

04-1087, -1136

United States Court of Appeals
For The Federal Circuit

BLOCK FINANCIAL CORPORATION,

Plaintiff-Appellant,

v.

YODLEE, INC.,

Defendant-Cross Appellant.

Appeals from the United States District Court
for the Western District of Missouri
in Case No. 02-CV-0095, Judge Dean Whipple

BRIEF OF DEFENDANT-CROSS APPELLANT

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CERTIFICATE OF INTEREST

Counsel for defendant-cross appellant Yodlee, Inc., certifies the following:

1. The full name of every party or amicus represented by me is:

Yodlee, Inc.

2. The name of the real party in interest (if the party named in the caption is not the real party in interest) represented by me is:

N/A

3. All parent corporations and any publicly held companies that own 10 percent or more of the stock of the party or amicus curiae represented by me are:

S1 Corporation

4. N/A There is no such corporation as listed in paragraph 3.

5. The names of all law firms and the partners or associates that appeared for the party or amicus now represented by me in the trial court or agency or are expected to appear in this court are:

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6-1-09

Date

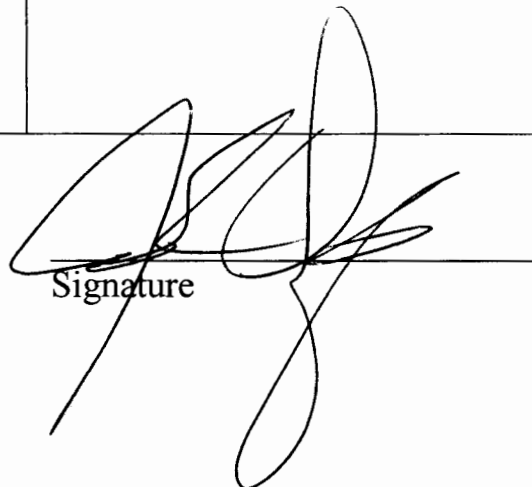

Signature

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STATEMENT OF RELATED CASES

Pursuant to Federal Rule of Appellate Procedure 47.5, counsel for defendant-cross appellant states that no other appeal from the same civil action or proceeding in the lower court was previously before this or any other appellate court, and that the Court's decision in the pending appeal will not affect any other case.

RESTATEMENT OF THE ISSUES

1. Was the district court correct in determining that the Yodlee system does not establish a “communication link” between a client and a financial information server, where the client and server communicate only with the Yodlee system, and never with each other?

2. Was the district court correct in determining that Yodlee’s system does not have a “name server” or a “name for a financial information server,” where the accused Yodlee Item ID is a sequentially-generated client reference number that does not identify a financial information server, Block’s expert admitted there was no literal infringement, and Block has never made a showing of infringement by equivalents?

3. Did the district court err in basing its summary judgment rulings regarding inequitable conduct on its conclusions that (a) one item of withheld prior art was not material even though it taught a key feature of the claimed “name server” that was not in the art before the examiner; and (b) a second item of withheld prior art was not material because it involved only a single financial information server, even though several claims in suit require no more than one such server?

STATEMENT OF THE CASE

This suit involves two patents for linking a client computer to a financial institution's computer server (such as a website or server providing a customer's financial information) when the client knows only the name of the financial institution's server, and not its location. After claim construction and discovery, the parties filed summary judgment motions. Yodlee provided sworn expert testimony that carefully explained the differences between the claims and the Yodlee system. Yodlee also relied on admissions made by Block's technical expert during his deposition. Block did not counter with any testimony or explanation from its technical expert. The district court granted summary judgment of noninfringement to Yodlee, identifying the significant differences between the computer software architecture required by the patent claims and the architecture used by the accused Yodlee system. Based on those specific differences, the district court then explained why there was no literal infringement or infringement by equivalents. Block appeals that ruling.

The district court also rejected two of Yodlee's three arguments for inequitable conduct, finding twice that withheld prior art was not material. Yodlee appeals that ruling.

STATEMENT OF THE FACTS

A. The Block Patents – Directing a Client to a Financial Information Server by Receiving a “Name” From the Client and Forming a “Communication Link” Between the Client and the Server

The two Block patents (the ‘442 patent and the ‘115 patent) address a particular way to link a “client” computer to a “financial information server.” Specifically, the Block system is set up so that the client only needs to know a name for the financial server, and not its address, or location. [A73 (4:4-12); A73 (4:4-12, 34-50); A2708] A “name server” in the Block system keeps track of the correlation between names of financial information servers and their locations, so that it can receive a server name from the client, translate the name into the corresponding location, and use the location to direct the client to the server. [*Id.*] The client and financial server then communicate directly with each other over a “communication link.” [*Id.*; *see, e.g.*, A74 (5:49-50)] According to the Block patents, this separation of the server name from the server address allows the “name server” to apportion demand across multiple financial information servers, and to prevent the location or availability of particular financial information servers from being a concern for clients. [A73 (4:14-43)]

Contrary to the pervasive flavor of Block’s brief, the patents do not cover *all* systems for providing access to distributed financial data. Two

limitations highlight the patents' narrow scope. First, the claims require a client request that includes a "name" for the "financial information server" the client wants to access.¹ A "name server" processes that request and returns the financial server's address.² While the client-requested "name" does not have to be user-friendly, such as "Citibank," it nonetheless must be the name of the desired financial information server.

The claims also require that a "communication link" be established "between [the] client and [the] financial information server." [A74 (6:27-29)] In this way, information flows back-and-forth between the client and the financial server so that the two can communicate with each other.³

Claim 1 of the '442 patent shows the relevant limitations at play in this appeal:

¹ Some of the claims refers to a "server identification" or "unique identifications" rather than a "name." The parties and the district court agreed to treat "name" as synonymous with "identification." [A46; A162]

² All the claims require that a "financial information server" name be included in or associated with a client request, and all but claim 8 of the '115 patent explicitly require a "name server."

³ Block states in its brief that its patented system performs data aggregation, apparently trying to re-cast its claims to cover later-invented technology, such as Yodlee's, which aggregates, summarizes, and analyzes data. [See Blue Br. at 4-5; A1511 ¶ 7; A1044 (19:5-19)] Block's system does not perform aggregation; all it does is direct the client to the financial information server. [See A72 (1:48-2:15) (describing the ability to access different, distributed web sites) (cited in Blue Br. at 4-5 as disclosing aggregation)]

An on-line financial information service system based on a distributed system architecture, comprising:

at least one financial information server for processing financial information requests;

a name for said financial information server;

at least one data server for processing requests for data from said financial information server;

an electronic financial information request from a client, ***said request including said financial information server name;***

at least one name server for processing said electronic financial information request from said client by locating said financial information server, said location ***determined by said financial information server name;*** and

a communication link between said client and said financial information server at said location.

[A65 (5:60-6:10) (emphasis added to relevant limitations)] Thus, in addition to reciting the “name,” “name server,” and “communication link,” the claims also recite the interrelationships that must exist between these items: the client must submit the name to the name server, the submitted name must be the name of a financial information server (and not of something else), and the communication link must be between the client and the financial information server (not between the client and another entity).

B. The Yodlee System – Preparing a Custom Web Page in Response to a Client Reference Number So That No Communication Link Need Be Formed Between the Client and Any Financial Information Server

Yodlee uses a fundamentally different technique, and a fundamentally different architecture, to provide a client with information—essentially turning the system of the Block patent inside-out on both relevant limitations. First, the Yodlee system sits dead between the client and any financial information servers, so that the two parties on each side of the Yodlee system never need to, or get to, talk to each other over a “communication link.” [A1514-17; A1358-59] No such “link” between a client and a financial information server is ever created. [A1516 ¶ 26] Second, Yodlee begins gathering data when it receives a client reference number, known as an Item ID; the client supplies only the Item ID, and never a financial information server name. [A1512; A1517-19; A1354-57]

In operation, a client initially submits the Item ID to the Yodlee system. The Item ID is a sequentially-generated reference number, such as “952258,” assigned to the client’s account when it is first registered with Yodlee. [A1511-12; A988-89 (139:23-140:1); A998 (101:8-20); A1002 ¶ 3] This Item ID is simply a reference number for an entry in Yodlee’s database for the particular client; it is not literally the name of a financial information

server, nor does it have characteristics similar to such a name. Yodlee's expert, Dr. Amy W. Apon, explained these differences:

There is no server by the name of "95228?" in Yodlee's system. The Item ID also does not identify, replace or represent a financial information server name and therefore is substantially different than the information that the patent claims require to be included in the request from a client. Two users who register the same service from the same website will be assigned two different Item IDs. Even the same user, if they registered the identical account twice, would be assigned two different Item IDs.

[A1517 ¶ 31; *see also* A1514 ¶ 18; A991 (143:4-13); A1002 ¶ 3 ("The Item ID does not represent, in whole or in part, any particular server or service.")]

The Yodlee server (not the client computer) contacts a financial server through a separate and independent link, collects data, processes and changes the data, and stores it at Yodlee for later retrieval by the client.

[A1512-13 ¶¶ 9-11; A1357-59] Specifically, when a client submits its Item ID via a "refresh request," a Yodlee web server parses the Item ID from the refresh request and forms a message for another server at Yodlee called the

"Instant Server." [A1512 ¶ 9; A1000 (103:4-18)] The Instant Server uses this Item ID to search a database to get the client's account information (client name and password), a URL for the desired site, and a script (chosen from among over 6000 preprogrammed scripts) associated with the account.

[A1512-13 ¶ 10-11; A1000-1001 (103:23-104:6)] The Instant Server puts

this information in a queue, from which it is retrieved by a Yodlee “Gatherer.” [*Id.*] The Gatherer is another piece of software that can use a pre-written script to contact a financial institution and retrieve certain data from the financial server. The system then reformats and consolidates the data, and passes them to a program (“DB Filer”) that writes the data into a Yodlee database. [*Id.*; A1055-57 (105:21-107:24); A1060-61 (110:4-111:13)] At no time does any communication occur between the financial institution server and the client computer.

Indeed, because the system never establishes a communication link between the client and the financial server, the client does not know whether the financial institution’s server has either received a request for information or responded to such a request. [A1513 ¶ 11; A1516 ¶ 26] Thus, the client’s web browser has to continuously poll the Yodlee web server, which in turn polls the Yodlee database. [A1513 ¶ 11; A1516 ¶ 26] When the database is updated, the browser issues a new request to the Yodlee web server to download the latest information. [A1513 ¶ 11; A1516 ¶ 26] The client is never connected to any financial information server. [A1516 ¶ 26 (“The end user’s browser is never connected to the bank’s web server.”); A1358] Thus, the Yodlee system is the end point for any information submitted by the client, and, rather than facilitating a communication link between the

client and the server, instead processes information and updates the Yodlee database.

