

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

LEADER TECHNOLOGIES, INC., a
Delaware corporation,

Plaintiff-Counterdefendant,

v.

FACEBOOK, INC., a Delaware corporation,

Defendant-Counterclaimant.

Civil Action No. 08-862-JJF/LPS

FINAL JURY INSTRUCTIONS

TABLE OF CONTENTS

1.0 GENERAL INSTRUCTIONS 3

NO. 1.1 3
INTRODUCTION

NO. 1.2 4
JURORS' DUTIES

NO. 1.3 5
EVIDENCE DEFINED

NO. 1.4 6
DIRECT AND CIRCUMSTANTIAL EVIDENCE

NO. 1.5 8
CONSIDERATION OF EVIDENCE

NO. 1.6 9
STATEMENTS OF COUNSEL

NO. 1.7 10
CREDIBILITY OF WITNESSES

NO 1.8 12
NUMBER OF WITNESSES

NO. 1.9 13
EXPERT TESTIMONY

NO. 1.10 14
DEPOSITION TESTIMONY

NO. 1.11 15
BURDEN OF PROOF

NO. 1.12 16
USE OF NOTES

2.0 THE PARTIES AND THEIR CONTENTIONS 17

NO. 2.1 17
THE PARTIES

NO. 2.2	18
THE PARTIES' CONTENTIONS	
NO. 2.3	19
SUMMARY OF PATENT ISSUES	
NO. 2.4	20
STATEMENT OF UNDISPUTED FACTS	
3.0 INFRINGEMENT	21
NO. 3.1	21
THE PATENT LAWS	
NO. 3.2	22
THE ASSERTED CLAIMS	
NO. 3.3	23
INDEPENDENT AND DEPENDENT CLAIMS	
NO. 3.4	24
CLAIM CONSTRUCTION FOR THE CASE	
NO. 3.5	25
OPEN ENDED OR "COMPRISING" CLAIMS	
NO. 3.6	27
PATENT INFRINGEMENT GENERALLY	
NO. 3.7	28
DIRECT LITERAL INFRINGEMENT	
NO. 3.8	29
INFRINGEMENT UNDER THE DOCTRINE OF EQUIVALENTS	
NO. 3.9	30
INFRINGEMENT: COMPARE FACEBOOK TO CLAIMS OF THE '761 PATENT	

NO. 4.1	31
VALIDITY – IN GENERAL	
NO. 4.2	32
PRIOR ART	
NO. 4.3	34
INVENTION DATE: CONCEPTION AND REDUCTION TO PRACTICE	
NO. 4.4	36
PRIOR ART – EFFECTIVE FILING DATE	
NO. 4.5	37
ANTICIPATION	
NO. 4.6	39
ANTICIPATION: PRIOR PUBLIC USE	
NO. 4.7	41
ON SALE BAR	
NO. 4.8	43
EXPERIMENTAL USE	
NO. 4.9	45
PRINTED PUBLICATION	
NO. 4.10	46
OBVIOUSNESS – GENERALLY	
NO. 4.11	49
SCOPE AND CONTENT OF THE PRIOR ART	
NO. 4.12	50
DO NOT CONSIDER WHAT WILL HAPPEN AFTER TRIAL	
5.0 DELIBERATIONS AND VERDICT	51
NO. 5.1	51
DELIBERATION AND VERDICT	
NO. 5.2	52
UNANIMOUS VERDICT	
NO. 5.3	53

DUTY TO DELIBERATE

NO. 5.4 54

COURT HAS NO OPINION

1.0 GENERAL INSTRUCTIONS

JURY INSTRUCTION NO. 1.1

INTRODUCTION

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.

I will explain some rules that you must use in evaluating particular testimony and evidence.

I will explain the positions of the parties and the law you will apply in this case.

Finally, 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 your 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.

JURY INSTRUCTION NO. 1.2

JURORS' DUTIES

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 I have said or done during this trial was meant to influence your decisions 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 each of the issues presented. 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.

