoo's evidence did not meet the JMOL standard. Yahoo did not present such evidence that the jury would not be at liberty to disbelieve nor establish that the only reasonable conclusion was in Yahoo's favor. The Court should deny Yahoo's renewed JMOL because the trier of fact was free to disbelieve Yahoo's evidence and determine against a finding of invalidity, as did the jury in the *Google* trial on the basis of the same prior art references. Dkt. No. 746.

Yahoo's renewed motion must further be denied because it misstates Yahoo's burden to establish JMOL in its favor. Rather than recognizing the stringent JMOL standard, Yahoo incorrectly tells the Court that all it must show to obtain JMOL is that a "reasonable jury would have a legally sufficient evidentiary basis to find the accused claims invalid." Mot. at 2. Yahoo also inappropriately places upon Bedrock the burden to present "sufficient evidence at trial to refute" Yahoo's invalidity evidence. Mot. at 3. Neither of these statements is correct.

Yahoo also ignores the legal presumption of the patent's validity that can only be overcome with clear and convincing evidence. Yahoo instead asserts that there is "no deference owed to the PTO's decision to confirm the accused claims in re-examination" because pieces of prior art "were not considered by the PTO." Mot. at 4. There is no evidence, however, that the prior art was not considered, as Yahoo admits that the NRL code was submitted to the PTO in the second re-examination proceeding. Mot. at 1, n.2. Under the teachings of *Microsoft Corp. v. i4i Ltd. P'ship*, the Court may consider that there is a dispute as to whether the code was considered and may evaluate whether evidence is materially new, but that does not mean that the

PTO is entitled to no deference. *See i4i*, 180 L. Ed. 2d at 146. The presumption of validity establishes the need for deference.

Even setting aside these shortcomings, Yahoo still cannot demonstrate that it is entitled to JMOL that claims 1 and 2 of the patent-in-suit, U.S. Patent No. 5,893,120 (the “120 patent”, PX 1) are invalid. In fact, the only thing that Yahoo demonstrates in its Motion (Dkt. No. 845, “Mot.”) is a fundamental misunderstanding as to the enormous hurdle it faces in attempting to invalidate claims governed by 35 U.S.C. § 112 ¶ 6 on JMOL. The standard is exacting, and Yahoo does not come close to meeting its burden. At trial, Yahoo did not present legally sufficient theories as to invalidity, and Bedrock accordingly moved for JMOL on validity. Specifically, Yahoo completely ignored the structural limitations of the claims of the patent-in-suit, and in the few times that Yahoo addressed the claims’ structural limitations, Yahoo provided only conclusory testimony. This legal deficiency carries over to Yahoo’s motion for JMOL, where Yahoo must demonstrate that a jury would not be at liberty to disbelieve its invalidity theories. Yet, any jury would be completely free to disbelieve Yahoo’s invalidity theories, especially where Yahoo made no effort to explain its theories with particularized, linked testimony.

Finally, as discussed in Section V below, the Court should find under Rule 49(a)(3) that Yahoo failed to prove invalidity by the requisite proof. The verdict form in this case conditioned the question of invalidity on a finding of infringement. Dkt. No. 834. When the jury found no infringement, it did not answer the invalidity question. Since Yahoo did not object to the conditioning instruction, the question reverts to the Court under Rule 49(a) of the Federal Rules of Civil Procedure. Judgment should be entered against Yahoo on invalidity for the same reasons JMOL is improper. Yahoo did not meet its burden of proof.

II. LEGAL STANDARDS

Yahoo Misstates the Legal Standard. Yahoo misstates the legal standard for the judgment as a matter of law that it seeks. Yahoo states that JMOL is appropriate “when the Court finds that a reasonable jury would not have a legally sufficient evidentiary base to find for the party on that issue.” Mot. at 1. Yahoo further asserts that the Court decision is “whether a reasonable jury would have a legally sufficient evidentiary basis to find the accused claims invalid.” Mot. at 2. The JMOL standard is much more difficult to meet. Judgment as a matter of law on Yahoo’s assertion of invalidity is properly granted only if no reasonable jury could arrive at a verdict against Yahoo on its affirmative defense and counterclaim. *McNair v. City of Cedar Park*, 993 F.2d 1217, 1219 (5th Cir. 1993). Further, Yahoo repeatedly trumpets the testimony of its own witnesses. In evaluating evidence, however, a jury is free to disbelieve the movant’s witnesses and experts. *See i4i Ltd. P’ship v. Microsoft Corp.*, 598 F.3d 831, 848 (Fed. Cir. 2010).