The differences between Block's patented architecture and Yodlee's are both fundamental and undisputed. Block's "name server" is given a "name" of a financial information server to set up a "communication link" between the client and the financial server, and then gets out of the way to let the client and the financial server talk to each other. In sharp contrast, Yodlee's system simply receives a client reference number that is not a financial server name. Yodlee's system sits dead between the client and the financial server, so that the two never talk to each other. While both systems provide information to a client in a convenient format, they do so in fundamentally different ways and with fundamentally different architectures.

[A1516-17 ¶ 28; A1518 ¶ 34; A1519 ¶ 39]

C. This Litigation

1. The Markman Process

Block brought this suit in January 2001, and the *Markman* process took place in late 2002 and early 2003. The claim terms important to this appeal are the "name" of a financial information server, the "name server," and the "communication link" created between a client and a financial information server.

The district court ruled that the “name” or “identification” for a financial information server in the claims is:

a string of letters, digits, and/or special symbols that are used to identify an entity [*i.e.*, the claimed “financial information server”].

[A46-47] Although the letters/digits/symbols can take many forms, the name must be the name of a financial information server, and not of something else, such as a client account.

Following from its definition of “name,” the court construed “name server” as:

A process that, given the name of a server or service, returns information for locating the requested service and/or for locating the Interface (operations or attributes) associated with the requested service.

[A47-49] Thus, the name server must do two things: (1) receive the name of a server or service, and (2) return information for locating the service and/or interface.

The district court defined “communication link” as “an information flow between a client and server for conveying information.” [A51-53]

2. Admissions By Block’s Technical Expert

After the court released its *Markman* ruling, the parties prepared expert reports and deposed the experts. Block’s technical expert, Dr. John

Korb, was very careful at his deposition to walk a fine line regarding the “name”-related limitations in the patents, but he ultimately admitted there was no literal infringement. [A976-92] Specifically, he noted that the Yodlee Item ID can be used to look up a name in a database. [A985 (135:15-136:3)] But when read the relevant claim language and asked if the Item ID was a “name” as required by the claims, he admitted that it was not:

Q. So is it your opinion, then, that the element we're talking about—“an electronic financial information request from a client, said request including said financial information server name”—is not literally present in Yodlee's system?

A. Well, the only thing that's not literally in the sense of the alphanumeric character inside the information request is that one piece.

Q. So you would agree, then, that it's not present literally?

A. Yes. I guess that's right.

[A987 (138:8-19); *see also* A956-62] He also confirmed that, as a result, there was no literal infringement:

Q. Now, looking at the claim as a whole, do you agree, then, that the Yodlee system does not literally infringe Claim 1 of the 442 patent?

A. In order to literally infringe, every element must literally infringe?

Q. Correct.

A. Well, I guess that if it's the case that the information server name is not considered literally in the request, then that's the case.

[A987-88 (138:20-139:3); *see* A986 (136:23-137:5)] Given these admissions, and the substantial differences between the Yodlee architecture

and that required by the claims, Yodlee moved for summary judgment on the issue.

3. Summary Judgment

The context provided by the parties' summary judgment briefing, which Block does not provide, is necessary to understand fully the district court's rulings on appeal. Yodlee brought motions on the issues of noninfringement, inequitable conduct, and best mode. (The best mode ruling is not at issue here.) Block moved on infringement and no inequitable conduct.

a. Noninfringement Based on "Communication Link"

The "communication link" issue was first raised in Block's summary judgment brief, in which Block purported to establish element-by-element infringement. Block relied wholly on attorney argument in its motion. [A1004-11] Specifically, Block concluded that the many components of the Yodlee system "operate in conjunction to create a flow of information between the client ... and a financial information server." [A1010 ¶ K] Block copied the same conclusion to an attached claim chart, but provided no additional explanation there. [A1013-34] On the doctrine of equivalents, Block simply listed a function, a way, and a result in the claim chart, but did not make any comparison between the function/way/result of the Block

claim limitation, and any function/way/result of the Yodlee system, or explain the substantiality or insubstantiality of any differences between the functions, ways, or results. [*See id.*]

Yodlee countered this attorney argument with evidence—in the form of a declaration from its expert, Dr. Amy W. Apon, which relied on documents and depositions describing the Yodlee system. [A1510-35] Dr. Apon described the operation of the Yodlee system and explained that no message passes from the client to the financial server, or from the financial server to the client: “The end user’s web browser is never connected to the bank’s web server.” [A1515-16 ¶¶ 24-26] She also explained how, because of this lack of a information flow, *i.e.*, lack of a “communication link” to the financial server, the client’s “web browser must continually poll the Yodlee web server asking whether any refresh results have been returned.” [A1516 ¶ 26]

On the doctrine of equivalents, Dr. Apon described how the use of two independent communication links—one on each side of the Yodlee system—creates an “extra level of protocol [that] is substantially different from a single communication link or flow, and the communication in the Yodlee system is fundamentally different from anything that may be described as a ‘communication flow’ between a client and a server.” [A1516

¶ 27)] Finally, Dr. Apon noted that Block’s attempt to jumble all of Yodlee’s components together was improper: “As explained above, a person of skill in the art would view Yodlee’s architecture, with its two independent and separate communications links and [sic, as] substantially and materially different than the single communication link recited in the patent claims.” [A1516-17 ¶ 28] In its briefing, Yodlee pointed out that, because there is no “direct” connection over which the client can talk to the financial server so that each “operates independently and without knowledge of the other,” there was no “communication link” between the client and the financial server, as required by the claims. [A1377-78]

In reply, Block made two arguments: (1) an information “flow” can occur even if various components facilitate the flow; and (2) infringement of an open-ended claim cannot be avoided by adding elements. [A1572-73] Both arguments missed the point. On the first, even if information flow can occur with the help of various components, Dr. Apon had explained that each side of the Yodlee system was a separate and independent link, so that there was no flow between the client and the financial servers. [A1516 ¶ 27; A1513] The absence of a “communication link” between the client and the financial server, not the presence of extra components, was the important issue. On the second argument, regardless of how many elements the

Yodlee system contains, Block was still required to identify *a communication link, or information flow, between a client and a financial information server*. Again, Dr. Apon explained without contradiction that there was no such link, or flow. [A1516 ¶ 26; see A1358]

In ruling for Yodlee, the court recognized that the Yodlee system breaks up any information flow by preventing the client from communicating directly with any financial server:

[T]he *client* within the Yodlee system never establishes any direct communication link to the *financial information server*. In the Yodlee system all data communication links are exclusively between the client process and the Yodlee web server. *Consistent with the Court's Markman construction* of the term "communication link," there is no literal infringement when the two entities described never connect via a communication link.

[A32 (emphasis added)] On the doctrine of equivalents, the court again explained the substantial differences between the "link" of the claimed invention and the Yodlee system with its multiple parts, and no "link" or "information flow." [A34-36]

Block makes much on appeal of the court's use of the term "direct" in the quoted statement above. But the statement, in context, simply distinguished the Yodlee system, with two separate and independent communication links, from the claims, which require *a communication link between the client and financial server*. Indeed, the court emphasized that

“Consistent with the Court’s Markman construction ..., there is no literal infringement *when the two entities never connect* via a communication link.” [A32] The court also noted that, “In the Yodlee system *all* data communication links are exclusively between the client process and the Yodlee web server.”⁴

b. Noninfringement Based on “Name Server”

Block’s theory of infringement on the “name” and “name server” limitations was that the Yodlee Item ID was a “name.” Yodlee pointed out, however, that the Item ID cannot be a “name” because it does not identify any particular financial server, as Dr. Korb had admitted in his deposition. [A967-68; A957-61 ¶¶ 10-16] Thus, the Yodlee clients do not submit a “name” of a financial information server, and by extension, Yodlee does not have a “name server,” which the district court defined as a process that receives a name.

Yodlee also relied on evidence from Dr. Apon. She noted that a Yodlee client submits an account number such as “952258,” and that there is no Yodlee server with such a name. [A1517 ¶ 31] Going even farther, she added: “The Item ID also does not identify, replace or represent a financial

⁴ The opinion attached to Block’s blue brief appears to be a version of the real opinion that has been scanned and run through a not-too-accurate optical character recognition (OCR) program that has introduced irregularities into the opinion. A clear copy of the opinion is attached to this brief at Tab A.

information server name and therefore is substantially different than the information that the patent claims require to be included in the request from a client.” [Id.] On the “name server,” Dr. Apon explained that the Yodlee “Instant Server,” which looks up the script/URL/credentials, does not receive a financial server name, and does not return an address, or any other information, for locating a financial server—both requirements for the “name server” in the court’s claim construction. [A1518-19 ¶¶ 35-39] The one item identified by Block as a server location—the URL—does not correspond to the location of a financial information server. To the contrary, it is what its name implies—a “Uniform Resource Locator”or—and not a location. As Dr. Apon explained, the URL is yet another name, and cannot be a location because it does not contain an IP address, which is the location of a server on the Internet. [A1519 ¶ 38]

Block’s response was two-fold: (1) that Yodlee could not locate its customers’ information if it did not use an Item ID that is the name of a financial information server [A1079-80]; and (2) that Dr. Korb merely admitted that Yodlee’s system does not have “user-friendly” names, not that Yodlee lacks any names at all. [A1080] On the first point, there are many ways to gather information without receiving a server “name” from a client—Yodlee’s system does so by receiving a client reference number,

which points to entries in a database associated with the client, rather than a server name that points forward to a financial information server. [See A1517-18 ¶¶ 29-34] Yodlee uses the reference number to search in a database for information, but none of that information is an address for a financial server. [A1518-19 ¶¶ 35-39]

On the second point, Dr. Korb’s testimony was not limited to user-friendly names. He confirmed that he was using the district court’s broad construction. [A977 (11:10-16) (“Yes, that is the basic definition that I used.”)] To make particularly clear that Dr. Korb was using the proper definition, Yodlee’s counsel asked him if he was limiting the name to “customer-oriented” names—a concept introduced by Dr. Korb in his rebuttal expert report on invalidity. [See, e.g., A1097] Dr. Korb confirmed that he was not testifying using the “customer-oriented” definition. [A978 (12:10-15)]⁵ He even clarified that, although an Item ID is *a* “name” because it is made up of characters (*i.e.*, using the court’s broad definition of “name”), it is *not* the name of a financial information server:

Q. Is there any correlation between the item ID and the name of a financial institution in the same way that there's a

⁵ Block suggests in its brief that Yodlee introduced the concept of “user-friendly” names, apparently hoping to suggest that Yodlee needed to narrow the claims in such a manner to avoid infringement. However, as noted, Dr. Korb was the one who sought to narrow the claims in this manner to avoid the prior art.

correlation between the URL for a financial institution's website and their name?