JURY INSTRUCTION NO. 1.3

EVIDENCE DEFINED

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, and any facts that the parties agreed to by stipulations (which I will tell you about as part of these instructions).

Nothing else is evidence. The lawyers' statements and arguments are not evidence. Their questions and objections are not evidence. My legal rulings are not evidence. 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 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 follow my orders and 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 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. 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.

JURY INSTRUCTION NO. 1.4

DIRECT AND CIRCUMSTANTIAL EVIDENCE

You have heard the terms "direct evidence" and "circumstantial evidence."

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

Circumstantial evidence is simply 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 than the other. You should consider all the evidence, both direct and circumstantial, and give it whatever weight you believe it deserves.

JURY INSTRUCTION NO. 1.5

CONSIDERATION OF EVIDENCE

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.

JURY INSTRUCTION NO. 1.6

STATEMENTS OF COUNSEL

A further word about statements and arguments of counsel. The attorney's 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.

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.

JURY INSTRUCTION NO. 1.7

CREDIBILITY OF WITNESSES

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 is evidence tending to prove that the witness testified falsely about some important fact, or, whether there is evidence that at some other time the witness said or did something, or failed to say or do something was different from the testimony he or she gave at 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 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.

JURY INSTRUCTION NO. 1.8

NUMBER OF WITNESSES

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.

JURY INSTRUCTION NO. 1.9

EXPERT TESTIMONY

Expert testimony is testimony from a person who has a special skill or knowledge in some science, profession, or business. This skill or knowledge is not common to the average person but has been acquired by the expert through special study or experience.

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.

JURY INSTRUCTION NO. 1.10

DEPOSITION TESTIMONY

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.

Deposition testimony is entitled to the same consideration and is to be judged, insofar as possible, in the same way as if the witness had been present to testify.

JURY INSTRUCTION NO. 1.11

BURDEN OF PROOF

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

Leader has the burden of proving patent infringement by what is called a preponderance of the evidence. When a party has the burden of proof by a preponderance of the evidence, it means that you must be persuaded that what the party seeks to prove is more probably true than not true. To put it differently, if you were to put Leader's and Facebook's evidence on the opposite sides of a scale, the evidence supporting Leader's assertions would have to make the scales tip somewhat on its side.

Facebook is also contending that the asserted claims of the '761 Patent are invalid. Because patents are presumed valid, Facebook must prove its claims that the '761 Patent is invalid by clear and convincing evidence. When a party has the burden of proof by clear and convincing evidence, it means that the evidence must produce in your mind a firm belief and conviction that it is highly probable that the matter sought to be established is true. Proof by clear and convincing evidence, therefore, is a higher burden than proof by a preponderance of the evidence.

You may have heard of the "beyond a reasonable doubt" burden of proof from criminal cases. That requirement is the highest burden of proof. It does not apply to civil cases and, therefore, you should put it out of your mind.

JURY INSTRUCTION NO. 1.12

USE OF NOTES

You may use notes taken during the 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.

2.0 THE PARTIES AND THEIR CONTENTIONS

JURY INSTRUCTION NO. 2.1

THE PARTIES

I will now review for you the parties in this action, and the positions of the parties that you will have to consider in reaching your verdict. The plaintiff is Leader Technologies, Inc., which I refer to as "Leader." The defendant is Facebook Inc., which I refer to as "Facebook."

Leader is the owner of United States Patent No. 7,139,761. I refer to this patent as the '761 Patent.

JURY INSTRUCTION NO. 2.2

THE PARTIES' CONTENTIONS

Leader contends that Facebook infringes Claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31, and 32 of United States Patent No. 7,139,761. These claims may be referred to as the "asserted claims."

Facebook contends that it does not infringe any of the asserted claims of the '761 Patent. Facebook further contends that the asserted claims are invalid.

