

EXHIBIT 14

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United States District Court
Northern District of California

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

ANCORA TECHNOLOGIES, INC.,

Plaintiff,

v.

APPLE INC.,

Defendant.

Case No.: 11-CV-06357 YGR

CLAIM CONSTRUCTION ORDER

AND RELATED COUNTER-CLAIM

Ancora Technologies, Inc. (“Ancora”) alleges that devices that run Apple Inc.’s (“Apple”) iOS operating system infringe on U.S. Patent No. 6,411,941 (the “’941 Patent”). Apple has counterclaimed for declaratory judgments of non-infringement and invalidity.

The parties have requested the Court construe seven claim terms/phrases from the ’941 Patent: (1) “volatile memory”; (2) “non-volatile memory”; (3) “BIOS”; (4) “program”; (5) “license record”; (6) “verifying the program using at least the verification structure”; and (7) whether the steps in the asserted claims must be performed in a specific order. On June 29, 2012, the parties provided a technology tutorial and on July 11, 2012, the Court held a claim construction hearing.

Based upon the papers submitted, the argument of counsel, for the reasons set forth below, the Court provides the following claim construction.

I. BACKGROUND

The patent in suit relates to software anti-piracy technology. At issue here is technology directed at preventing computer users from copying software and then running that software without a license. Ancora is the owner of the ’941 Patent, which claims a method of restricting software

1 means “using at least,” as Ancora urges, or whether “using at least” means “by comparing the
2 license record extracted from the program to the license record in,” as Apple urges.

3 Ancora argues that a comparison between the license record extracted from the program and
4 the license record in the verification structure is not required, while Apple argues verification is not
5 possible without such a comparison. Apple argues that the specification describes the verification
6 process, which includes a comparison between the license record extracted from the program and the
7 license record in the verification structure. Ancora notes that the specification describes multiple
8 examples of techniques to verify a program, including verification by determining whether a
9 particular program is “compatible” with the license record. (’941 Patent, 3:38-41.) According to
10 Ancora, “comparison” is not required for this compatibility verification.

11 The Court cannot find any limitation in the Claim or specification that verifying a program
12 requires a “comparison.” Indeed, Apple’s proposed construction renders the claim language “at
13 least” meaningless. Based on the foregoing, the Court will adopt Ancora’s proposed construction of
14 the disputed claim phrase:

15 Confirming whether a program is licensed using at least the verification structure.

16 **F. SEVENTH DISPUTED CLAIM TERM/ PHRASE – ALL ASSERTED CLAIMS**

17 The parties dispute whether the claimed steps must be performed in a specific order to
18 infringe on the ’941 Patent. The parties’ proposed constructions are shown below:

APPLE’S PROPOSED CONSTRUCTION	ANCORA’S PROPOSED CONSTRUCTION
The steps in each asserted claim must be performed in the order recited.	Unless the steps of a method actually recite an order, the claim is not limited to performance of the steps in the order recited.

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23 “Unless the steps of a method actually recite an order, the steps are not ordinarily construed
24 to require one. However, such a result can ensue when the method steps implicitly require that they
25 be performed in the order written.” *Altiris, Inc. v. Symantec Corp.*, 318 F.3d 1363, 1369-70 (Fed.
26 Cir. 2003) (quoting *Interactive Gift Exp., Inc. v. Compuserve Inc.*, 256 F.3d 1323, 1342 (Fed. Cir.
27 2001)). “First, we look to the claim language to determine if, as a matter of logic or grammar, they
28 must be performed in the order written. ... If not, we next look to the rest of the specification to

1 determine whether it ‘directly or implicitly requires such a narrow construction.’ If not, the
2 sequence in which such steps are written is not a requirement.” *Id.*

3 Apple argues that there is only one possible sequence to perform the steps in Claim 1, the
4 order recited. “In this case, nothing in the claim or the specification directly or implicitly requires
5 such a narrow construction.” *Id.* As Ancora points out, Apple’s proposed construction is contrary to
6 the express teachings of the ’941 Patent. In the Summary of the Invention, the ’941 Patent teaches
7 an embodiment of the invention in which the first step to be performed is setting up the verification
8 structure. (’941 Patent 1:59-65.) In contrast to the express teachings of the ’941 Patent, Apple
9 argues that the first step is to select a program and the second step is setting up the verification
10 structure. Nothing in the ’941 Patent directly or implicitly requires that the steps be performed in the
11 order recited.

12 Based on the foregoing analysis, the Court will not construe the claim to require the steps be
13 performed in the order written.

14 IV. CONCLUSION

15 For the reasons set forth above, the Court provides the following construction of the disputed
16 claim terms/phrases:

17 DISPUTED CLAIM TERM/PHRASE	CONSTRUCTION
18 volatile memory	Memory whose data is not maintained when the power is removed.
19 non-volatile memory	Memory whose data is maintained when the power is removed.
20 BIOS	21 An acronym for <u>B</u> asic <u>I</u> nput/ <u>O</u> utput <u>S</u> ystem. It is the set of essential startup operations that run when a computer is turned on, which tests hardware, starts the operating system, and supports the transfer of data among hardware devices.
22 program	23 A set of instructions for software applications that can be executed by a computer.
24 license record	25 A record from a licensed program with information for verifying that licensed program.
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1 verifying the program using at least the
2 verification structure

Confirming whether a program is licensed using at
least the verification structure.

3 All Asserted Claims

The steps of the Claim do not need to be performed in
the order recited.

4 **IT IS SO ORDERED.**

5 **Date: December 31, 2012**



YVONNE GONZALEZ ROGERS
UNITED STATES DISTRICT COURT JUDGE

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United States District Court
Northern District of California