A. You mean does an item ID look like a –

Q. Yes.

A. -- like a name? It's a number, *so it is a name in that sense if it's represented as a string of digits but it's not the same name as the financial information server.*

Q. Is there any way to determine just by looking at the item ID what financial institution is represented by it?

A. I believe you have to look in the database to discover that.

Q. So there's no correlation outside of the context of Yodlee itself?

A. No. Not unless we maintain separately.

[A989 (140:9-141:1)] Thus, though the thrust of Block's argument at summary judgment was that Dr. Korb's admissions were based on an improper claim construction, his own testimony shows otherwise.

The district court concluded that the Yodlee system does not meet the "name server" limitation literally or under the doctrine of equivalents. In doing so, the court made two determinations: (1) the "lookup, or refresh request, *does not contain the name* of a financial server," and (2) "the result of this lookup *does not produce a location* whereby the client can subsequently connect to the financial information server." [A31 (emphasis added)] Ultimately, the court expressly found that the multi-message operation in the Yodlee system does not satisfy the "name server" limitation, which requires both receipt of a name and return of information for locating

the requested service. [A47-49] In addition, the court’s first conclusion—that the “lookup, or refresh request, does not contain the name of a financial information server”—amounts to an implicit finding that the Yodlee system cannot satisfy the limitations requiring: “a name for said financial information server ... [and] an electronic financial information request from a client, said request including said financial information server name.” [See A65 (5:64–6:3)]

Again, the court noted that Yodlee’s updating was not performed “directly” by the client, a statement at the center of Block’s argument on appeal. And again, Block takes the statement out of context. Specifically, the court made the statement in explaining how the Yodlee system sits dead center, pulling information from a financial server using a number of components in the Yodlee system, so that Yodlee has no process that is given a server name that then returns information for locating the server, as required by the construction of “name server.” [A31 (“[T]he transaction itself does not read on the claim limitation.”); A65 (6:4-8) (claim limitation requiring a “name server for processing said electronic financial information request from said client by locating said financial information server, said location determined by said financial server name...”)]

On the doctrine of equivalents, the court noted the differences between the Yodlee architecture and that required by the claims, and concluded that the “way” the two systems performed their functions was fundamentally and substantially different. [A32-37] The court also concluded that Block, during prosecution, had emphasized the particular architecture of its claimed system, and that the examiner relied on those arguments. [A33-34] The court thus viewed Block’s right to equivalents as a narrow one. [A34-36; A2713-15 (“The claimed specific plural structural components so named and for their specific functions and desired results are not seen in the prior art.”)]

c. Inequitable Conduct

Yodlee learned during discovery that the Block inventors failed to disclose prior art software, known as Orbix, that was the centerpiece of their claimed system, and also failed to disclose pre-critical date on-sale events.

In October 1995, little more than two months before filing the patent application, the inventors gave their attorney a paper they had written—the “Conductor White Paper”—which noted that, after significant study, they had decided to use third-party software rather than a proprietary approach for their basic infrastructure. [A1788-93] They concluded that only one such piece of commercially available software—Orbix—could satisfy their

needs. [See A1791-92] The Conductor White Paper describes the inventors' system as "founded on" the Orbix technology. [A1791 ("The initial Conductor architecture as founded upon IONA's ORB [Orbix] technology....")] The prosecuting attorneys admitted that they were given the White Paper to draft the patent application. [A1847-48] The Paper discusses how Orbix served the functions that the patent claims assign to the "name server." [A1791-92; A1753-54 (103:20–104:6)] One of the two inventors conceded at his deposition, in fact, that numerous components in Figure 2 of the Block patents were in fact the Orbix product being put to its intended use. [A1748-52 (82:3-86:24)]

The patents quote verbatim from the White Paper, but they conspicuously omit any reference to Orbix. In fact, placing the two documents side-by-side suggests that, while the prosecuting attorney used almost verbatim quotes from the White Paper, he made one noteworthy change: where the the White Paper referred to "Orbix," the patent referred only to "Conductor"—Block's name for its own product—and was missing the statement that the Block system was "founded on [Orbix] technology." [Compare A1791-92 with A73 (3:1-2; 3:66-67; 4:5-10; 4:12-13)] By making those crucial changes, the attorney implied that Conductor was

entirely Block's invention, rather than at most an improvement using a prior art piece of software.

Orbix was a particular type of "object request broker" (ORB) that followed a standard known as CORBA. While the Block patents mentioned ORBs and CORBA, they never disclosed that Orbix was the technology on which Block's patented Conductor architecture was founded. [A1791-92; A1755 (115:3-16)] Importantly, as the court recognized, Orbix had a "server locator" service that CORBA lacked, and Block's technical expert admitted that Block's invention used that very locator service to achieve the name server functionality. [A28]

Despite this undisputed record, the court held that Orbix was not material because "the patent examiner was well aware of 'name server' prior art," and "the detailed description of the preferred embodiment within the patents themselves adequately described the name lookup functionality to inform the examiner as to the prior art." [A28] These two findings, of course, do not recognize that general name server prior art did not disclose locator services that were in the Orbix product, and that the examiner would have thought the discussion in the "Detailed Description" was about Block's invention rather than the prior art—exactly the deception that concerns Yodlee here.

With respect to withheld pre-critical date sales, Block in October 1994 had made a service known as the “Conductor Card Review” available to holders of the Compuserve Visa credit card. [A1781 (26:3-25); A1884-99] That service allowed card holders to review information about their credit card account, and was admitted by one of the inventors to have been integral to his idea for the Conductor architecture covered by the Block patents. [A1737-38 (23:8-24:13); A1781-82 (26:25–27:25); A1884-99] Notably, the Block patents list “credit card account lookup” as one of the services supported by the invention. [A72 (1:57)] Nonetheless, the district court held that the Conductor Card Review was not material because “the patents-in-suit envision an architecture that allows access to a plurality of financial information servers utilizing a standard set of protocols and interfaces,” while the Conductor Card Review only had a single set of account information. [A29] The court overlooked, however, that only a few of the asserted claims require more than a single server.

SUMMARY OF THE ARGUMENT

On infringement, the Yodlee system never connects a client to a financial server so that information may flow over a “communication link” between them. Dr. Apon explained that the separate and independent

sections of the Yodlee system are substantially different than the communication link required by the claims, and Block offered no contrary evidence. The Yodlee system also does not have a “name server”; Dr. Apon explained that the Yodlee Instant Server neither receives the name of a server or service, nor returns information for locating a service. Separately, there is no infringement because the Item ID received by the Yodlee system is simply a client’s reference number, and does not represent the “name” of any server. Block’s Dr. Korb admitted that the Yodlee system does not literally meet the “name” requirement, and Block presents no other evidence here on the “name” or “name server” requirements.

It is not apparent whether Block raises the doctrine of equivalents here. If the issue is in play, Block cannot succeed because it bore the burden of proof and presented no evidence to counter Dr. Apon’s testimony. The district court also correctly concluded that the “way” the Yodlee system operates is so fundamentally different from the Block patent claims that no reasonable juror could find an equivalent of either a “communication link,” a “name server,” or a “name.” The district court’s judgment may also be affirmed because Block conceded that Yodlee itself does not provide all of the systems and steps that Block identifies as meeting the claim limitations, thereby making direct infringement a legal impossibility. Block never

presented any theory on alleged inducement or contributory infringement, instead choosing to take the position that it could reserve those theories for another day.

The district court did err in finding the withheld Orbix system and the Conductor Card Review to be nonmaterial. On the former, it was not sufficient for the inventors to disclose the general CORBA standard when their invention in fact relied on a “locator” service that was included in Orbix, but not part of the CORBA standard at the time. On the latter, the Conductor Card Review cannot be nonmaterial simply because it doesn’t disclose multiple servers, since most of the claims in this case do not require multiple financial information servers.

ARGUMENT

A. The Standard of Review

A summary judgment grant is reviewed *de novo*, construing all facts in the light most favorable to the non-movant. *Dynacore Holdings Corp. v. U.S. Philips Corp.*, 363 F.3d 1263, 1273 (Fed. Cir. 2004). “Summary judgment ‘shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.’” *Lockheed*

Martin Corp. v. Space Sys./Loral, Inc., 324 F.3d 1308, 1318 (Fed. Cir. 2003) (quoting Fed. R. Civ. P. 56(c)). On a motion for summary judgment of noninfringement, once the defendant has stated the basis for its motion and pointed out that the evidence would be insufficient to avoid a directed verdict of noninfringement, the patentee must “designate specific facts showing that there [is] a genuine issue for trial.” *Arthur A. Collins, Inc. v. N. Telecom Ltd.*, 216 F.3d 1042, 1046 (Fed. Cir. 2000); *Novartis Corp. v. Ben Venue Labs, Inc.*, 271 F.3d 1043, 1054 (Fed. Cir. 2001) (“Summary judgment is a trap for the unwary plaintiff.”).

B. The District Court Properly Granted Summary Judgment of Noninfringement

Block bore the burden of proving infringement, *Tanabe Seiyaku Co. v. U.S. ITC*, 109 F.3d 726, 731 (Fed. Cir. 1997), and could not simply provide conclusory statements that particular limitations are present in the Yodlee system, *Arthur A. Collins, Inc.*, 216 F.3d at 1046-48. Rather, it was required below, and is required on appeal, to establish “an explicit factual foundation” for its infringement claims. *Novartis Corp.*, 271 F.3d at 1051.

If even one limitation of a claim or its equivalent is missing in an accused device or method, there can be no infringement. *Lockheed Martin Corp.*, 324 F.3d at 1321 (citing *Pennwalt Corp. v. Durand-Wayland, Inc.*,

833 F.2d 931, 935-36 (Fed. Cir. 1987) (en banc)). Thus, if a finding of infringement under the doctrine of equivalents “‘would entirely vitiate a particular claim[ed] element,’ then the court should rule that there is no infringement under the doctrine of equivalents.” *Id.* (quoting *Bell Atl. Network Servs., Inc. v. Covad Communications Group, Inc.*, 262 F.3d 1258, 1280 (Fed. Cir. 2001)).