Generally. “In order to show that it is entitled to JMOL on its affirmative defense of invalidity [Yahoo] is required to prove the essential elements of that defense to a virtual certainty.” *See i4i Ltd. P’ship v. Microsoft Corp.*, 670 F. Supp. 2d 568, 584 (E.D. Tex. 2009) (Davis, J.); *see also Bank of La. v. Aetna U.S. Healthcare Inc.*, 468 F.3d 237, 241 (5th Cir. 2006) (“For a defendant to obtain summary judgment on an affirmative defense, it must establish beyond dispute all of the defense’s essential elements.”). A court may grant a motion for JMOL with regard to a claim upon which the non-movant bears the burden of proof only when a reasonable jury would not have a legally sufficient evidentiary basis to find for the non-movant on that issue. *z4 Techs., Inc. v. Microsoft Corp.*, 507 F.3d 1340, 1346 (Fed. Cir. 2007); FED. R. CIV. P. 50(a)(1). A motion for JMOL in favor of the party that bears the burden of proof at

trial—as Yahoo does by clear and convincing evidence¹ on the issue of invalidity—should only be granted where: (1) the movant has established its case by evidence that the jury would not be at liberty to disbelieve, and (2) the only reasonable conclusion is in the movant’s favor. *z4 Techs.*, 2006 U.S. Dist. LEXIS 58374, *5-6 (E.D. Tex. Aug. 18, 2006); *Nobelpharma AB v. Implant Innovations, Inc.*, 141 F.3d 1059, 1064 (Fed. Cir. 1998). In other words, Yahoo’s JMOL on the issue of invalidity should only be granted if Yahoo establishes its case by evidence that a jury would not be at liberty to disbelieve, and the only reasonable conclusion is in Yahoo’s favor. *See id.*

112 ¶ 6 Terms. “Anticipation under 35 U.S.C. § 102 requires the disclosure in a single piece of prior art of each and every limitation of a claimed invention.” *Apple Computer, Inc. v. Articulate Sys., Inc.*, 234 F.3d 14, 20 (Fed. Cir. 2000) (*internal citations omitted*). “The anticipation of a means-plus-function claim element is governed by the same standard that applies in determining whether such an element is literally infringed. Consequently, to support a finding of anticipation, there must be sufficient evidence to establish that ‘the assertedly equivalent structure performs the claimed function in substantially the same way to achieve substantially the same result as the corresponding structure described in the specification.’”

¹ Yahoo correctly notes that the parties agreed to try the issue of validity to the jury on the preponderance of evidence standard because *Microsoft v. i4i Ltd. P’ship* was pending before the Supreme Court. Bedrock, however, did not agree that, if the matter was not decided by jury verdict, the Court should decide the validity issue by the preponderance standard. *i4i* has been decided and establishes the propriety of the clear and convincing evidence standard. 180 L. Ed. 2d 131 (2011). Since the Court is now considering invalidity, the Court should apply the correct legal standard: clear and convincing evidence. The Court is not bound to accept as controlling a stipulation as to questions of law. *Estate of Sanford v. Commissioner*, 308 U.S. 39, 51 (1939); *Provident Financial Inc. v. Strategic Energy L.L.C.*, 404 Fed. Appx. 835, 839 n.3 (5th Cir. 2010) (unpublished) (“We note that we are not bound to accept stipulations as to questions of law.”). “When an issue or claim is properly before the Court, the Court is not limited to the particular legal theories advanced by the parties, but rather retains the independent power to identify and apply the proper construction of governing law.” *Kamen v. Kemper Fin. Servs. Inc.*, 500 U.S. 90, 99 (1991).

Network Appliance, Inc. v. Bluearc Corp., 374 F. Supp. 2d 825, 839 (N.D. Cal. 2005) (*internal citations omitted*). Transforming well-established principles governing infringement under the doctrine of equivalents into its invalidity counterpart yields the following standards. To support a finding of invalidity under the doctrine of equivalents, Yahoo “must have presented, on a limitation-by-limitation basis, particularized testimony and linking argument as to the ‘insubstantiality of the differences’ between the claimed invention and the accused device or process, or with respect to the function, way, result test.” *See Mirror Worlds, LLC v. Apple, Inc.*, 2011 U.S. Dist. LEXIS 36451, at *30-31 (E.D. Tex. Apr. 4, 2011) (Davis, J.). Generalized testimony as to the “overall similarity” between the claims and the prior art “will not suffice.” *See id.* Particularized testimony is essential, so that a defendant “cannot under the guise of applying the doctrine of equivalents, erase a plethora of meaningful structural and functional limitations of the claim” *See id.* (internal quotations removed). “These requirements ensure that a jury is provided with the proper evidentiary foundation from which it may permissibly conclude that a claim limitation has been met by an equivalent.” *See id.* (internal quotations removed).

