IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS TYLER DIVISION

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§	CASE NO. 6:09-CV-00446-LED
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PLAINTIFFS' SECOND AMENDMENTS TO THEIR PROPOSED FINAL JURY INSTRUCTIONS IN SECTION 5 OF DOCKET NUMBER NO. 1316-2

Plaintiffs Eolas Technologies Inc. and the Regents of the University of California submit the following second amendments to their proposed final jury instructions in Section 5 of the parties' Joint Proposed Final Jury Instructions for Invalidity Trial, Docket Number 1316-2.

With respect to Plaintiffs' proposal in 5.1 of Docket Number 1316-2, Plaintiffs propose the following substitution of the word "claim" for the word "patent," as shown below in yellow:

5. INVALIDITY

¹Plaintiffs reserve the right to modify or amend these proposed instructions prior to the Court's charge conference if so warranted.

5.1. INVALIDITY GENERALLY

[UC and Eolas propose: The granting of a patent by the United States Patent Office carries with it the presumption that the patent is valid.²]³ [Defendants propose: Patent invalidity is a defense to patent infringement.] Even though the PTO examiner has allowed the claims of a patent, you have the ultimate responsibility for deciding whether the claims of the patent are valid. In this case, Defendants contend that the asserted claims of the '906 and '985 patents are invalid as anticipated or obvious, and not supported by the written description in the patent.

[UC and Eolas propose: The issuance of a patent by the Patent Office provides a presumption that the patent is valid. From the issuance of the patent, it is presumed that a claimed invention is "novel," "useful," "not obvious," and satisfies the other legal requirements for a valid U.S. patent. You may consider whether or not the Patent Office examiner considered the prior art being asserted by the Defendants in making your evaluation. Each claim of a patent is presumed valid independently of the validity of the other claims.

²Adapted from *Bedrock Computer Technologies LLC v. Google, Inc.*, Civil Action No. 6:09-CV-269 LED (E.D. Tex. April 15, 2011); *Fractus S.A. v. Samsung Electronics Co.*, Civil Action No. 6:09-CV-203 (E.D. Tex. May 23, 2011).

³Defendants object—here and throughout the instructions—to a parallel instruction on the "presumption of validity," as redundant and potentially confusing. *See* National Jury Instruction Project, Model Patent Jury Instructions, Instruction 5.1 (June 17, 2009) ("The presumption of validity, like all legal presumptions, is a procedural device. In light of the procedural role of the presumption of validity, instructing the jury on the presumption in addition to informing it of the highly probable burden of proof may cause jury confusion as to its role in deciding invalidity.").

⁴Microsoft Corp. v. i4i Limited Partnership, 131 S.Ct. 2238, 2251 (2011).

[UC and Eolas propose: In making your determination as to whether a patent claim is valid or invalid, you must consider each patent and each of the claims of a patent separately and individually. If the evidence is clear and convincing that a claim in a given patent fails to meet the essential requirements of the patent laws, then that claim is invalid. However, if you find that one or more claims of a patent fails to meet the requirements of the patent laws, it does not necessarily mean that the remaining claims of that patent are also deficient or invalid.

Likewise, if you find that one or more claims of one patent is invalid, that does not necessarily mean that any claim of any other patent is similarly invalid.

The presumption of validity remains intact and the burden of proof remains on the party challenging validity, throughout this litigation. In other words, the clear and convincing standard does not weaken, and the burden of proof never shifts to the patent owner to prove that its patents are valid.⁵

I will now instruct you on the <u>law you must follow in considering invalidity</u>. As you consider these issues, remember the Defendants bear the burden of proving with clear and convincing evidence that the asserted claims are invalid.] But first, I will remind you of my previous instructions that the United States Constitution empowers the United States Congress

⁵This statement is taken verbatim from the Court's Final Jury Instructions in *Mirror Worlds, LLC v. Apple, Inc.*, Civil Action No. 6:08-CV-88 LED (E.D. Tex. Oct. 1, 2010); and *Fractus S.A. v. Samsung Electronics Co.*, Civil Action No. 6:09-CV-203 (E.D. Tex. May 23, 2011).

Defendants object to discussion of the burden of proof here—and in the numerous other places Plaintiffs repeat it throughout the instructions—as inappropriate and cumulative of the one section where it ought to be addressed: the instruction regarding burden of proof. There is only a single burden of proof in this invalidity trial. The Court only needs to state and explain that burden once in these instructions. As noted previously, Defendants also object to parallel instruction on the "presumption of validity," as redundant and potentially confusing. See n. [10].

to enact patent laws and issue patents to protect inventions. The United States patent system achieves this purpose by granting to the owner of a patent the right for the life of the patent, to exclude other persons, from making, using, offering for sale or selling in the United States the invention covered by the patent. You must follow the law as I instruct you. You may not determine to invalidate a patent merely because you believe the invention should be dedicated to the public].

[Defendants propose: To prove invalidity of any patent claim, Defendants must establish factual matters concerning invalidity by clear and convincing evidence. The clear-and-convincing-evidence standard applies only to questions of fact and therefore does not apply to your determination where, on the facts as you have found them, a claimed invention was obvious. ⁷

Defendants' burden may be easier to sustain if all material facts were not before the PTO when it issued a patent. Thus, you should consider whether you have heard evidence that the Patent Office had no opportunity to evaluate. You should determine whether the evidence you have heard is materially new and was not considered by the Patent Office as part of its decision to grant the patents. You should consider the fact that the Patent Office was unaware

⁷ Microsoft Corp. v. i4i Ltd. P'ship, 131 S. Ct. 2238, 2253 (Breyer, J., concurring); Addington v. Texas, 441 U.S. 418, 423 (1979).

of this evidence in determining whether Defendants have met their burden of proof	of this	evidence	in d	etermining	whether	Defendants	have r	met their	burden	οf	nroof.8
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⁸Jury Instr. No. 6.1 in *Bedrock Computer Techs. LLC v. Google Inc.*, No. 6:09-CV-269-LED (E.D. Tex. Apr. 15, 2011) (D.I. 745); 35 U.S.C. § 282; *Microsoft Corp. v. i4i Ltd. P'ship*, 131 S. Ct. 2238, 2251 (2011); *Mendenhall v. Cedarapids, Inc.*, 5 F.3d 1557, 1563-64 (Fed. Cir. 1993).

The Regents of the University of California and Eolas object to the two paragraphs Defendants propose because they are inaccurate and/or incomplete statements of the law and/or improper comments.

DATED: February 7, 2012.

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CERTIFICATE OF SERVICE

The unde	rsigned ce	rtifies that the t	foregoing doc	ument was fil	led electronic	cally in co	mpliance
with Local Rule	CV-5(a).	This documen	t was served	on all counse	l by email or	n February	7, 2012.

/s/John Campbell	_
John Campbell	