1. The District Court Properly Determined That Yodlee’s System Does Not Literally Make a “Communication Link” Between a Client and a Financial Information Server

All the claims require the establishment of a “communication link” between a client and a financial information server. [A32] The district court adopted Block’s construction that a communication link is an “information flow between a client and server for conveying information.” [A51-53]

In Yodlee’s system, the Yodlee server always stands between the end user’s web browser and any financial servers, and does not allow any communication link to be formed between them. [A1514-17; A1358-59] The lack of flow *from the client to the financial web site* was explained by Dr. Apon, who noted “there is no information flow between the end user’s computer and a bank’s web server” because neither the Item ID message nor any other messages generated by the client are passed to the financial server. [A1515-16 ¶ 25] Dr. Apon also explained that there is no flow *from the*

financial website back to the client, and, as a result, the client has to keep polling the Yodlee server to determine if the database at Yodlee storing the client's information has changed, which would indicate that results from the refresh request are now ready. [A1516 ¶ 26] At that time, the client must then issue a new request to download the refresh results from the Yodlee database. [*Id.*]

Block's primary challenge to the district court's opinion is that when the court used the word "direct" in its opinion, it effectively changed its claim construction to require a "direct communication link." Block argues:

However, instead of applying [its prior] definition of "communication link" set forth in its *Markman* Order, the District Court, unilaterally, and without notice to the parties, found on summary judgment that the "communication link" must be a "direct" communication link.

[Blue Br. at 34]

Block's attack on the district court is both presumptuous on its face and wrong in fact. On page 13 of the summary judgment order, the court expressly stated, contrary to Block's argument, that it is using its *prior Markman* ruling: "Consistent with the Court's *Markman* construction of the term 'communication link,' there is no literal infringement when the two entities described never connect via a communication link." [A32] The

court also noted that, “[i]n the Yodlee system, *all data communication links* are exclusively between the client process and the Yodlee web server.” [*Id.*]

In attempting to create the impression that the district court somehow changed its claim construction (even though the opinion below says otherwise), Block distorts the purpose and use by the district court of the word “direct.” The district court’s attention was in fact properly fixed on the lack of any information flow from the client to the server—*i.e.*, the total disconnect in the Yodlee system. In fact, the court’s ultimate sentence on the point noted there was no link of any kind: “[T]here is no literal infringement when the two entities described never connect via a communication link.” [A32] Thus, in context, all that was meant by the lack of a “direct” communication link was that Yodlee’s two separate, independent, and isolated links could not meet the requirement for *a communication link between a client and a financial information server.*

The judgment is affirmable even if one ignores the word “direct,” because Block introduced no evidence, as was its burden, that there was any “information flow” between a client and a financial information server in the Yodlee system. Block makes passing reference to Dr. Korb’s expert report, but that unsworn report is not competent evidence for purposes of summary

judgment.⁶ Block also repeatedly cites the cover page of Dr. Apon's deposition, but cites no testimony. [A2084; See Blue Br. at 29, 32, 35, 45] In the entire argument section of Block's brief, the only citation to anything that could possibly be viewed as infringement evidence is four pages of deposition testimony that is fully consistent with Dr. Apon's testimony. [See A1048, 1052-54 (cited at Blue Br. at 32, 45)]⁷ In sum, Block pointed to no evidence below and it does not do so here.

2. Yodlee's System Has No "Name Server" or "Name"

The asserted claims require, in one form or another, a request from a client that includes or has associated with it the name of a financial

⁶ In fact, the report was in the record because Yodlee had pointed to it as evidence that Block had presented no theory for indirect infringement. [See A1366 ¶¶ 108-110] See *Adickes v. S.H. Kress & Co.*, 398 U.S. 144, 158 n.17 (1970) (unsworn statement does not meet the requirements of Fed. R. Civ. P. 56(e)); *Carr v. Tatangelo*, 338 F.3d 1259, 1273 n.27 (11th Cir. 2003) (unsworn expert report had no probative value and district court properly refused to consider it on summary judgment); *Provident Life & Accident Ins. Co. v. Goel*, 274 F.3d 984, 1000 (5th Cir. 2001) (same); Fed. R. Civ. P. 56(a) (listing materials for summary judgment as "pleadings, depositions, answers to interrogatories, and admission on file, together with [] affidavits"); 3 Moore's Federal Practice § 56.14[1][b] ("By definition, an affidavit is a sworn document, declared to be true under the penalties of perjury.").

⁷ The remaining appendix citations are to the patents, the district court opinions, three dictionary definitions, Yodlee's briefs below, the cover of another deposition, Block's claim charts, and the Korb expert report. Block cannot choose to ignore the issue of the sufficiency of its evidence, and then first raise the point in its reply. See *Abbott Labs. v. Syntron Bioresearch, Inc.*, 334 F.3d 1343, 1355 (Fed. Cir. 2003).

information server. All but claim 8 require a “name server.” Block accused the Yodlee Item ID of being such a name, and accused the Yodlee Instant Server as being such a name server. Again, Yodlee explained through the testimony of Dr. Apon that neither limitation is met by the Yodlee system.

a. Yodlee’s System Does Not Have a “Name Server”

Under the court’s claim construction, a “name server” processes, from a client, an electronic financial information request that includes the name of a financial information server, and returns information for locating the server.⁸ [A47-49] The name server must do so by “locating said financial information server” as determined by the received server name. [*Id.*]

Dr. Apon explained that the Yodlee system does not have a “name server” because the Instant Server does not carry out either of the required functions for a name server: (1) it does not receive a “name” because an Item ID is not a “name” of a financial information server [A1518-19 ¶ 36], and (2) the information returned by the Instant Server’s database lookup (script name, URL, and user credentials) does not correspond to the location of a financial information server. [A1519 ¶¶ 37-38]

⁸ Block asserts that the location need not be returned to the client [*see* Blue Br. at 41-42], but it does not explain how, when the client is the only identified source of the request, the information would be “returned” to any other component. In any event, the judgment of noninfringement can be affirmed regardless of where the information is returned.

Even though the district court based its noninfringement ruling on the lack of a “name server” in the Yodlee system, it nonetheless also found that the refresh request does not contain the “name” of a financial information server. In contrast to the claim construction’s requirement that the name server receive from the client a name, and return to the client information for locating a requested service, the court noted that a refresh request to the Yodlee system “starts a series of processes by which the system’s data store is updated with current information from the remote financial institution’s website.” [A31]

On the second point, Dr. Apon explained that the URL in the Yodlee system is not “a place where something is located,” as required by the court’s claim construction. [A1519 ¶ 38] Indeed, a URL is what its name implies—a Uniform Resource Locator, not a location. [*Id.*] Thus, the “name server” limitation was not met. [A1519 ¶ 39]

Block does not dispute any of these points, other than to argue again that the district court added a new limitation—“direct”—into its claim construction. [*See* Blue Br. at 24-32] This complaint has no more substance to it than the complaint about “direct” for the “communication link” limitations. In any event, with or without “direct,” Yodlee’s system does not

have a name server, and Block has never met its burden of providing any evidence that it does.

b. Yodlee’s Item ID is a Client Reference Number, Not a “Name” of a Financial Information Server

The district court determined that the Yodlee refresh request (which contains the Item ID) “does not contain the name of a financial server,” though it did not specifically use this as an additional basis for its noninfringement conclusion. The parties fully briefed this issue, however, and it can serve as an alternative ground for affirmance.

In short, the Item ID does not identify a financial institution, it isn’t the name of a financial institution, and Block’s expert admitted there is no literal infringement. An Item ID is a reference number for a database entry about a client’s account, but is not the name of a financial information server. [A1517 ¶ 31; *see also* A1514 ¶ 18; A991 (143:9-13); A1002 ¶ 3 (“The Item ID does not represent, in whole or in part, any particular server or service.”)] By way of example, the Item ID may be “952258,” but there is no server with that name in the Yodlee system (even if one were to call an account number a name). [A1517 ¶ 31 (Dr. Apon declaration)] Moreover, Dr. Apon explained: “The Item ID also does not identify, replace or represent a financial information server name and therefore is substantially different than the information that the patent claims require to be included in

the request from a client.” [A1002 ¶ 3; A1517 ¶ 31] The Item ID differs for different users even if they register accounts at the same financial institution. Also, a single client who registers the identical account information with Yodlee more than once will receive multiple completely different Item IDs. [Id.] The Item ID, therefore, is “unrelated to any particular server or service that is used to automatically access a particular user’s account.” [Id.]

Block’s expert Dr. Korb, in fact, admitted that the Item ID does not literally meet the requirements of the Block claims. He testified that the client in the Yodlee system never sends a request that includes the name of a financial information server [A985-989 (136:23–137:5; 139:20-141:1)]; he admitted that “an electronic financial information request from a client, said request including said financial information server name” is not literally present in Yodlee’s system, [A987 (138:8-19)]; and he also admitted that the Yodlee system does not literally infringe the asserted claims because it lacks a request that includes or has associated with it a financial server name. [A987, A989-991 (138:20-25; 141:2-143:13)]

Block never raised a genuine factual issue on this issue. It presented nothing more than attorney argument, asserting simply that the Item ID must necessarily be the name of a financial information server, and denying that Dr. Korb had admitted infringement. [A1079-80] The first point has no

factual support, however, and Dr. Korb had admitted noninfringement under the court's claim construction, as we explain *supra* pages 9-11, 17-18. Even if he had not, Block presented no admissible evidence to counter Dr. Apon's analysis. Because Block failed in its burden, summary judgment is appropriate on this issue also. See *Novartis Corp.*, 271 F.3d at 1050-51.

3. The Yodlee System Does Not Infringe Under the Doctrine of Equivalents

Patentees face specific proof requirements, particularly on summary judgment, and particularly for infringement under the doctrine of equivalents. On summary judgment, once a defendant (like Yodlee) presents a *prima facie* case of noninfringement, a patentee must present well-reasoned proof of infringement, and may not simply rely on conclusory statements by experts or on attorney arguments.⁹ Under the doctrine of

⁹ *Novartis Corp. v. Ben Venue Labs, Inc.*, 271 F.3d 1043, 1051 (Fed. Cir. 2001) (holding that, on summary judgment, a patentee's experts must explain the evidentiary basis for their opinions: "if all expert opinions on infringement or noninfringement were accepted without inquiry into their factual basis, summary judgment would disappear from patent litigation."); *Intellicall, Inc. v. Phonometrics, Inc.*, 952 F.2d 1384, 1389 (Fed. Cir. 1992) (affirming summary judgment of no doctrine of equivalents infringement where patentee produced no evidence of the equivalency of function performed by the accused products); *Hoganas AB v. Dresser Indus., Inc.*, 9 F.3d 948, 954 (Fed. Cir. 1993) (affirming grant of summary judgment of no infringement under doctrine of equivalents where patentee's evidence was "both incomplete and conclusory"); *Glaverbel Societe Anonyme v. Northlake Mktg. & Supply, Inc.*, 45 F.3d 1550, 1562 (Fed. Cir. 1995) ("Although the

equivalents, the patentee must present “particularized testimony” on each prong of the “function/way/result” test for equivalence. *See Lear Siegler, Inc. v. Sealy Mattress Co.*, 873 F.2d 1422, 1426 (Fed. Cir. 1989); *see also Comark Communications, Inc. v. Harris Corp.*, 156 F.3d 1182 (Fed. Cir. 1998); *Tex. Instruments Inc. v. Cypress Semiconductor Corp.*, 90 F.3d 1558, 1566-67 (Fed. Cir. 1996).