No Shifting Burden. In its motion, Yahoo attempts to shift the burden to Bedrock to prove that its patent is valid by repeatedly asserting that Bedrock cannot “survive JMOL.” This is improper. Yahoo is the party with the burden, and that burden never shifts to Bedrock. *See* 35 U.S.C. § 282; *see also Sinskey v. Pharmacia Ophthalmics, Inc.*, 982 F.2d 494, 498 (Fed. Cir. 1992) (“The statutory presumption of validity under 35 U.S.C. § 282 puts the burden of proving invalidity on the party asserting it and the burden never shifts to the patentee.”).

III. THE CONSTRUCTION OF THE ASSERTED CLAIMS

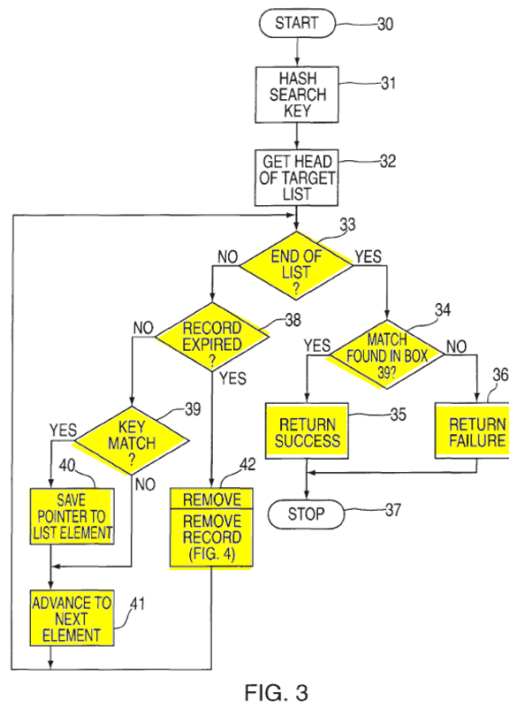
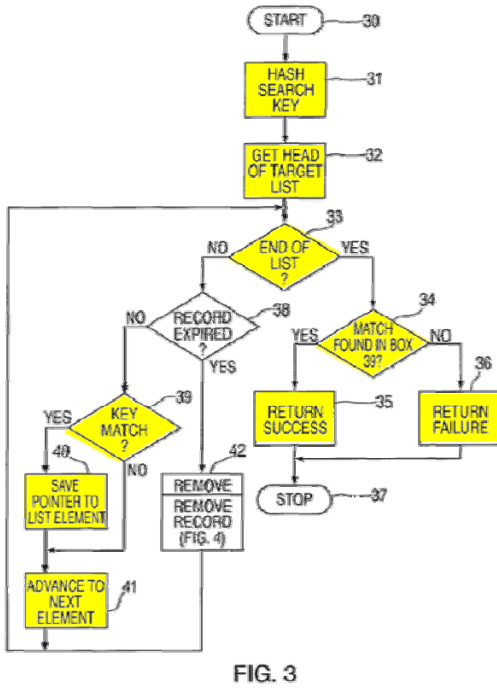
Magistrate Judge Love correctly construed the claims of the patent-in-suit, Dkt. No. 369, and the Court adopted his recommendations with little modification, Dkt. No. 554. Most relevant to this brief are the Court’s constructions for claim terms 1(b) and 1(c):

Claim Term	Court’s Construction
<p>1(b) a record search means utilizing a search key to access the linked list</p>	<p><u>Function:</u> utilizing a search key to access the linked list</p> <p><u>Structure:</u> CPU 10 and RAM 11 of FIG. 1 and col. 3 lines 52- 56 and portions of the application software, user access software or operating system software, as described at col. 4 lines 22-48, programmed with software instructions as described in Boxes 31-36 and Boxes 39-41 of FIG. 3 and in col. 5 line 53-col. 6 line 4 and col. 6 lines 14-20, and/or programmed with software instructions as described in the pseudo-code of Search Table Procedure (cols. 11 and 12) or Alternate Version of Search Table Procedure (cols. 11, 12, 13, and 14), and equivalents thereof.</p>
<p>1(c) the record search means including a means for identifying and removing at least some of the expired ones of the records from the linked list when the linked list is accessed, and</p>	<p><u>Function:</u> identifying and removing at least some of the expired ones of the records from the linked list when the linked list is accessed</p> <p><u>Structure:</u> CPU 10 and RAM 11 of FIG. 1 and col. 3 lines 52-56 and portions of the application software, user access software or operating system software, as described at col. 4 lines 22-48, programmed with software instructions as described in Boxes 33-42 of FIG. 3 and in col. 5 line 53-col. 6 line 34, and/or programmed with software instructions as described in the pseudo-code of Search Table Procedure (cols. 11 and 12) or Alternate Version of Search Table Procedure (cols. 11, 12, 13, and 14), and equivalents thereof.</p>

See Dkt. No. 369. The corresponding structure is most easily understood by highlighting the corresponding boxes of the Figure 3 from the '120 patent:

Corresponding Structure for Claim Term 1(b)

Corresponding Structure for Claim Term 1(c)



As illustrated, claim terms 1(b) and 1(c) use common structural components, and taking the constructions together, all components of figure 3 are necessary structure of claim 1. To support a finding of anticipation, Yahoo must be sufficient evidence to establish that the structure in the prior art performs the claimed function in at least substantially the same way to achieve at least substantially the same result as this structure in the Court's construction. See *Network Appliance*, 374 F. Supp. 2d at 839.