JURY INSTRUCTION NO. 2.3

SUMMARY OF PATENT ISSUES

You must decide the following issues in this case:

1. Whether Leader has proven by a preponderance of the evidence that Facebook's manufacture or use of the Facebook website, or the methods practiced by the Facebook website, infringe any asserted claim of the '761 patent, either literally or under the doctrine of equivalents.
2. Whether Facebook has proven by clear and convincing evidence that any asserted claim of the '761 patent is invalid due to anticipation, obviousness, prior public use, or the on-sale bar.

JURY INSTRUCTION NO. 2.4

STATEMENT OF UNDISPUTED FACTS

The following facts are undisputed between the parties:

1. Leader is the assignee of all ownership rights, title, and interest in the '761 Patent.
2. The '761 Patent issued on November 21, 2006.
3. Facebook owns and operates the Facebook website which is currently located at www.facebook.com and was formerly located at www.thefacebook.com.
4. Facebook was launched on February 4, 2004.
5. Facebook provides a developer wiki at http://wiki.developers.facebook.com/index.php/Main_Page and <http://developers.facebook.com/docs/>.

3.0 INFRINGEMENT

JURY INSTRUCTION NO. 3.1

THE PATENT LAWS

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, they will be available to you in the jury room.

JURY INSTRUCTION NO. 3.2

THE ASSERTED CLAIMS

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

The patent claims involved here are Claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31, and 32 of the '761 Patent, which are located in Columns 20, 21, 22, 23, and 24 of the '761 Patent, which is exhibit PTX 001 in evidence. 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 patent 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.

JURY INSTRUCTION NO. 3.3

INDEPENDENT AND DEPENDENT CLAIMS

This case involves two types of patent claims, referred to as independent 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, Claims 1, 9, 21 and 23 of the '761 Patent are each independent claims.

The remainder of the claims in the '761 Patent are "dependent claims." For example, Claims 4 and 7 depend upon Claim 1. Claims 11 and 16 depend upon Claim 9. Claims 25, 31, and 32 depend upon Claim 23. 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 other claim or claims to which it refers, as well as the additional requirements recited in the dependent claim itself. Therefore, to determine the scope of a dependent claim, it is necessary to look at both the dependent claim and the other claim or claims to which it refers. 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.

JURY INSTRUCTION NO. 3.4

CLAIM CONSTRUCTION FOR THE CASE

I will now explain to you the meaning of some of the words of the claims in this case. In doing so, I will explain some of the requirements of the claims. You must accept my definition of these words in the claims as correct. 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 instruct you that the following claim terms have the following definitions:

1. The term "context" means "environment." The term "context" appears in Claims 1, 4, 7, 23, and 25 of the '761 Patent.
2. The term "component" means "a computer-related entity, either hardware, a combination of hardware and software, software, or software in execution." The term "component" appears in Claims 1, 4, 7, 23, 25, 31 and 32 of the '761 Patent.
3. The term "many-to-many functionality" means "two or more users able to access two or more data files." The term "many-to-many functionality" appears in Claim 32 of the '761 Patent.
4. The term "dynamically" means "automatically and in response to the preceding event." The term "dynamically" appears in Claims 1, 9, 21 and 23 of the '761 Patent.
5. The term "wherein" means "in which." The term "wherein" appears in claims 1, 7, 9, 23, 25, 31, and 32.

You must not taken into consideration any argument that the prosecution history of the patent or the specification of the patent may suggest a different definition of the terms set forth in this instruction. You are not permitted to use any alternative or modified definition in your determination of the infringement and invalidity issues in this case.

JURY INSTRUCTION NO. 3.5

OPEN ENDED OR "COMPRISING" CLAIMS

The preamble to Claim 1 uses the phrase "[a] computer-implemented network-based system that facilitates management of data, comprising . . ."

The preamble to Claim 9 uses the phrase "[a] computer-implemented method of managing data, comprising computer executable acts of . . ."

The preamble to Claim 21 uses the phrase "[a] computer-readable medium for storing computer-executable instructions for a method of managing data, the method comprising . . ."

The word "comprising" means "including the following but not excluding others."

