/// Donna Kline Now!

By Donna Kline — www.DLKindustries.com



/// Donna Kline is a reporter for *Pittsburgh* Business Report and a former reporter for

{ 2012 07 11 }

/// Industry Leader Blasts Facebook's Predatory Conduct

Former Director of Network Architecture for Sun Microsystems files a Court Brief supporting Leader Technologies in Leader v. Facebook

BY DONNA KLINE | July 11, 2012 | PITTSBURGH BUSINESS REPORT (PBR)

Bloomberg New York.

LEADER V.
FACEBOOK PRESS
BACKGROUND

- 1. Brief Summary (PDF)
- 2. Backgrounder (PDF)
- 3. Facebook Secrets (PDF)
- 4. Instagram-scam? (PDF)
- 5. USPTO-gate? (PDF)
- 6. Zynga-gate? (PDF)
- 7. Insider Trading (PDF)

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(My original post is below these updates.)

Update 7/17/12: Half-Day Twelve-Judge Turnaround on July 11 For Dr. Arunachalam's Amicus Curiae Motion; Rehearing Denial Posted By The Court The Same Day As The Fox Business Interview; Reminder: First Decision Was Posted Within Hours Of Facebook Road Show Beginning

Click here for full size Fox Business image.



July 17, 2012—Leader Technologies' Michael McKibben learned while he was being interviewed live with Shibani Joshi of *Fox*

Business that the Federal Circuit had denied Leader's rehearing request. Click here for the Fox Business interview earlier today.

I contacted Dr. Lakshmi Arunachalam to see if she had heard from the Federal Circuit. She reported that just today she received mail from the Federal Circuit denying her motion to file her *amicus curiae* brief (Fig. 1). This denial was ordered on the **SAME DAY** that it arrived on July 11, 2012. That's right, the post office receipt (El 081 026 663 US) says the package arrived in Washington D.C. at the Federal Circuit on July 11, 2012 at 10:52AM (see USPS receipt below). Then by close of business the same day **Clerk Jan Horably** issued, filed and mailed an ORDER denying Dr.

Arunachalam's motion without an explanation. (See the ORDER



Please donate to the cause!

This blog has become a grassroots effort. My Leader v. Facebook patent infringement interview (click here) has mushroomed into a *major* investigation. Will you donate to the cause? Your donations will enable me to sustain this important news effort. Thank you! MEEP MEEP — Donna













PREVIOUS POSTS

/// Industry Leader Blasts Facebook's **Predatory Conduct**

below also.)

Fairness Of This Court In Question

This was a lightening-fast half-day turnaround denying Dr. Arunachalam's motion by Judges Lourie, Moore and Wallach and the other 9 judges. Were they sitting on the courthouse steps waiting for it? Is it reasonable to assume that all twelve justices had time to read, confer and deny Dr. Arunachalam's thoughtful brief all after lunch before the order was typed up and mailed out the same day? Has anyone ever experienced such swift turnaround at the Federal Circuit—a turnaround clearly timed to counter a national Fox Business interview of Michael McKibben of Leader Technologies? The court's first decision appeared within hours of the beginning of Facebook's road show. This court's scheduling seems to be dictated by Facebook. Did Clerk Jan Horably confer with the justices before issuing this order, or was he acting unilaterally at Facebook's behest? For whom do our courts actually work? These are serious questions about the fairness of our courts.



/// Facebook counterfeit from inception? /// Leader filed petition for rehearing today /// The Facebook Debacle - More Undisclosed Insider Secrets /// Facebook IPO – Is the bubble over before it started? /// Federal Circuit violates most basic tenents of GROUP ONE vs. HALLMARK CARDS re. validity of "on sale bar" evidence /// Congratulations, Facebook. See you at the Supreme Court? /// Are Facebook

Note the misspellings in the docket entry for Dr. Arunachalam's motion denial. Her last name is not capitalized. Leave is misspelled "Leaave." Leader's name is not capitalized. Most remarkable is the entry "The amicus curiae brief is not accepted for filing." No reason is given by this Court for rejecting a lawful filing. Dr. Arunachalam's rights to a fair hearing of her brief are being denied. Leader Technologies' property rights are being denied. Are yours next?