IV. JMOL IS INAPPROPRIATE

A. Yahoo's Evidence that the 1995 Linux Code Anticipates Claim 1 is Legally Deficient.

Yahoo has no legally sufficient evidence of equivalence, let alone evidence that demonstrates invalidity to a virtual certainty.

Claim Term 1(b). In its Motion, Yahoo cites to the evidence that it presented regarding the algorithm in the 1995 Linux code, but Yahoo’s attempt at trial to link that algorithm to the structure in the Court’s construction was entirely conclusory:

Q. So does the Linux prior art perform the same function as the record search means, applying the Court’s claim construction?

A. Yes, it does.

Q. And does it do it in substantially the same way to achieve substantially the same result?

A. Yes, sir, it does.

TT 5/10 p.m. at 190:12-18 (Williams). This conclusion of equivalence, without any articulation of the rationale underlying that conclusion, is insufficient. *See Mirror Worlds*, 2011 U.S. Dist. LEXIS 36451, at *30-31. It is not enough that Yahoo presented evidence to explain the structures in the alleged prior art. Yahoo is required to provide evidence linking that structure to the structure in the Court’s construction. *See id.*

Claim Term 1(c). Yahoo’s approach to claim 1(c) is similarly flawed. Yahoo claims in its Motion that the 1995 Linux code “discloses the identical function and structure of this Court’s Claim Construction Order,” *see* Mot. at 11, but the evidence it cites in support of this proposition is entirely conclusory. Yahoo’s first cite to the evidentiary record—TT 5/9 p.m. at 183:6-11—is simply Yahoo’s expert’s claim to have followed the Court’s claim constructions. Yahoo’s second cite to the evidentiary record—TT 5/9 p.m. at 187:25-188:18—is simply Yahoo’s expert explaining means-plus-function claim terms. Yahoo’s third and final cite to the evidentiary record is the following conclusory testimony:

Q. All right. Thank you. Does the Linux prior art perform the same function as Claim 1 -- as this element of Claim 1?

A. Yes, it does.

Q. And does it do it in substantially the same way and achieve the same result?

A. Yes, sir, it does.

TT 5/9/ p.m. at 191:15-21 (Williams).

Contrary to its assertion in its motion, Yahoo has no evidence that the structures are identical—its cited evidence relates only to equivalence. And as to that evidence, Yahoo’s conclusion of equivalence, without any articulation of the rationale underlying that conclusion, is insufficient. *See Mirror Worlds*, 2011 U.S. Dist. LEXIS 36451, at *30-31. It is not enough that Yahoo presented evidence to explain the structures in the alleged prior art. Yahoo is required to provide evidence linking that structure to the structure in the Court’s construction. *See id.* And it certainly cannot be said that Yahoo proved “the essential elements of [its] defense to a virtual certainty.” *See i4i*, 670 F. Supp. 2d at 584.

Because Yahoo failed to present legally sufficient evidence, it is in no way entitled to JMOL of invalidity.² Yahoo claims that “Bedrock does not dispute that the ’95 Linux Code discloses each element of claim 1.” *See Mot.* at 7. Not so. Bedrock’s expert, Dr. Mark Jones, provided testimony on rebuttal explaining that, unlike the structure in the Court’s construction, the hashing to the linked list and the normal operation on the linked list in the 1995 Linux code occurs in a different access from the garbage removal. *See TT 5/9 p.m. at 285:8-287:22.* Yahoo

² Yahoo similarly failed to present legally sufficient evidence for claim term 1(d):

Q. Right. Okay. So this last element is actually -- the Linux prior art code actually performs the identical function?

A. Yes, it does.

Q. Does it perform it in substantially the same way to achieve substantially the same result?

A. It does it in an equivalent way.

Q. And, again, the equivalent ways are under the Court’s construction for that last element because the record search -- it is the means utilizing record search means is entitled to equivalents.

A. It achieves substantially the same result in essentially the same way.

TT 5/9 p.m. at 193:13-25.

attacks this testimony as consisting of only “seven pages in the entire trial transcript,” *see* Mot. at 3, but as demonstrated above, Yahoo presented very little to rebut.