If you find that Facebook's computer-readable medium practices all of the elements in Claim 1, 9, or 21, the fact that Facebook's computer readable medium might include additional steps would not avoid literal infringement of a claim that uses "comprising" language.

JURY INSTRUCTION NO. 3.6

PATENT INFRINGEMENT GENERALLY

I will now instruct you how to decide whether or not Facebook has infringed the '761 Patent. Infringement is assessed on a claim-by-claim basis. Therefore, there may be infringement as to one claim but no infringement as to another.

In this case, Leader has alleged that Facebook directly infringes Claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31, and 32 of the '761 Patent.

In order to prove infringement, Leader must meet its burden of proof of a preponderance of the evidence, i.e., that it is more likely than not that all of the requirements for infringement have been proven.

JURY INSTRUCTION NO. 3.7

DIRECT LITERAL INFRINGEMENT

In order to directly and literally infringe a patent claim, a product must include every limitation or element of the claim. If the accused Facebook system or method omits even a single element recited in a patent claim, then you must find that the accused Facebook system or method has not literally infringed that claim.

Facebook can also be liable for direct literal infringement of a method claim (that is, independent claim 9 of the '761 Patent and its dependent claims, claims 11 and 16) if, by itself or in combination with a third party, it performs all the steps of the claimed method. For Facebook to be liable for the acts of third parties, Leader must have proven, by a preponderance of the evidence, that Facebook controls or directs the activity of those parties who perform the steps of the method claims.

Determining whether Facebook controls or directs the activity of those parties who perform the steps of the method claims is a factual question for you alone to decide. In making this determination, factors you may consider include: whether the claims at issue require those third parties to take action for the claims to be performed, or, alternatively, whether the third parties merely activate functions already present in the underlying invention; whether there is a contractual relationship between Facebook and the third parties; whether users of Facebook are agents of Facebook; and whether Facebook supplies the instrumentalities, tools, and the website for the person using the website.

JURY INSTRUCTION NO. 3.8

INFRINGEMENT UNDER THE DOCTRINE OF EQUIVALENTS

If you decide that Facebook does not literally infringe an asserted patent claim, you must then decide whether Facebook infringes the asserted claim under what is called the "doctrine of equivalents."

Under the doctrine of equivalents, Facebook can only infringe an asserted patent claim if the Facebook website includes parts or steps that are identical or equivalent to the requirements of the claim. If there is missing an identical or equivalent part or step to even one part or step of the asserted patent claim, Facebook 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 the Facebook website 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 to prove infringement by "equivalents," Leader must prove the equivalency of the structure or action to a claim element by a preponderance of the evidence.

JURY INSTRUCTION NO. 3.9

INFRINGEMENT: COMPARE FACEBOOK TO CLAIMS OF THE '761 PATENT

Members of the jury, in considering all the evidence and determining if Leader has proven that Facebook infringes the asserted claims of the '761 Patent, you may only compare the Facebook website to the asserted claims of the '761 Patent. You should not compare any of Leader's products with the Facebook website.

4.0 VALIDITY DEFENSES

JURY INSTRUCTION NO. 4.1

VALIDITY – IN GENERAL

The granting of a patent by the Patent Office carries with it the presumption that the patent is valid. Facebook contends that all of the asserted claims of the '761 Patent are invalid. I will now instruct you on the rules you must follow in deciding whether or not Facebook has proven that Claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31 and 32 of the '761 Patent are invalid.

To prove that any claim of a patent is invalid, Facebook must persuade you by clear and convincing evidence, i.e., you must be left with a clear conviction that the claim is invalid.