Delivery Receipt and Order Re. Amicus Curiae Lakshmi Arunachalam PhD Motion for Leave to File, Jul. 11, 2012

Scribd. < ⟨>

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Fig. 2 – USPS delivery information and the Court's ORDER in response which was received, considered, decided (by 12 judges), drafted, filed and return-mailed all on the same day for Dr. Lakshmi Arunachalam's amicus curiae brief (Fig. 1) to the Federal Circuit in Washington D.C. on July 11, 2012.

2nd Update 7/19/2012, 3:45 PM EDT:

The Oldest Clerk Of Courts Trick In The **Playbook**

Just moments ago Leader's attorneys in California received a copy of the Federal Circuit's denial of their rehearing petition by regular mail (see below). As I note below, nothing has appeared on the **Clerk of Court Jan Horbaly** website in Washington D.C. (ostensible computer problems – although the denial of Dr. Lakshmi Arunachalam's Amicus Curiae Brief was posted). However, as we all noted on the Fox Business interview with Leader's Michael McKibben on Monday, Fox Business' Shibani Joshi had notice of this Order before the interview, but nothing has appeared on the official court docket, even now nothing is there, neither this Order nor Dr. Lakshmi Arunachalam's amicus curiae brief. I attempted to contact Ms. Joshi, but as of today, no calls have been **returned.** As you will also note in Dr. Arunachalam's motion for

insiders mocking the **Business Judgment** Rule? /// James W. Breyer's tangled web of insider trading – AKA – "You've been Brevered" /// Wal-Mart – Zynga - Facebook: Oh, the webs we weave /// Facebook forces reexam order of Leader's patent through USPTO Director's office in wake of Instagram controversy /// Instagram-scam? /// Facebook's Orwellian (black-iswhite) definition of "clear and convincing"

evidence /// Facebook countersues Yahoo with bogus patents? Confirms reckless mindset. /// Facebook "Liked" Leader's source code ... before it didn't /// Proof Fenwick & West LLP did not disclose Leader as prior art to Facebook /// MF Global + JP Morgan + Goldman Sachs + Harvard Grads + Politics = A big mess /// What Facebook, Accel Partners. Goldman Sachs and Fenwick & West don't want us "muppets" to

reconsideration, Facebook knew about the Order before Leader's attorneys also.

Remarkably, the Order contains not a single "justifying reason" for the denial. Given the importance of this case, this "form letter" rejection does nothing to enlighten the public as to the Court's thinking about the important legal questions. One also notes that it is marked "nonprecedential." This degrading of this case to a minor annoyance to the Court is certainly outrageous. It also allows the Court to dispense with this case without upsetting their previous precedent which they are running over roughshod in this case. Very clever way to avoid creating new messes for themselves down the road, but wholly unjust to Leader Technologies.

The trick played by the Clerk here is played by many unscrupulous attorneys (which the electronic notice system was supposed to eliminate). The favored attorneys convince the clerk to place the opponent's notice on the slow boat to China to hamper their ability to respond timely. The Clerk's website has been having "technical problems" magically all week. No doubt that will be the excuse for the lack of electronic notices, although Dr. Arunachalam's denial made it up, and both Facebook and Fox Business were notified somehow on Monday. Who notified them at the Clerk's office? Why was Leader treated differently than Facebook and Fox Business? Presumably Facebook contacted Fox Business' Shibani Joshi with a revelation that they thought would unsettle Michael McKibben in his interview at 2:40 PM EDT. As one can see from the interview, it



backfired. McKibben used it as just another example of judicial misconduct. Does anyone besides me smell a rat?

I will cover this more later, but wanted to get the document to you right away.

-Donna

Federal Circuit Order Denying Leader's Petition, 2012-07-16; sent to Leader's Attorneys IN THE MAIL (Arr. 7...