It is unclear whether Block asks this court to address the issue of the doctrine of equivalents. Specifically, while Block makes passing criticisms of the district court’s doctrine of equivalents analysis [*see* Blue Br. at 21], it focuses its entire argument on claim construction.

Block’s single doctrine of equivalents argument is an inaccurate assertion that Yodlee admitted there were issues of fact on both the “name” and “communication link” limitations. [*See* Blue Br. at 32, 38, 40, 45] Yodlee in fact asserted only that fact issues prevented a grant of summary judgment *in Block’s favor*. [A1376-78] This was not a concession that there could not be summary judgment *in Yodlee’s favor*. Indeed, Yodlee argued that the undisputed facts supported such a conclusion, and asserted

official record is incomplete, it appears that Glaverbel offered no evidentiary support for its assertion of equivalency. There must be sufficient substance, other than attorney argument, to show that the issue requires trial.”); *TechSearch L.L.C. v. Intel Corp.*, 286 F.3d 1360, 1371-72 (Fed. Cir. 2002) (“[G]eneral assertions of facts, general denials, and conclusory statements are insufficient to shoulder the non-movant’s burden.”).

that there could be no infringement. [*Id.*] The Eighth Circuit (the appellate court over the W.D. Missouri) has noted that a party's identification of facts that prevent summary judgment for its opponent is not a concession that summary judgment in its own favor is inappropriate:

A party may concede that there is no issue if his legal theory is accepted and yet maintain that there is a genuine dispute as to material facts if his opponent's theory is adopted. . . . If both parties move for summary judgment, each concedes and affirms that there is no issue of fact only for purposes of his own motion.

Allied Mut. v. Lysne, 324 F.2d 290, 292-93 (8th Cir. 1963).

Indeed, even if the district court had decided to grant summary judgment *sua sponte* on these issues, it could have done so since Block had notice and an opportunity to make a showing on the issues of “communication link” and “name server.” See *Celotex Corp. v. Catrett*, 477 U.S. 317, 326 (1986) (“[D]istrict courts are widely acknowledged to possess the power to enter summary judgment *sua sponte*, so long as the losing party was on notice that she had to come forward with all of her evidence.”). In the briefing below, Yodlee's opposition brief to Block's summary judgment motion specifically pointed out that Block had offered no expert testimony on the equivalence of any element in its opening brief. [A1343-81; A1371-73] Block, as the moving party, had an opportunity to respond with a reply brief, and in its reply brief simply took the position that it need not submit

any such evidence. [A1566-68] Having elected not to present expert testimony on equivalence below, Block is not in any position to complain when the district court found no factual dispute on the lack of equivalence between the Yodlee system and the Block patent claims.

Even on the merits, summary judgment was appropriate here. Yodlee presented a prima facie case of noninfringement below, establishing by expert declaration that a skilled artisan would not consider the differences between the claims and Yodlee's system insubstantial. [See A1516-19 ¶¶ 27-28, 34, 39] Dr. Apon's declaration presented specific and identifiable reasons supporting the substantiality of the differences between the "communication link," "name," and "name server" limitations, and the Yodlee system. [*Id.*]

On "communication link," she explained that the Yodlee system has two separate and independent links that require an extra level of protocol:

This extra level of protocol is substantially different from a single communication link or flow, and the communication in the Yodlee system is fundamentally different from anything that may be described as a "communication flow" between a client and a server.

[A1516 ¶ 27]

On the "name" requirement, Dr. Apon described the functions and results of the patent claim and the Yodlee system, and explained that "these

are very different functions and fundamentally different results,” so that she concluded the two were “substantially different.” [A1518 ¶ 34] Finally, on the “name server” requirement, Dr. Apon explained the way in which the Yodlee system operates differently from the patented system, and concluded that the function and result were “substantially different.” [A1519 ¶¶ 38-39] All of this was a classic doctrine of equivalents analysis by an expert.

Block did not rebut Yodlee’s evidence with reasoned evidence of its own. Block presented a mere three sentences of conclusory attorney argument in its brief. [A1088] Those conclusory statements would have failed to create an issue of fact if they had been uttered by an expert, and they are wholly deficient as mere attorney argument.

In addition, Block has attempted to expand the claims so far as to vitiate entire claim limitations. Specifically, Block argues to this court that the Item ID reference number is a name, but completely ignores the limitation requiring it to be the name “of a financial information server.” Likewise, Block argues that the Yodlee system contains a “communication link,” but ignores the requirement that the link be “between [the] client and [the] financial information server,” rather than between either the client or server and a third party. In both instances, Block is arguing in effect that any relationship will do, so that the limitations requiring specific relationships

have no meaning at all. In such a situation, there can be no infringement by equivalents. *See, e.g., Tronzo v. Biomet, Inc.*, 156 F.3d 1154, 1160 (Fed. Cir. 1998) (where claim called for “acetabular cup” and patentee argued that any shape of cup would infringe, the patentee’s theory vitiated the “acetabular” requirement).

C. The Judgment of Noninfringement May be Affirmed Because Block Cannot Prove Direct or Indirect Infringement By Yodlee

Infringement under 35 U.S.C. § 271(a) requires that the defendant have made, used, sold, imported, or offered for sale the complete patented invention. *See* 35 U.S.C. § 271(a); *DeepSouth Packing Co. v. Laitram Corp.*, 406 U.S. 518, 528 (1972). Block does not assert that all components of what it calls the “Yodlee system” are provided by Yodlee. The client and the financial web server(s), each of which are required by the claims, are not provided by Yodlee, developed by Yodlee, or under Yodlee’s control. Rather, they are owned and operated by parties independent of Yodlee. That is undisputed.¹⁰ Because Yodlee does not make, use, sell, offer to sell, or import the claimed invention, Yodlee cannot be a direct infringer.

¹⁰ *See, e.g.,* A1038 ¶ 4 (“Notably, Yodlee does not need nor seek permission from the financial institution web sites from which it takes data that is delivered to Yodlee users.”); 1039 ¶ 9 (“Users communicate with the Yodlee system using an end user computer (10) equipped with a web browser. The user of the end user computer (10) connects to the Yodlee web server (11)

Yodlee raised this point in its summary judgment briefing, and Block did not dispute that Yodlee does not provide the financial institution web server or the client. The best Block could do was to assert that Yodlee’s system “operat[es] in conjunction with” the client and the financial information servers. [A1575] But this only happens when a user, who independently supplies the client computer, accesses the Yodlee system and causes the system to scrape data from websites of third-party financial institutions. The direct infringer, if any, is the user, and more appropriately, no single party directly infringes the claims.

Moreover, Block failed to articulate any theory of indirect infringement during this case. Specifically, Yodlee served Block with an interrogatory asking Block to set forth its positions on indirect infringement, but Block never responded. [A1545-53] When the issue was squarely presented to Block at summary judgment, Block simply asserted in its reply brief that it did not need to articulate any theory of indirect infringement.

[A15775 n.1] Block is simply wrong that it did not have to answer

and logs in.”); 1041 ¶ 19 (“The financial institution web server (21) interacts with one or more independent data sources to obtain the financial information identified in the request); *see also* A1013-34 (Block’s claim chart, stating that Yodlee’s system functions by “receiv[ing] financial information requests from clients (end user computers 10) and locate from financial information servers (financial institution web servers 21) financial data responsive to financial information requests”); A1412-13 (deposition of Dr. Korb).

discovery because it could proceed on one theory now while reserving other (never specifically articulated) theories for some later date, even though fact and expert discovery had closed long before. *See Novartis Corp.*, 271 F.3d at 1051. Block should not be rewarded for hiding the ball and trying to save undisclosed theories for surprise at trial. Block failed to present any evidence on indirect infringement, and summary judgment is therefore appropriate.

D. The District Court Erred In Concluding That the Orbix System and the Conductor Card Review Were Not Material

1. The Orbix System Was Material

There is no dispute here that the Block inventors considered the prior art Orbix system to be core to their invention. Indeed, the Conductor White Paper described the Orbix system as the technology on which the patented system was founded. [A1791] In concluding that Orbix was not material, the district court made three separate and incorrect findings: (1) the disclosure of the general CORBA standard and disclosure of certain distributed object technologies absolved the inventors from having to disclose their particular preferred technology; (2) commercial products other than Orbix could have been used; and (3) although Orbix provided a “locator service” not in standard CORBA, the patent examiner knew of “name server” prior art, and “the detailed description of the preferred embodiment

within the patents themselves adequately described the name lookup functionality to inform the examiner as to the prior art.” [A27-28]

The first finding is wrong because a disclosure of a general standard and irrelevant products is not a disclosure of a particular prior art product that has specific features claimed by an applicant and not otherwise disclosed in the art. *See, e.g., Minn. Mining & Mfg. Co. v. Johnson & Johnson Orthopaedics, Inc.*, 976 F.2d 1559, 1572 (Fed. Cir. 1992) (general disclosure does not disclose particular species within the genus). The second finding is wrong because it really addresses enablement, and not whether the inventors pointed the public to the most relevant prior art. The third finding is wrong because general knowledge of name servers does not show knowledge of “locator services” used with name servers, and because description of the preferred embodiment of a patent is not disclosure of any prior art. Rather, it amounts to a false assertion that the inventors developed the material, not that it is in the prior art.

On intent, the court simply noted that the excising of the Orbix information from the patent did not show “intent to mislead or deceive *per se*.” [A28] The court erred here though, because, even if purposeful removal of relevant information is not deceptive intent *per se*, it certainly is enough to permit a finding of deceptive intent, making summary judgment

inappropriate on this issue. *See Paragon Podiatry Lab., Inc. v. KLM Labs., Inc.*, 984 F.2d 1182, 1190 (Fed. Cir. 1993); *see also KangaROOS U.S.A., Inc. v. Caldor, Inc.*, 778 F.2d 1571, 1577 (Fed. Cir. 1985) (the intent element of inequitable conduct “requires the fact finder to evaluate all the facts and circumstances in each case. Such an evaluation is rarely enabled in summary proceedings.” (citation omitted)).