JURY INSTRUCTION NO. 4.2

PRIOR ART

Under the patent laws, a person is entitled to a patent only if the invention claimed in the patent is new and nonobvious in light of what came before. That which came before is referred to as "prior art." Prior art includes any of the following items if they were received into evidence during trial:

1. any patent that issued more than one year before the effective filing date of the '761 Patent;
2. any printed publication that was published more than one year before the effective filing date of the '761 Patent;
3. any product or method that was in public use or on sale in the United States more than one year before the effective filing date of the '761 Patent;
4. any printed publication that was published prior to the invention date of the '761 Patent;
5. any published United States patent application or issued United States patent with a filing date that predates the invention date of the '761 Patent; and
6. any product or method that was known or used by others in the United States prior to the invention date of the '761 Patent.

Facebook contends that the following are prior art:

1. European Patent No. EP 1087306 ("Hubert '306")
2. U.S. Patent No. 7,590,934 ("Hubert '934")
2. U.S. Patent No. 6,236,994 ("Swartz '994")

- 3 iManage DeskSite 6.0 User Reference Manual ("iManage")
4. U.S. Patent No. 6,434,403 B1 ("Ausems '403")
5. Leader's Leader2Leader product ("Leader2Leader")

The date of the invention and the date of filing of the patent application may affect what is prior art. In this case, Leader contends its invention date is August 19, 1999, which is its date of conception of the invention, and that its effective filing date is December 11, 2002, the date of Leader's filing of the provisional patent application. Facebook contends the invention date and the effective filing date are both December 10, 2003, which is the date of the filing of the patent application. I will give you instructions later regarding how to determine the invention date and the effective filing date. Once you have decided the invention date and the effective filing date, you can determine what is prior art in this case.

During Leader's cross-examination of Facebook's expert Professor Greenberg, Leader's counsel made statements implying that the U.S. Patent Office examiner who worked on the '761 patent, Diane Mizrahi, was aware of and considered the Swartz patent. I instruct you not to draw such a connection. Because of Patent Office procedures, it would not be reasonable for you to draw the inference that the Examiner, Ms. Mizrahi, was aware of and considered the Swartz patent during prosecution of the '761 patent.

With respect to Facebook's contentions that the '761 patent is invalid due to anticipation or obviousness due to prior art, the only relevant comparisons are between the claims of the '761 patent and the disclosures of the prior art references. What the PTO, or the Examiner of the '761 patent, considered or did not consider is not relevant to your determination and should not be considered by you.

JURY INSTRUCTION NO. 4.3

INVENTION DATE: CONCEPTION AND REDUCTION TO PRACTICE

I will now explain to you how you will determine the invention date that I mentioned earlier. The date of invention is either when the invention was reduced to practice or when it was conceived, provided the inventor was diligent in reducing the invention to practice.

Conception is the mental part of an inventive act, i.e., the formation in the mind of the inventor of a definite and permanent idea of the complete and operative invention as it is thereafter to be applied in practice, even if the inventor did not know at the time that the invention would work. Conception of an invention is complete when the idea is so clearly defined in the inventor's mind that, if the idea were communicated to a person having ordinary skill in the field of the technology, he or she would be able to reduce the invention to practice without undue research or experimentation. This requirement does not mean that the inventor has to have a prototype built, or have actually explained the invention to another person. But, there must be some evidence beyond the inventor's own testimony that confirms the date on which the inventor had the complete idea. Conception may be proven when the invention is shown in its complete form by drawings, disclosure to another person, or other forms of evidence presented at trial. Conception must include every feature or limitation of the claims invention

Diligence means working continuously, though not necessarily every day. If an inventor attempts to rely on an earlier date of conception, it must show that it exercised reasonable diligence throughout the entire period between the date of conception and the date the invention was reduced to practice. This requires the inventor to show that it took specific and affirmative acts during this entire period that were directly related to the reduction to practice of the

invention at issue, and that acceptable excuses be provided for any periods of inactivity.

Voluntarily setting aside development of the alleged invention, or taking time to commercially exploit an invention, or a separate product or invention, do not constitute acceptable excuses.

A claimed invention is "reduced to practice" when it has been constructed/used/ tested sufficiently to show that it will work for its intended purpose or when the inventor files a patent application. An invention may also be reduced to practice even if the inventor has not made or tested a prototype of the invention if it has been fully described in a filed patent application.