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pharma users to allow
comments, yet will not
return phone calls now
/// First thoughts after
leaving courthouse
March 5, 2012
/// Judges Selected
/// San Francisco CBS-
TV KPIX Coverage
/// NBC-TV4
(Columbus) Interview
with Leader founder
Michael McKibben
/// How Facebook
tricked the jury -
YouTube
/// New friends?
/// Did Someone Prod
the Media?
/// Facebook: The New
'Too Big To Fail?'
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Fig. 4 – Federal Circuit Order Denying Leader's

Select Month

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July 2012

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Petition. Facebook and Fox Business knew about this Order the day it was issued, but Leader Technologies' attorneys did not get notice of it until it arrived by regular mail at their offices in Menlo Park, California on July 19, 2012. See also Dr. Lakshmi Arunachalam's Motion for Reconsideration below.

Update 7/19/2012:

Misconduct at the High Court?

Dr. Arunachalam Fires Back A Motion For Reconsideration Of The Court's Not So Friendly Refusal To Accept Her "Friend Of The Court" Brief

She Says The Federal Circuit Fails To Follow Its Own Rules; Wonders If The Judges Even Had Time To Read Her Motion, Or If They Were Even Given It To Read

Clerk's Entries Are Sloppy, Confused and Delinquent; The **Clerk's PACER Website Is Suddenly Having Difficulties** Displaying The Leader v. Facebook Docket Entries (Dockets Of Other Courts Display Fine) And Has Not Posted Dr. Arunachalam's Amicus Curiae Brief Or The Alleged 7/16/12 Denial Of Leader's Petition Although Facebook And Fox **Business Seem To Have It**

Facebook's Predatory Conduct Winston Smith on /// **Industry Leader Blasts** Facebook's Predatory Conduct

Winston Smith on ///

Industry Leader Blasts

Facebook's Predatory

Conduct

newbe on /// Industry

Leader Blasts

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Fourleaf Tayback on

/// Industry Leader

Blasts Facebook's

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chicago on /// Industry

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chicago on /// Industry

... Begging Many Questions

In his *Fox Business* interview on Monday, July 16, 2012 Leader's Chairman & Founder Michael McKibben referred to misconduct in the high court that Leader has observed ever since the *Leader v*. Facebook trial. See what you think.

"The wheels of justice grind slowly" so the saying goes. The exception to this rule appears to be at the Federal Circuit, in *Leader* v. Facebook. Here the court appears to waive the need to actually show pleadings to the judges, yet nonetheless issues decisions in their names on the same day they are received, hurriedly entering records on the docket full of typographical errors, then making monumental decisions a few days later timed to national news coverage, all without giving the affected parties time to reply. To make matters worse, they give no justifying reasons for their actions and do not address a single issue of law raised. Did we mention that they don't bother notifying Leader's attorneys, yet Facebook's attorneys and Fox Business seem to be privileged to the info?

Dr. Lakshmi Arunachalam, former Director of Network Architecture for Sun Microsystems, just filed a motion (below) asking the Federal Circuit to follow its own rules. She argues that the court failed to give her ten (10) days to reply to their refusal to accept her "friend of the court" (amicus curiae) brief. She says this Leader Blasts

Facebook's Predatory

Conduct

Donna Kline on ///

Industry Leader Blasts

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Facebook's Predatory

Conduct

failure to follow basic Rules of Civil Procedure places the alleged denial of Leader's petition out-of-order.

Her motion says that as of yesterday only Facebook and Fox Business appeared to know that Leader's petition was denied. As of post time on this update, the Court's docket does not show an order, nor had Leader's attorneys received notice when contacted yesterday. The confusion worsened when calls to the Clerk's office revealed little knowledge in that small 12-judge office whether or not the justices had actually been given Dr. Arunachalam's motion before denying it within hours of its arrival.

More to the point, she cites *Taitz v. Astrue* that says the Court is duty-bound to give serious reconsideration to her amicus curiae brief since it represents an "extraordinary circumstance" where "new evidence" shows that a "manifest injustice" is likely since giving Leader access to Facebook's 2003-2004 source code would likely have dramatically changed Leader's defenses at trial. She also cited the Supreme Court's view that a court cannot just deny motions without providing "justifying reasons" for their decisions.