2. The Conductor Card Review Was Material

This point is relatively straightforward. The district court based its finding of nonmateriality on the premise that the Conductor Card Review accessed only a *single* financial information server, while “the patents-in-suit envision an architecture that allows access to a *plurality* of financial information sources utilizing a standard set of protocols and interfaces.” [A29 (emphasis added)] The ruling is wrong as a matter of law, because many of the patent claims *do not* recite a plurality of financial information sources. For example, claim 1 of the ‘442 patent recites only “*at least one* financial information service system.” [A65 (5:61) (emphasis added)] This claim stands in contrast to claim 5, for example, which expressly recites the requirement of “providing a plurality of financial information servers.” [A65 (6:21-23)] Thus, some claims indisputably require only one or more

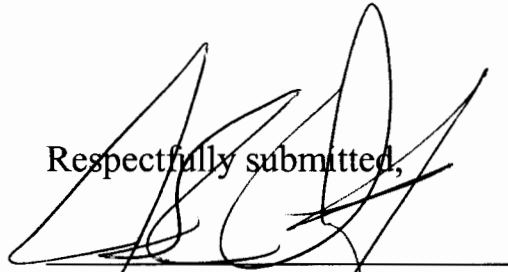
financial information servers. The court was simply wrong in its conclusion on materiality. As a result, Yodlee respectfully requests that the court's entry of summary judgment regarding inequitable conduct be vacated.

CONCLUSION

Because the court properly concluded that Yodlee cannot infringe the '442 or '115 patents, the judgment of noninfringement must be affirmed. Because the district court erred as a matter of law in its decisions on materiality, the summary judgment on inequitable conduct should be vacated.

June 1, 2004

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'John Dragseth', is written over a horizontal line. The signature is stylized and somewhat cursive.

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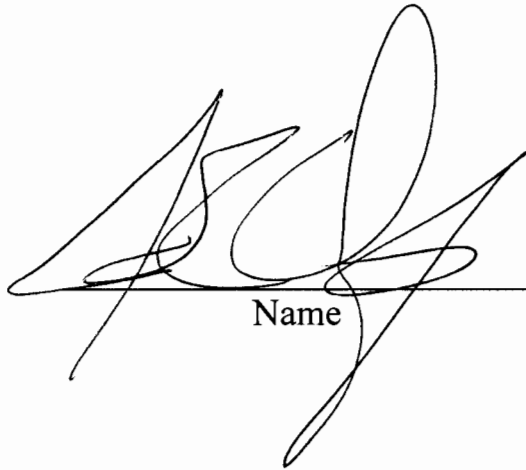
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CERTIFICATE OF FILING AND SERVICE

I certify that on June 1, 2004 a true and correct copy of the foregoing BRIEF
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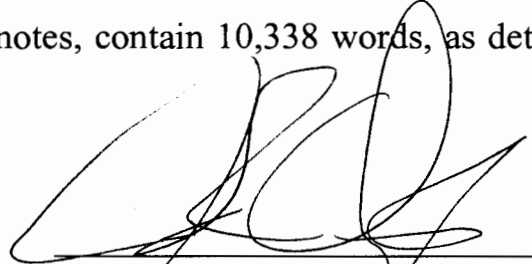


Name

CERTIFICATE OF COMPLIANCE

The Brief for Defendant-Cross Appellant complies with the type-volume limitation set forth in FRAP 32(a)(7)(B). The relevant portions of the Brief, including all footnotes, contain 10,338 words, as determined by Microsoft Word® 2000.

June 1, 2004



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TAB A

**IN THE IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF MISSOURI
WESTERN DIVISION**

BLOCK FINANCIAL CORPORATION,)	
)	
Plaintiff,)	
)	
v.)	Case No. 02-0095-CV-W-DW
)	
YODLEE, INC.,)	
)	
Defendant.)	

ORDER

In January 2001 Plaintiff, Block Financial Corp. (“Block”), filed a complaint against Defendant, Yodlee, Inc. (“Yodlee”), alleging infringement of U.S. Patent No. 5,706,442 (the “‘442 Patent”) and U.S. Patent No. 6,131,115 (the “‘115 Patent”). Both patents describe and claim a system for on-line services using distributed objects. Block contends that Yodlee infringed both patents by making, using and selling its account aggregation system. In its answer Yodlee denied Block’s allegations of infringement and counterclaimed that the patents-in-suit are invalid and unenforceable. Specifically, Yodlee alleges that the patents-in-suit are invalid for failure to disclose the best mode and unenforceable due to inequitable conduct by Block before the United States Patent and Trademark Office (“PTO”).

For consideration by the Court are Yodlee’s motion for summary judgement that the ‘442 and ‘115 patents are invalid for failure to disclose best mode, (Doc. 78), cross-motions for summary judgment on infringement/non-infringement, (Docs. 80, 83), and cross-motions for summary judgment on unenforceability due to inequitable conduct, (Docs. 82, 85). For the

following reasons, Yodlee's motion for summary judgment of invalidity due to failure to disclose the best mode is DENIED; Yodlee's motion for summary judgment of unenforceability due to inequitable conduct is DENIED; Block's cross-motion on inequitable conduct is also DENIED; Block's motion for partial summary judgment of infringement is DENIED; and Yodlee's motion for summary judgment of non-infringement is GRANTED.

I. BACKGROUND

The '442 patent, entitled "System for on-line financial services using distributed objects" and the '115 patent, entitled "System for on-line services using distributed objects," both describe and claim a system enabling a plurality of clients to access financial information from a plurality of distributed information sources. The inventors of the patents-in-suit are William P. Anderson ("Anderson") and Jacob P. Geller ("Geller"), and the assignee on both patents is Block Financial Corporation. The '442 patent was filed on December 20, 1995, and granted on January 6, 1998. The '115 patent was filed on July 29, 1997 as a continuation of the '442 application and was granted on October 10, 2000, subject to a terminal disclaimer.

The abstract of each patent states:

A system is disclosed for accessing recent financial information from various financial services providers. The system is based on a client/server architecture so that services are accessible from a variety of presentation tools. Communications between clients and servers are accomplished using "interfaces" that group operations and attributes for various services. The system uses the TCP/IP protocol suite so financial services are available at any time and from any location.

(Block Appendix of Exhibits, Ex. A, B).

Prior to the filing of the '442 application, Geller and a technical staff employed by Block to develop the Conductor system, created a document describing the invention entitled "The

Conductor Financial Services Framework - A Block Financial Corporation White Paper” (“White Paper”). (Pl. Suggestions in Support, Ex. F (White Paper); Ex. D (Geller Deposition) at 56:16-57:3). The White Paper described the goals and design strategy for developing the invention as conceived by the inventors. The report also contained a survey of available technology that could be used to realize the described invention. Certain aspects of the system could be developed “in-house” or acquired by the purchase of “off-the-shelf” software. Ultimately, the White Paper concluded that Orbix, a CORBA-compliant middleware product developed and sold by IONA Technologies, was the optimal approach to dealing with the distributed object portion of the infrastructure. Block’s attorney used the White Paper in preparing the patent application and as a result, the patent application contained large segments of the White Paper with some minimal editing. All references to Orbix found in the original text of the White Paper were removed before that text was incorporated into the patent application.

Additionally, a system or service known as “Conductor Card Review” was jointly deployed by Block and Compuserve, which allowed Compuserve users to access account information for the Compuserve Visa Card through the Compuserve Online system. To the end-user, Conductor Card Review functioned similarly to the system envisioned by the Block patents, the Yodlee system or any other online banking sites—the ability to view account transactions. The Conductor Card Review system was limited to daily updates, however, and allowed access to only the Compuserve Visa card. The Conductor Card Review system was composed of three distinct operations: (1) credit card transaction data was received from processing firm in a daily batch file; (2) procedures developed by Block converted this file to an alternate Compuserve-compatible format and upload to the Compuserve system; and (3) the Compuserve system stored and displayed the information to the appropriate users. (Def. Suggestions in Opp., Block Motion

for Partial Summary Judgment Relating to Defendant's Claims of Inequitable Conduct, Ex. D, pp. 161-200).

The accused Yodlee system also allows end users to access a consolidated summary of their personal account information available on the web. (Def. Suggestions in Opp., Block Motion for Infringement, Ex. H). The Yodlee system enables users centralized access to a broad array of web-accessible account information including financial account and other account information including travel and email accounts. A high-level functional description of the Yodlee system, entitled "Yodlee Enterprise Edition: Gathering Infrastructure Overview," was filed with Defendant's motion of summary judgment for non-infringement. (Def. Suggestions in Support, Ex. J).

II. SUMMARY JUDGMENT STANDARD

Summary judgment "shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue of material fact and that the moving party is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(c). There is no genuine issue of material fact when "the record taken as a whole could not lead a rational trier of fact to find for the non-moving party." Matsushita Elec. Indus. Co. v. Zenith Radio Corp., 475 U.S. 574, 587 (1986). The Court must decide "whether the evidence presents a sufficient disagreement to require submission to a trier of fact or whether it is so one-sided that one party must prevail as a matter of law." Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 251-52 (1986). The Court must view the evidence in the light most favorable to the non-moving party and refrain from making credibility determinations or weighing conflicting evidence. Id. at 253-54.

III. DISCUSSION

A. Best Mode - 35 U.S.C. § 112

Under 35 U.S.C. § 112, a patent specification must “set forth the best mode contemplated by the inventor of carrying out his invention.” The purpose of the best mode requirement is to restrain inventors from applying for a patent while at the same time concealing from the public the preferred embodiments of their inventions. Wahl Instruments, Inc. v. Acvious, Inc., 950 F.2d 1575, 1579 (Fed. Cir. 1991) (citing In re Gay, 309 F.2d 769, 772 (C.C.P.A. 1962)). Patent invalidity for failure to set forth the best mode requires that (1) the inventors knew of a better mode of carrying out the claimed invention than they disclosed in the specification and (2) the inventors concealed the better mode. Chemcast Corp. v. Arco Indus. Corp., 913 F.2d 923, 927-28 (Fed. Cir. 1990). Each claim must be considered individually for compliance with the best mode requirement. See, e.g., Northern Telecom, Inc. v. Datapoint Corp., 908 F.2d 931, 940 (Fed. Cir. 1990).