If you find that Leader has proven a conception date of August 19, 1999 and that Leader was diligent in reducing the invention to practice, then the invention date is August 19, 1999. If you do not find that Leader has proven conception and reduction to practice, then the invention date is the same date as the effective filing date.

JURY INSTRUCTION NO. 4.4

PRIOR ART – EFFECTIVE FILING DATE

Leader filed a "provisional" patent application on December 11, 2002. You must determine whether the asserted claims of the '761 Patent are sufficiently supported by the provisional application. Leader contends that the asserted claims of the '761 patent are entitled to the filing date of the provisional application, while Facebook contends that the asserted claims are not.

Leader may rely on the filing date of its provisional application to establish the effective filing date if the application teaches one of ordinary skill in the art to make and use the claimed invention of the '761 Patent, and to do so without undue experimentation. Additionally, the provisional application must disclose each and every element of the asserted claims of the '761 Patent.

If you determine that Leader has shown by a preponderance of the evidence that the effective filing date is December 11, 2002, then Facebook must prove by clear and convincing evidence that this is not the correct effective filing date.

If you find that Leader is entitled to an effective filing date that is the same date as the filing date of the provisional application, then December 11, 2002 is the effective filing date of the '761 Patent for purposes of validity and the prior art.

JURY INSTRUCTION NO. 4.5

ANTICIPATION

A person cannot obtain a patent if someone else already has made an identical invention. Simply put, the invention must be new. An invention that is not new or novel is said to be "anticipated by the prior art." Under the U.S. patent laws, an invention that is "anticipated" is not entitled to patent protection. To prove anticipation, Facebook must prove with clear and convincing evidence that the claimed invention is not new.

In this case, Facebook contends that Claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31 and 32 of the '761 Patent are anticipated. To anticipate a claim, each and every element in the claim must be present in a single item of prior art that is dated at least one year prior to the effective filing date. You may not combine two or more items of prior art to prove anticipation. In determining whether every one of the elements of the claimed invention is found in the prior art you should take into account what a person of ordinary skill in the art would have understood from his or her examination of the particular prior art.

In determining whether the single item of prior art anticipates a patent claim, you should take into consideration not only what is expressly disclosed in the particular item of prior art, but also what inherently resulted from its practice. This is called "inherency." To establish inherency, the evidence must make clear that the prior art necessarily resulted in the missing descriptive matter and that it would have been so recognized by a person of ordinary skill of the art at the time the patent application was filed.

You must keep these requirements in mind and apply them to each piece of prior art you consider in this case. There are additional requirements that apply to the particular categories of anticipation that Facebook contends apply in this case. I will now instruct you about those.

JURY INSTRUCTION NO. 4.6

ANTICIPATION: PRIOR PUBLIC USE

Facebook contends that claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31 and 32 of the '761 Patent are invalid because the alleged invention described in those claims was in "public use" more than one year before the effective filing date of the patent. To prove public use of a particular claim, Facebook must prove by clear and convincing evidence that (1) Leader disclosed a product that meets all the elements of that claim to the public more than one year before the effective filing date and (2) the invention disclosed in that claim was ready for patenting when alleged public use occurred.

Any use of the alleged invention of a patent by any person who is under no limitation, restriction or obligation of secrecy to the inventor may constitute a "public use" that invalidates the patent if the use occurred more than one year prior to the effective filing date of the patent. For example, a demonstration of a product that embodies the alleged invention of a patent claim may constitute a "public use" that renders the claim invalid if the person who received the demonstration was under no legal obligation to the inventor to maintain its secrecy. The absence of affirmative steps to maintain the secrecy of a prior use of the alleged invention is evidence of a public use.

The law does not require a prior use of an alleged invention be widely disseminated in order to qualify as a "public" use. The disclosure of the invention to even a single third party may qualify as a "public" use provided that the third party was under no legal obligation to the inventor to maintain its secrecy. Mere knowledge of the invention by the public is not sufficient.