B. Yahoo Cannot Show That the NRL Code Renders Claim 1 Obvious.

Yahoo admits that the NRL code does not anticipate the claims of the '120 patent; Yahoo only argues for obviousness based on segments of disjointed structure in the NRL code. The NRL code has two relevant functions: *key_acquire()* and *key_search()*. The function *key_acquire()* traverses a linked list and removes expired records during that traversal; however, *key_acquire()* does not use a hash table or a hash function to get to the head of the linked list as required by the structure of claim term 1(c). TT 5/9 p.m. at 198:25-199:12; *see also* Mot. at 15 (admitting missing structure). The function *key_search()* accesses a linked list via a hash table and hash function, but it does not remove expired records during the access. TT 5/9 p.m. at 200:2-12. The functions *key_acquire()* and *key_search()* are completely separate algorithmic structures. TT 5/9 p.m. at 207:12-15 (“Q. But there is no one structure in that code that includes all the elements of the claims of the '120 patent, does it? A. That is correct.”). Nevertheless, Yahoo argues that, because the functionality across *key_acquire()* and *key_search()* could be combined, claim 1 of the '120 patent is obvious. *See* Mot. at 15-16. Yahoo, however, offers no legally acceptable theory as to why it would have been obvious to combine these two functions.

Yahoo first posits that one skilled in the art would have combined these functions because they are “side-by-side.” *See* Mot. at 16 (citing Williams’s testimony, TT 5/9 p.m. at 198:9-23). Persons of ordinary skill in the art are motivated to make combinations based on technical considerations rather than proximity. Yahoo’s second argument is expressly based on hindsight: “So it would be obvious to someone to combine those if they needed to, and you would get all the elements of the '120 patent.” TT 5/9 p.m. at 198:20-22. Yahoo’s *ex post* reasoning renders its obviousness analysis legally defective. *See KSR Int’l Co. v. Teleflex Inc.*,

550 U.S. 398, 421 (2007) (“A factfinder should be aware, of course, of the distortion caused by hindsight bias and must be cautious of arguments reliant upon *ex post* reasoning.”); *see also* *W.L. Gore & Associates, Inc. v. Garlock, Inc.*, 721 F.2d 1540, 1553 (Fed. Cir. 1983) (“To imbue one of ordinary skill in the art with knowledge of the invention in suit, when no prior art reference or references of record convey or suggest that knowledge, is to fall victim to the insidious effect of a hindsight syndrome wherein that which only the inventor taught is used against its teacher.”).

Nevertheless, Bedrock rebutted Yahoo’s hindsight-based obviousness theory and explained why the combination of *key_acquire()* and *key_search()* would not have been obvious—the NRL code, itself, teaches away from this combination. TT 5/9 p.m. at 289:7-20. Specifically, the NRL code contains a comment in the *key_acquire()* function that teaches that garbage collection “should really be done by a function like *key_reaper()*” *See* DX 37 at DEF00007964 (lines 1449-1451). The function *key_reaper()* that the comment refers to is standalone garbage collection. TT 5/9 p.m. at 208:4-6. Standalone garbage collection is the antithesis of “on-the-fly” garbage collection taught in the ’120 patent, which executes “while other types of access to the storage space are taking place.” *See* PX 1 at 2-55-57. That the NRL code itself teaches away from the ’120 patent is evidence of nonobviousness. *See* *KSR*, 550 U.S. at 416 (“[W]hen the prior art teaches away from combining certain known elements, discovery of a successful means of combining them is more likely to be nonobvious.”) (favorably discussing *United States v. Adams*, 383 U.S. 39 (1966)). As the NRL code expressly teaches away from the very hindsight-based combination that Yahoo advances in its Motion, Yahoo cannot possibly demonstrate that it proved that the patent is obvious “to a virtual certainty.” *See* *i4i*, 670 F. Supp. 2d at 584.

C. Dr. Nemes's Own '495 Patent Does Not Render Obvious Claim 1.

Yahoo claims that the Dr. Nemes's previous patent, U.S. Patent No. 5,121,495 (the "'495 patent," PX 4), renders the '120 patent obvious. *See* Mot. at 21. The '495 patent was before the USPTO in the original prosecution of the '120 patent, and the examiner initially rejected the '120 patent under the judicially created doctrine of double patenting in view of the '495 patent. *See* PX 2 at BTEX0000342. Dr. Nemes responded to this rejection by explaining the differences between the '495 patent and the '120 patent. *See id.* at BTEX0000364-366. The examiner agreed with Dr. Nemes's explanation and issued the patent. *See id.* at BTEX0000370-371.