Where software constitutes part of a best mode of carrying out an invention, description of such a best mode is satisfied by a disclosure of the functions of the software. See In re Hayes Microcomputer Prods., Inc. Patent Litigation, 982 F.2d 1527, 1537-38 (Fed. Cir. 1992); In re Sherwood, 613 F.2d 809, 816-17 (C.C.P.A. 1980). This disclosure is sufficient because writing code for such software is within the skill of the art and would not require undue experimentation, once its functions have been disclosed. It is well established that what is within the skill of the art need not be disclosed to satisfy the best mode requirement as long as that mode is described. As a general rule, stating the functions of the best mode software satisfies that description test. Fonar Corp. v. General Elec. Co., 107 F.3d 1543, 1549 (Fed. Cir. 1997). Disclosure of specific

supplier and trade names may be necessary when the patentee cannot include sufficient generic details describing the claimed element. See Chemcast, 913 F.2d at 929-30 (holding disclosure of specific supplier and trade name was required where the patentee had no knowledge of the formula, composition or method of manufacture of a provided component which fell within the claims of the invention).

Yodlee argues that at the time of the application, Orbix was Block's preferred means for implementing the patents-in-suit, but Block only disclosed the use of CORBA¹. Disclosure of the CORBA standard, and thus by reference the functions or features contained within the CORBA, would meet the requirement described in the general rule above if it encompasses the feature set of the Orbix product. The record reflects, however, a dispute between the parties whether CORBA adequately encompasses the functionality within the Orbix product. The record is not sufficiently clear whether the "name server" component was part of the CORBA standard at the time of the patent application. Although the current CORBA standard does include a "name/locator service," the Court is not convinced that this resolves the best mode question regarding the CORBA standard at issue here. Furthermore, the Court believes there are issues regarding the knowledge and concealment of the best mode by the inventors, and these questions necessarily entail credibility determinations that are better handled by a jury. Thus, the Court concludes that summary judgment

¹ CORBA is an acronym for Common Object Request Broker Architecture and describes a standard for common binary object with methods and data that work using all types of development environments on all types of platforms. CORBA was created by the Object Management Group (OMG) industry consortium. In 1989, this consortium, which included IBM Corporation, Apple Computer Inc. and Sun Microsystems Inc. mobilized to create a cross-compatible distributed object standard. Using a committee of organizations, OMG set out to create the first (CORBA) standard which appeared in 1991. HyperDictionary, at <http://www.hyperdictionary.com/dictionary/Common+Object+Request+Broker+Architecture> (last visited Oct. 14, 2003).

on the issue of failure to disclose the best mode is inappropriate at this time and therefore DENIES Yodlee's motion on this issue.

B. Inequitable Conduct

A party seeking to have a patent declared unenforceable because of inequitable conduct has a heavy burden to meet. Inequitable conduct requires a showing of misrepresentation or omission of a material fact with an intent to deceive the PTO by the applicant.² Molins PLC v. Textron, Inc., 48 F.3d 1172, 1178 (Fed. Cir. 1995). Both elements must be shown by clear and convincing evidence. Id. Information is material "when there is a substantial likelihood that a reasonable examiner would have considered the information important in deciding whether to allow the application to issue as a patent If the information allegedly withheld is not as pertinent as that considered by the examiner, or is merely cumulative to that considered by the examiner, such information is not material." Id. at 1179. Once the requisite levels of materiality and intent are shown, the Court must determine whether the equities warrant a conclusion that the patentee has engaged in inequitable conduct. Id. at 1178. As a result, a ruling as a matter of law that a reputable attorney has been guilty of inequitable conduct, despite his denials otherwise, is properly rare indeed. Burlington Indus., Inc. v. Dayco Corp. 849 F.2d 1418, 1422 (Fed. Cir. 1988).

Here, Yodlee contends that the inventors' and prosecuting attorney's failure to disclose Orbix and the Conductor Card Review system amounts to inequitable conduct and renders the

² Under PTO rules, the duty to disclose information material to patentability rests on each inventor; each attorney or agent who prepares or prosecutes an application; and all other individuals who are substantively involved in the preparation or prosecution of the application and who is associated with the inventor, with the assignee, or with anyone to whom there is an obligation to assign the application. See 37 C.F.R. § 1.56 (2000). "Applicant" is used here for convenience. Molins PLC v. Textron, Inc., 48 F.3d 1172, 1178 n.6 (Fed. Cir. 1995).

patents-in-suit unenforceable. Yodlee also argues that the representation to the patent examiner during prosecution that Block had developed a “name server,” when it actually acquired the functionality through the purchase of the Orbix product, constitutes inequitable conduct. In light of Block’s denial of any inequitable conduct and the presence of other factual questions surrounding this issues, the Court concludes that neither party has presented evidence sufficient to warrant summary judgment as a matter of law.

1. Failure to Disclose Orbix

The parties agree that Block failed to disclose Orbix to the patent examiner, but they question whether Orbix was material to patentability. Both of the patents-in-suit disclose ORBs and the CORBA standard, and the parties agree that Orbix is an ORB and is a CORBA-compliant product. If Orbix’s functionality was a subset of the CORBA standard feature set, the disclosure of the vendor and product name would simply be cumulative and therefore nondisclosure would not be a material omission. The Court agrees that the disclosure of the CORBA standard combined with the disclosure of other competing distributed object technologies is a suitable substitute for disclosing every single vendor offering such products.

But Yodlee suggests that Orbix in particular was essential to successful operation of Block’s patents. Yodlee relies on deposition testimony indicating that Orbix met their design goals and describes “Orbix as the technology on which Block’s patented Conductor architecture was founded” as evidence of the materiality of the Orbix nondisclosure. It is clear to the Court that Orbix solved *part* of the design goals of the Conductor architecture, specifically the middleware piece. Orbix was not the only commercial product that could have been used, however, and the record indicates that the Block development team initially considered developing their own software to provide this functionality.

Yodlee also argues that nondisclosure of Orbix was material because Orbix contained certain functionality not found in the CORBA standard. Block's expert, John T. Korb, Ph.D., stated that at the time of application, the CORBA standard did not contain a "locator service." Yodlee argues that because CORBA did not contain the locator function and Orbix did, disclosure of CORBA does not render disclosure of Orbix cumulative and therefore immaterial. (Def. Reply Br. 5). Despite this extra feature in Orbix, the patent examiner was well aware of "name server" prior art. (Block Appendix of Exhibits, Ex. C, Notice of Allowance Dated May 19, 1997, p. 2). Additionally, the detailed description of the preferred embodiment within the patents themselves adequately described the name lookup functionality to inform the examiner as to the prior art. (Block Appendix of Exhibits, Ex. A, B, U.S. Patents '442 and '115).

Similarly, Yodlee has failed to demonstrate that Block intended to mislead or deceive the PTO by clear and convincing evidence. Although the patent description was largely based on the White Paper, which was edited to remove multiple references to Orbix before including large sections of its text in the patent application, the purposeful removal of certain commercial references cannot be viewed as an indicium of intent to mislead or deceive *per se*. Therefore, the Court concludes that there is no basis to find inequitable conduct by Block as a matter of law on the issue of failure to disclose Orbix.

2. "Invented" the Name Server Component

Yodlee also raises the issue of Block's representation to the PTO that it invented a name server when in fact it *purchased* this functionality. (Block Appendix of Exhibits, Ex. C, Amendment To Patent App. Dated Dec. 20, 1995, p. 7). As stated above, the patent examiner was aware of the name server prior art, and the patent was issued for Block's combination of elements and not simply because Block had invented a name server. (Block Appendix of Exhibits, Ex. C,

Notice of Allowance Dated May 19, 1997, p. 2). The record suggests therefore that the characterization of the origin of the name server was not a material misrepresentation.

The Court is nonetheless troubled by the characterization of the name server component by Block's attorney and is not convinced that this statement was made innocuously if Block's attorney had determined that a full disclosure would have been less convincing to the patent examiner and allowance of the patent would not have been granted. But the Court believes that any determination with respect to the credibility of Block's attorney is best left to a jury and will therefore not grant summary judgment on this issue.

3. Failure to Disclose Conductor Card Review

Yodlee's contention that the Conductor Card Review system was a material omission is similarly unpersuasive. The architecture of the Conductor Card Review system does not resemble the claimed inventions in patents-in-suit. The Compuserve online service itself handled the presentation of data according to its proprietary system. The architecture deployed by Geller was limited to the batch collection, processing and uploading of data in a proprietary format. The Conductor Card Review system essentially resembled any other online banking site where access to a single set of account information was possible. In contrast, the patents-in-suit envision an architecture that allows access to a plurality of financial information sources utilizing a standard set of protocols and interfaces. The Court therefore finds that the failure to disclose the Conductor Card Review system was not a material omission, and thus there is no need to address the intent to deceive element. For the aforementioned reasons, the Court finds summary judgment on the issue of inequitable conduct inappropriate and accordingly DENIES both Yodlee's motion for summary judgment and Block's cross-motion for summary judgment on this issue.

C. Infringement/Non-infringement

Block next asserts that Yodlee is infringing on claims 1-3, 5, 7-11 of the '442 patent³ and on claims 1, 5, 8, and 9 of the '115 patent.⁴ Because of the presence of several dependant claims, the Court need only determine whether the Yodlee system infringes on the independent claims 1, 5, and 11 of the '442 patent and claims 1, 5, and 8 of the '115 patent.⁵

1. Literal Infringement

In such cases, "[w]here the parties do not dispute any relevant facts regarding the accused product . . . but disagree over possible claim interpretations, the question of literal infringement collapses into claim construction and is amenable to summary judgment." General Mills, Inc. v. Hunt-Wesson, Inc., 103 F.3d 978, 983 (Fed. Cir. 1997) (citing Athletic Alternatives, Inc. v. Prince Mfg., Inc., 73 F.3d 1573, 1578 (Fed. Cir. 1996)). To demonstrate that the Yodlee system literally infringes on the aforementioned claims of the patents-in-suit, Block must establish that Yodlee's system contains every limitation of each claim. See Lemelson v. United States, 752 F.2d 1538, 1551 (Fed. Cir. 1985). "It is also well settled that each element of a claim is material and essential," id., and "the failure to meet a single limitation is sufficient to negate infringement of the claim," Laitram Corp. v. Rexnord, Inc., 939 F.2d 1533, 1535 (Fed. Cir. 1991).

³ Claims 2 and 3 are dependent claims incorporating the limitations of independent claim 1. Claims 7-10 are dependent claims incorporating the limitations of independent claim 5. Claim 11 is an independent claim.