An invention is ready for patenting either when it is reduced to practice or when the inventor has enabled the invention by preparing drawings or other descriptions of the invention sufficient to allow a person of ordinary skill in the art to make or use the invention.

JURY INSTRUCTION NO. 4.7

ON SALE BAR

A patent claim is invalid if it can be shown by clear and convincing evidence that an embodiment that contains all the elements of that claim was, more than one year before the effective filing date, both (1) subject to commercial offer for sale in the United States; and (2) ready for patenting. Facebook contends that Claims 1, 4, 7, 9, 11, 16, 21, 23, 25, 31 and 32 of the '761 Patent are anticipated because the invention was on sale in the United States more than one year before the effective filing date.

In this case, Facebook must prove by clear and convincing evidence that a product that met all the limitations of the asserted claims was ready for patenting and was offered for sale more than a year prior to the effective filing date. Once again, your determination of the effective filing date will affect whether or not you find that a commercial offer for sale of the Leader invention occurred more than a year from the effective filing date. However, it is irrelevant whether or not the offer for sale was secret or non-secret.

An invention was "on sale" if the claimed invention was embodied in the thing commercially offered for sale. An offer for sale need not be accepted to trigger the on-sale bar. That the offer, even if accepted, might not have ultimately led to an actual sale of the invention is also not relevant. The essential question is whether or not there was an attempt to obtain commercial benefit from the invention. An offer to sell can invalidate a patent even if the offer was secret, such as under the protection of a non-disclosure agreement.

An invention is ready for patenting either when it is reduced to practice or when the inventor has enabled the invention by preparing drawings or other descriptions of the invention

sufficient to allow a person of ordinary skill in the art to make or use the invention. The claimed invention is ready for patenting when there is reason to believe it would work for its intended purpose.

JURY INSTRUCTION NO. 4.8

EXPERIMENTAL USE

Leader contends that there were no public demonstrations or offers for sale of the invention more than a year prior to the effective filing date. One reason for Leader's contention is the law of experimental use. The law recognizes the defense of experimental use to claims of public use and offer for sale, because an inventor must be given the opportunity to develop the invention. If the public use or offer for sale was an experimental use performed in order to bring the invention to perfection or to determine if the invention was capable of performing its intended purpose, then such a use does not invalidate the claim.

Certain activities are experimental if they are a legitimate effort to perfect the invention or to determine if the invention will work for its intended purpose. So long as the primary purpose is experimentation, it does not matter that the public used the invention or that the inventor incidentally derived profit from it.

Only experimentation by or under the control of the inventor of the patent qualifies for this exception. Experimentation by a third party, for its own purposes, does not. The experimentation must relate to the features of the claimed invention, and it must be for the purpose of technological improvement, not commercial exploitation. A test done primarily for marketing, and only incidentally for technological improvement, is not an experimental use, but a public use. If any commercial exploitation does occur, it must be merely incidental to the primary purpose of experimentation.

If you find that Facebook has shown a prior public use or offer for sale of an invention that meets all the elements of the asserted claim at issue by clear and convincing evidence, then Leader must prove by a preponderance of the evidence that the purpose of the prior public use or alleged offer for sale was experimental.

JURY INSTRUCTION NO. 4.9

PRINTED PUBLICATION

For a printed publication to anticipate a patent claim, it must, when read by a person of ordinary skill in the art, expressly disclose each element of the claimed invention to the reader. The disclosure must be complete enough to enable one of ordinary skill in the art to practice the invention without undue experimentation. When the printed publication is an issued U.S. Patent, that patent is presumed to be enabling.

To prove anticipation of the patented invention, Facebook must show by clear and convincing evidence that before the effective filing date, a third party disclosed in a printed publication or that the third party patented an invention which included all of the elements of the asserted claims of the '761 Patent.