In any event, Yahoo's obviousness argument fails at all points. First, Yahoo misstates the problem addressed by the '120 patent. Yahoo asserts that the problem faced by the '120 patent was "using hashing techniques in an information storage and retrieval system and on-the-fly removal of automatically expiring records from the hash table." *See* Mot. at 21. In this way, Yahoo sets out its obviousness analysis by improperly assuming the solution, i.e., on-the-fly garbage collection, as the problem. The actual problem faced by Dr. Nemes in conceiving the '120 is expressly stated in the patent itself: "The problem, then, is to provide the speed of access of hashing techniques for large, heavily used information storage systems having expiring data and, at the same time, prevent the performance degradation resulting from the accumulation of many expired records." PX 1 at 2:22-26.

Yahoo's next mistake is its belief that "the only difference between the '120 patent and the '495 patent is how a hash collision is resolved." *See* Mot. at 21-22. Contrary to Yahoo's belief, the two patents are in fact very different:

Q. How is your new patent better than the old zigzag patent?

A. Well, as I just mentioned, it's simpler, less complex. Programmers have an easier time implementing it. That's number one.

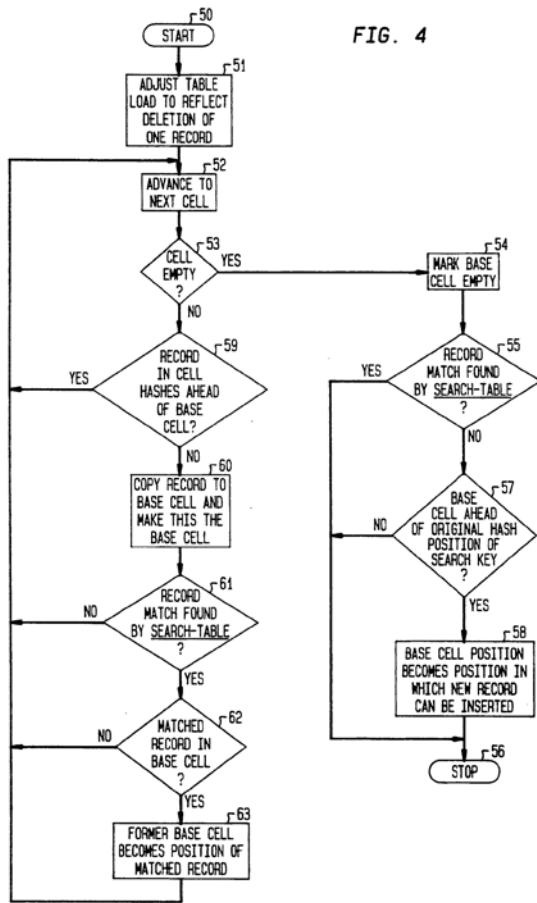
Number two, the '120 makes better use of memory than the '495. The '495, which uses this linear probing technique, requires that before the computer actually starts running, a section of memory has to be reserved for all the records. And you have to engineer that, keeping in mind your maximum needs. You have to say, well, I expect no more than a million records, let's say, so I have to accommodate for that. You may use in that day no more than the space required for, let's say, a thousand records, but you have to pre-allocate space for the full million records.

The '120, on the other hand, you allocate memory piecemeal. As a record comes in and you need to store it, you allocate a specific, small piece of memory just for that record. So it never wastes any memory in that pre-allocation. It's also -- the '120 can be faster than the '495 in that zigzag operation going through memory, the '495 periodically copies one record into the memory position that another record resides in. In the '120, there's no copying. When I was standing up there, you didn't see me doing any kind of copying.

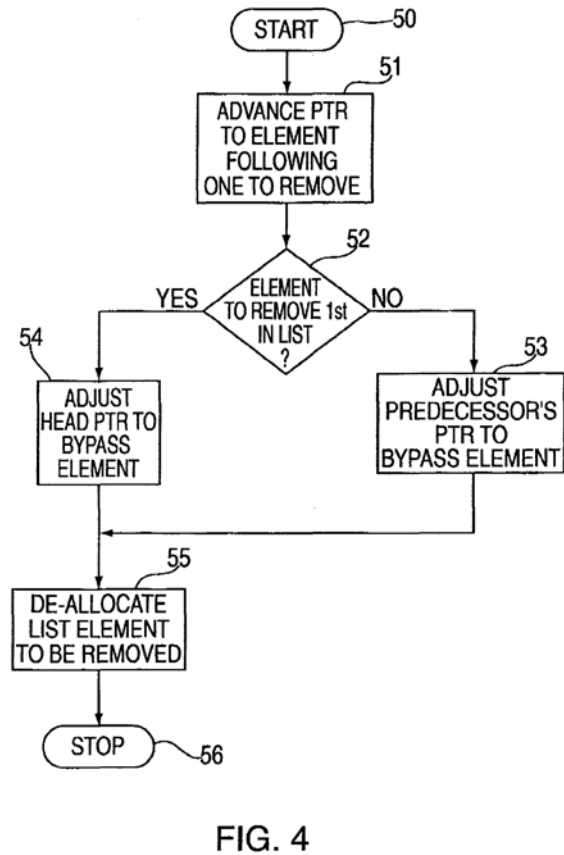
You also saw that in the '120, we were locking one particular list, and the other lists could be accessed by other processes in the computer. The '495 doesn't allow that multitasking. In the '495, when a single process is doing anything in the entire collection of data, no other process can be accessing the data.