⁴ Claim 9 is a dependent claim incorporating claim 8 and adds the storage of unique identification information within an identification server.

⁵ It is well established that where independent claims are not infringed, there can be no infringement of the dependent claims. See Wahpeton Canvas Co., Inc. v. Frontier, Inc., 870 F.2d 1546, 1553 (Fed. Cir. 1989) ("It is axiomatic that dependent claims cannot be found infringed unless the claims from which they depend have been found to have been infringed.").

Claims 1, 5 and 11 of the '442 patent and claims 1 and 5 of the '115 patent describe the existence of a "name server" or "identification server." The function of the name server is to provide location abstraction for the requesting client and allow the location of financial information servers to be "hidden" from the requesting client. The patents-in-suit describe this as a critical feature of the distributed system. The question for the Court to address is whether the lookup function within the Yodlee system reads on the "name server" limitation. In the Yodlee system, the lookup function takes an ItemID from the client request and looks up the corresponding customer record. The Yodlee customer record contains, at minimum, a web site address and username/password information that the Yodlee gatherer component uses to access the remote financial institution website and collect summary account information to store and display to the user.

The Yodlee lookup procedure utilizing the ItemID is not the literal equivalent of the limitations contained with the claims of the patent-in-suit. This lookup, or refresh request, does not contain the name of a financial server, and the result of this lookup does not produce a location whereby the client can subsequently connect to the financial information server. The Court's determination does not rest on whether the ItemID is a name or whether the patents-in-suit require "customer-oriented" or "customer-friendly" names. Yodlee's system does not literally infringe because the transaction itself does not read on the claim limitation. The Yodlee refresh request starts a series of processes whereby the system's data store is updated with current information from the remote financial institution's website. In the Yodlee refresh process, updating is performed by components within the Yodlee system and not directly by the requesting client.

Each of the independent claims also describe a communication link between the client and financial information server.⁶ There is no question that these limitations do not literally read onto the Yodlee system. As described above, the client within the Yodlee system never establishes any direct communication link to the financial information server. In the Yodlee system, all data communication links are exclusively between the client process and the Yodlee web server. Consistent with the Court's Markman construction of the term "communication link," there is no literal infringement when the two entities described never connect via a communication link.

2. Infringement Under the Doctrine of Equivalents

"An accused product that does not literally infringe may infringe under the doctrine of equivalents if it performs substantially the same function in substantially the same way to obtain the same result." Southwall Techs., Inc. v. Cardinal IG, Co., 54 F.3d 1570, 1579 (Fed. Cir. 1995). "Each element contained in a patent claim is deemed material to defining the scope of the patented invention, and thus the doctrine of equivalents must be applied to individual elements of the claim, not to the invention as a whole." Warner-Jenkinson Co., Inc. v. Hilton Davis Chemical Co., 520 U.S. 17, 29 (1997). Equivalence also requires that the accused product is not substantially different from the claims of the patent. Id. at 35. Analysis of the role played by each element of

⁶ The '442 patent Claim 1 describes a "communication link between said client and said financial information server at said location," Claim 5 describes a step "binding said client to said financial information server at said location," and Claim 11 describes "an interface for linking said client to one of said financial information servers." The '115 patent Claim 1 describes a "communication link between said client and said financial information server at said location," Claim 5 describes a step involving a "communication link" between the client and name server where a "name" is sent and a "location" returned to the client. Claim 5 also describes a "second communication link between said client and said server." Finally, Claim 8 describes "a communication link between said client and said financial information server associated with said unique identification."

the specific patent claim will "inform the inquiry as to whether a substitute element matches the function, way, and result of the claimed element, or whether the substitute element plays a role substantially different from the claimed element." Id. at 41. To prevail on a claim of infringement under the doctrine of equivalents, a patentee must prove by a preponderance of the evidence that "the differences between the claimed and accused products or processes are insubstantial." Hilton Davis Chemical Co. v. Warner-Jenkinson Co., 62 F.3d 1512, 1517 (Fed. Cir. 1995). The Court assesses the substantiality of the differences between two products "according to an objective standard" viewed from "the vantage point of one of ordinary skill in the relevant art." Id. at 1519. The doctrine of equivalents is applied on an element-by-element basis, not to the invention as a whole. See Warner-Jenkinson, 520 U.S. at 29. The Federal Circuit has explained that the "function-way-result" test may help detect an equivalent. Overhead Door Corp. v. Chamberlain Group, Inc., 194 F.3d 1261, 1270 (Fed. Cir. 1999). The function-way-result test dictates that an element in the accused product is equivalent to a claimed element if the accused element performs substantially the same function in substantially the same way to accomplish substantially the same result as the claimed element. Id. In addition, "[a]lthough equivalence [under the doctrine of equivalents] is a factual matter normally reserved for a fact-finder, the trial court should grant summary judgment in any case where no reasonable fact-finder could find equivalence." Id. at 1269. A patent applicant can be estopped from benefitting from the doctrine of equivalents, however, by the doctrine of prosecution history estoppel. Warner-Jenkins, 520 U.S. at 30. Under this doctrine, subject matter surrendered during the patent's prosecution to obtain allowance of the patent cannot be recaptured under the doctrine of equivalents. Id.

During the application process, various claims were rejected by the patent examiner under 35 U.S.C. § 103(a) as being unpatentable over the prior art. (Block Appendix of Exhibits, Ex. C,

Amendment To Patent App. Dated Dec. 20, 1995, p. 8). Although Block was ultimately granted the patents, the prosecution history now limits the scope of the analysis of the claims under the doctrine of equivalents. The patent examiner stated:

The claims are allowed because of applicants' arguments limiting interpretation of the claims by the prosecution history. The claims must not be read in a vacuum of only themselves. The concept of reassignment of a web site address is notoriously well known as the definition of domain name server (DNS) and for security protection purposes such as use of firewall which reassigns addresses so that the user does not need to track such even when specific web site's address may change. Web page pointers to other web sites are also notorious. The claimed specific plural structural components so named and for their specific functions and desired results are not seen in the prior art.

(Block Appendix of Exhibits, Ex. C, Notice of Allowance Dated May 19, 1997, p. 2). The last sentence of the examiner's statement suggests that Block is substantially precluded from alleging infringement under the doctrine of equivalents. "[S]pecific function" seems to limit the Court from examining the Yodlee system under the "function-way-result" test. Notwithstanding the potential limitation imposed under the doctrine of prosecution history estoppel, the Court will examine the "name server" and "communication link" limitations in terms of equivalence.

The function described by the "name server" limitations within Block's patents-in-suit returns location information to a client attempting to connect to a financial information server. Looking beyond the technical aspects of this function and focusing on its role within the invention, the Court finds that its essential function is to act as a gateway between the requesting client and the financial information server, and this gateway function is important for various reasons described within the patents themselves.

The question the Court must then consider is whether the database lookup performed within the Yodlee system, in which a data record containing the customer's account information allows

automated access to a remote website, performs substantially the same function. The Court notes that this question must be answered from the perspective of one of ordinary skill in the relevant art. It is clear that the two functions are substantially similar to the extent that both ultimately enable communication with a server containing the relevant financial information. The Court opines, however, that this seems to be the extent of the similarities of the accused system to the claimed system.

The “way” the name server in Block’s invention functions is as a gateway—the location information for a relevant financial information server is passed to the client process so that the client process can subsequently connect to said financial information server directly and request specific financial information via the defined interface. In Yodlee’s system, the ItemID lookup process does not return the location information to the client but instead adds it to an internal work queue, whereby other components within the system access the remote site, collect, transform and store the resulting information within the system. After this process is completed, any subsequent access by the customer will display the updated information.

On a more general level, the Yodlee system is employing a substantially different means for aggregating customer financial information. Block’s patents describe a “middleware”⁷ approach, whereby a common interface exists between the clients and servers within the system and is based on the attributes of the financial information accessible from the system. As the Court stated in its Markman order, this approach does not require any specific “middleware” product or

⁷ Middleware is software that mediates between an application program and a network. It manages the interaction between disparate applications across the heterogeneous computing platforms. The Object Request Broker (ORB), software that manages communication between objects, is an example of a middleware program. HyperDictionary, at <http://www.hyperdictionary.com/computing/middleware> (last visited October 14, 2003).

technology like ORBs, CORBA, or even objects. In contrast, the Yodlee system has eschewed this approach and has instead developed a system whereby information is collected from “public” web-sites⁸ that are made available to customers of various financial institutions. Under Yodlee’s approach, there is no “common interface” as the information providers do not deploy their customer-accessible web-sites in a common fashion. Additionally, the attributes of such an interface, should it be described as such, are not based on the information contained within the system. Yodlee instead developed more than 6000 gatherer agents that “know” how to navigate and collect information from specific information provider websites, not limited to any particular type of information, interface or format.

Furthermore, there is no evidence in the record that Yodlee’s lookup mechanism was deployed in a manner to “design around” the patent by merely inserting a minor technical difference to avoid the limitations within the patents-in-suit. In fact, the utilization of the work queue and the multiple communication links is likely a necessary response to inherent latency problems when accessing the financial information from public web-sites over the Internet.

The Court therefore finds that the “name server” function contained within claims 1, 5 and 11 of the ‘442 patent and claims 1 and 5 of the ‘115 patent and the “communication link” function in the above claims and claim 8 of the ‘115 patent are not infringed under the doctrine of equivalents. Thus, because the accused system does not meet the above limitations and there is no genuine issue of material fact remaining, no reasonable jury could find that Yodlee’s system infringes the patents-in-suit under the doctrine of equivalents. For the aforementioned reasons, the

⁸ The Court is not suggesting these websites are public in the sense that anyone may access them at anytime but that they are published on the Internet and may be accessed by anyone with proper credentials to do so.

Court concludes that summary judgment on the issue of non-infringement is appropriate and GRANTS Yodlee's motion for summary judgment. Accordingly, the Court DENIES Block's cross-motion for partial summary judgment of infringement.

IV. CONCLUSION

For the reasons discussed above, it is hereby

ORDERED that Yodlee's motion for summary judgment of invalidity due to failure to disclose the best mode, (Doc. 78); Yodlee's motion for summary judgment of unenforceability due to inequitable conduct, (Doc. 85); Block's cross-motion on inequitable conduct, (Doc. 82); and Block's motion for partial summary judgment of infringement, (Doc. 83) are DENIED; it is further ORDERED that Yodlee's motion for summary judgment of non-infringement, (Doc. 81), is GRANTED.

IT IS SO ORDERED.

/s/ DEAN WHIPPLE

Dean Whipple
United States District Judge

Date: October 16, 2003