In addition, a printed publication must be reasonably accessible to those members of the public who would be interested in its contents. It is not necessary that the printed publication be available to every member of the public. The information must, however, have been maintained in some form, such as printed pages, microfilm, or photocopies. An issued patent is a printed publication. A published patent application is a printed publication as of its publication date.

JURY INSTRUCTION NO. 4.10

OBVIOUSNESS – GENERALLY

Even though an invention may not have been identically disclosed or described 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 field of technology of the patent at the time the patent was filed.

Facebook may establish that the patent claims are invalid by showing that the claimed invention would have been obvious to persons of ordinary skill in the art at the time the patent filed. In determining whether a claimed invention is obvious, you must consider the level of ordinary skill in the field of computer science that someone would have had at the time the claimed invention was made, the scope and content of the prior art, and any differences between the prior art and the claimed invention.

In deciding what the level of ordinary skill for the '761 Patent 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.

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 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 computer science 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 function(s); (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.

In determining whether the claimed invention was obvious, consider each claim separately. Consider only what was known at the time of the invention; do not use hindsight.

In making these assessments, you should take into account any objective evidence (sometimes called "secondary considerations") that may have existed at the time of the invention and afterwards that may shed light on the obviousness or not of the claimed invention.

Secondary considerations of non-obviousness are Leader's rebuttal to Facebook's claim of obviousness. They include:

(1) whether the invention was commercially successful as a result of the merits of the claimed invention (rather than the result of design needs or market-pressure advertising or similar activities). The Facebook website is commercially successful. It is for you, of course, to determine whether the Facebook website contains all of the elements of any of the asserted claims of the '761 patent;

(2) whether there was a long-felt need for a solution to the problem facing the inventors, which was satisfied by the claimed invention;

(3) whether others had tried and failed to make the invention;

(4) whether others invented the invention at roughly the same time;

(5) whether others copied the invention;

(6) whether there were changes or related technologies or market needs contemporaneous with the invention;

(7) whether the invention achieved unexpected results;

(8) whether others in the field praised the invention;

(9) whether persons having ordinary skill in the art of the invention expressed surprise or disbelief regarding the invention;

(10) whether others sought or obtained rights to the patent from the patent holder; and

(11) whether the inventor proceeded contrary to accepted wisdom in the field.

Finding any, or all, of these secondary considerations may suggest that the claim was not obvious.

JURY INSTRUCTION NO. 4.11

SCOPE AND CONTENT OF THE PRIOR ART

In considering whether the claimed invention was obvious, you must first determine the scope and content of the prior art.

The scope and content of prior art for deciding whether the invention was obvious includes prior art in the same field as the claimed invention, regardless of the problem addressed by the item or reference, and prior art from different fields that a person of ordinary skill in the art using common sense might combine if familiar so as to solve the problem, like fitting together the pieces of a puzzle.

JURY INSTRUCTION NO. 4.12

DO NOT CONSIDER WHAT WILL HAPPEN AFTER TRIAL

Members of the jury, in this case you may have heard or noticed inferences as to what may happen after this trial. You are to disregard any inferences as to what may happen after you have rendered your verdict.

5.0 DELIBERATIONS AND VERDICT

JURY INSTRUCTION NO. 5.1

DELIBERATION AND VERDICT

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 4-4, or 6-2, or whatever your vote happens to be. That should stay secret until you are finished.

JURY INSTRUCTION NO. 5.2

UNANIMOUS VERDICT

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 the opinion of your fellow jurors, or for the purpose of returning a verdict. Remember at all times that you are not partisans. Remember at all times that you are judges of the facts, not me. 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. You will then return to the courtroom and your foreperson will give your verdict.

It is proper to add the caution that nothing said in these instructions, and nothing in the form of a verdict, is meant to suggest or convey in any way or manner any intimation as to what verdict I think you should find. What the verdict shall be is your sole and exclusive duty and responsibility.

JURY INSTRUCTION NO. 5.3

DUTY TO DELIBERATE

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.

JURY INSTRUCTION NO. 5.4

COURT HAS NO OPINION

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