See TT 4/27 p.m. at 12:22-14:5. Further, the structures in the '120 and '495 patents that perform the on-the-fly removal demonstrate the vast differences between the patents:

Removal in the '495 Patent



Removal in the '120 Patent



PX 4 and PX 1 (note that, in the '120 patent, the “remove procedure causes actual removal of the designated element by adjusting the predecessor pointer so that it bypasses the element to be removed.” '120::7:43-45.) As is illustrated by the figures, the '120 patent is much simpler than the '495 patent, and simplicity can be an indicium of nonobviousness. *See In re Mixon*, 59 C.C.P.A. 1396, 1400 (C.C.P.A. 1973) (“[S]implicity itself has on occasion been held to be an indicia of non-obviousness.”).³ In any event, the differences between the '120 and '495 patents undermine Yahoo’s assertion that the issue of obviousness can be cast as a choice between hash

³ *But see Tokai Corp. v. Easton Enters.*, 632 F.3d 1358, 1371 (Fed. Cir. 2011) (noting “the simplicity and availability of the components making up the claimed invention” in affirming a district court’s grant of summary judgment of obviousness).

collision resolution techniques, and Yahoo's arguments and evidence that flow from this incorrect assumption inescapably miss the point.⁴ As a result, Yahoo cannot possibly demonstrate that it proved that the patent is obvious "to a virtual certainty." *See i4i*, 670 F. Supp. 2d at 584.

D. None of Yahoo's Many Obviousness Combinations Invalidate Claim 2.

Yahoo repeatedly states that Bedrock "did not contest," "did not dispute," certain arguments that Yahoo makes in its Motion. And for good reason—what Yahoo argues in its Motion is much more than it presented at trial. Indeed, Yahoo repeatedly advances unsupported attorney argument where it failed to present critical testimony. As evidenced by the absence of citation to the trial record, the following sentences from Yahoo's brief should be, but are not, supported by evidence:

- "By placing a limit on the number of entries to examine on any particular sweep, the system disclosed in the Apple patent also determines a maximum number of entries that will be removed, because the system cannot remove more entries than it examines on any particular sweep." Mot. at 27;
- "Furthermore, the motivation existed to combine this art. Because the removal of expired records can be an expensive process, placing a hard limit on the number of removals, or garbage collection, occurring at any particular time would have been desirable in any number of the prior art systems and methods described above." Mot. at 27;

⁴ Yahoo asserts that its expert presented testimony comparing the constructions of the claims of the '120 patent to the '495 patent. *See* Mot. at 24 n.20. Yahoo, however, failed to present particularized, linked testimony. *See, e.g.*, TT 5/9 p.m. at 202:18-22 ("Q. That's Figure 3. What about Figures 5 and 7, is it the same? A. They are the same. They are the same or very similar. Again, the only difference would be in the hashing technique.") As a result, Yahoo's evidence is legally insufficient. *See Mirror Worlds*, 2011 U.S. Dist. LEXIS 36451, at *30-31.

- “A person of ordinary skill in the art would recognize that this simple ratio could be applied to dynamically setting the number of removals in the *ip_rt_hash_table* processing by, for example, computing the ratio of the number of entries in the *ip_rt_hash_table* to the number of active processes.” Mot. at 28.

Yahoo’s record at trial is much thinner than the unsupported argument it presents in its Motion. In fact, the transcript copied into Yahoo’s Motion on pages 25-26 is the entirety of Yahoo’s evidence that claim 2 is invalid. Moreover, Yahoo presented absolutely no testimony that any reference or system disclosed the necessary structural components of claim 2 or its equivalent. As a result, Yahoo cannot possibly demonstrate that it proved that the patent is obvious “to a virtual certainty.” *See i4i*, 670 F. Supp. 2d at 584.

V. THE COURT MAY DECIDE THE ISSUE OF INVALIDITY AS FACT FINDER

Rule 49(a) of the Federal Rules of Civil Procedure governs the disposition of the invalidity issue, where the jury was instructed to skip the question on invalidity if it failed to find infringement. Rule 49(a)(3) provides:

(3) *Issues Not Submitted.* A party waives the right to a jury trial on any issue of fact raised by the pleadings or evidence but not submitted to the jury unless, before the jury retires, the party demands its submission to the jury. If the party does not demand submission, the court may make a finding on the issue. If the court makes no finding it is considered to have made a finding consistent with its judgment on the special verdict.

FED. R. CIV. P. 49(a). Rule 51 requires that a party object to a jury instruction at the opportunity provided by the Court. FED. R. CIV. P. 51(c) and (d).

A party has the burden under Rules 49(a) and 51 to ensure that its issues are properly submitted to the jury in such a manner that the jury could and would decide those issues. *McDaniel v. Anheuser-Busch, Inc.*, 987 F.2d 298, 309 (5th Cir. 1993). By failing to object to the conditioning instruction to skip the invalidity question if the jury failed to find infringement,

Yahoo waived a jury finding on the issue and placed the fact finding in the hands of the Court. *Id.*; *Spectra-Physics, Inc. v. Coherent, Inc.*, 827 F.2d 1524, 1535 (Fed. Cir. 1987) (When conditioning caused jury not to answer invalidity question on best mode, the best mode issue, by operation of Rule 49(a) reverted to the Court for decision); *Therrell v. Georgia Marble Holdings Corp.*, 960 F.2d 1555, 1563 (11th Cir. 1992). The Court's finding under Rule 49 is reviewable under the "clearly erroneous" standard of Rule 52(a). *Spectra-Physics*, 827 F.2d at 1535; *Anderson v. Cryovac, Inc.*, 862 F.2d 910, 916 (1st Cir. 1988).

Even when a party has requested the submission of a particular issue as part of a special verdict, as Yahoo did, it will be held to have waived its right to trial by jury on the issue unless it objected to the failure to submit the question before the jury has retired. 9B Wright & Miller, FEDERAL PRACTICE & PROCEDURE § 2507 (3d ed. 2008). If the right to jury trial of an issue has been waived by a failure to demand its submission, the trial judge should make his or her own finding of fact on that issue. *Id.* If the court does not do so, it will be presumed on appeal that the lower court made whatever finding was necessary in order to support the verdict and judgment that was entered. *Id.*

For all the reasons discussed in Sections IV and V above, the Court should deny Yahoo's motion for JMOL and should instead find that Yahoo failed to prove invalidity by the requisite proof, under either the clear and convincing evidence standard or the preponderance standard, and should enter judgment against Yahoo on its affirmative defense and counterclaim of invalidity.

DATED: July 1, 2011

Respectfully submitted,
McKOOL SMITH, P.C.

/s/ Douglas A. Cawley

Sam F. Baxter

Texas Bar No. 01938000

McKOOL SMITH, P.C.

sbaxter@mckoolsmith.com

104 E. Houston Street, Suite 300

P.O. Box 0

Marshall, Texas 75670

Telephone: (903) 923-9000

Facsimile: (903) 923-9099

Douglas A. Cawley, Lead Attorney

Texas Bar No. 04035500

dcawley@mckoolsmith.com

Theodore Stevenson, III

Texas Bar No. 19196650

tstevenson@mckoolsmith.com

Scott W. Hejny

Texas Bar No. 24038952

shejny@mckoolsmith.com

Jason D. Cassady

Texas Bar No. 24045625

jcassady@mckoolsmith.com

J. Austin Curry

Texas Bar No. 24059636

acurry@mckoolsmith.com

Phillip M. Aurentz

Texas Bar No. 24059404

paurentz@mckoolsmith.com

Daniel R. Pearson

Texas Bar No. 24070398

dpearson@mckoolsmith.com

Stacie Greskowiak

Texas State Bar No. 24074311

sgreskowiak@mckoolsmith.com

Ryan A. Hargrave

Texas State Bar No. 24071516

rhargrave@mckoolsmith.com

McKOOL SMITH, P.C.

300 Crescent Court, Suite 1500

Dallas, Texas 75201

Telephone: 214-978-4000

Facsimile: 214-978-4044

Robert M. Parker
Texas Bar No. 15498000
Robert Christopher Bunt
Texas Bar No. 00787165
PARKER, BUNT & AINSWORTH, P.C.
100 E. Ferguson, Suite 1114
Tyler, Texas 75702
Telephone: 903-531-3535
Facsimile: 903-533-9687
E-mail: rmparker@pbatyler.com
E-mail: rcbunt@pbatyler.com

**ATTORNEYS FOR PLAINTIFF
BEDROCK COMPUTER
TECHNOLOGIES LLC**

CERTIFICATE OF SERVICE

I hereby certify that all counsel of record who are deemed to have consented to electronic service are being served with a copy of the forgoing document via the Court's CM/ECF system per Local Rule CV-5(a)(3) this 1st day of July, 2011.

/s/ Austin Curry
John Austin Curry