Below is Dr. Arunachalam's motion for reconsideration which she kindly provided to us this morning. We have confirmed that it arrived at the Court at via U.S. Express Mail (EIo81023636US) at 9:35 AM on July 19, 2012. Of course, given the Federal Circuit's sudden onset of bureaucratic "computer problems," this site may be the only place to read Dr. A's motion for a while. Ha ha ha ha. (I asked the Scribd webmaster to include the USPS delivery receipt

for the record.) Donna Kline on /// **Industry Leader Blasts** Motion for Reconsideration, Re. Amicus Curiae Lakshmi Arunachalam PhD Brief, 18 Jul. 2012 Facebook's Predatory Conduct Mike on /// Industry Leader Blasts Facebook's Predatory Conduct law blogger on /// **Industry Leader Blasts** Facebook's Predatory Conduct Steve Williams on /// **Industry Leader Blasts** Facebook's Predatory Conduct law blogger on /// **Industry Leader Blasts** Facebook's Predatory Conduct fred on /// Industry Leader Blasts Facebook's Predatory

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READER **LOCATIONS:**



OPINION

This is an opinion blog. Any information contained or linked herein should be independently verified Scribd. Share Embed

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Fig. 3 – Dr. Lakshmi Arunachalam's Motion for Reconsideration filed Jul. 19, 2012 in Leader Tech v. Facebook, Case No. 2011-1366 (Fed. Cir.). This motion arrived at the Court via U.S. Express Mail (EI081023636US) at 9:35 AM on July 19, 2012 (USPS delivery receipt inserted on the last page of the motion above.) This motion is also available at http://www.scribd.com/amer4innov.

ORIGINAL POST BELOW

I received a heads up several days ago about an Amicus Curiae (Friend of Court) Brief that would be filed by Dr.



and should be considered the sole opinion of the writer. Free Speech and Freedom of the Press are protected by the First Amendment of the U.S. Constitution and other local, state, national and international laws.

META

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Lakshmi Arunachalam of Menlo Park, California in support of Leader Technologies' petition for a rehearing in *Leader* Tech v. Facebook, Case No. 2011-1366 (Fed. Cir.).

Dr. Arunachalam is a widely-respected



A new appeal to the courts for justice -'every champion of property rights in the United States must stand behind Michael McKibben and Leader Technologies.' - Dr. Lakshmi Arunachalam, Menlo Park, CA

internet pioneer, inventor and patent holder (her bio is in appendix of the brief below in Fig. 1). She has an impressive business and academic background. She helped determine coding standards for large networks like the World Wide Web and internal company networks. (For you techies she led the creation of the standards known as IEEE802 and IEEE POSIX X.500). She is an advocate of intellectual property rights. What bothers her about the current "anti-patent and anti-small inventor trend" is that "large companies often steal, using their superior resources to quickly exploit the invention and deprive the small inventors of their rewards."

Her criticisms of the conduct of the courts in this case are guarded, but still blistering. She highlights what she believes to be prejudicial conduct and cites precise evidence to prove it (not the least of which is the timing of the Decision issued within hours of the start of Facebook's road show). For example, she says Facebook's expert witness should have been disqualified due to his bad science "hand waving" which the jury relied upon. She also shows how the district court judge cleared the way for Facebook to introduce their doctored Interrogatory No. 9. She specifically highlights the way the district court blocked Leader's ability to build its defenses to the late-filed on sale bar claim. She then uses the public record to show the expertise of two Leader directors, Professor James P. Chandler and Maj. Gen. James E. Freeze, U.S. Army (ret.). She points out that Professor Chandler wrote the Federal Trade Secrets Act (18 U.S.C. § 1832) and Economic Espionage Act of 1996 (18 U.S.C. § 1831) and could have readily validated Michael McKibben's testimony to the jury. But alas, introduction of such evidence was blocked by the judge.

Brief Of Amicus Curiae Lakshmi Arunachalam, Ph.D. In Support Of Leader Technologies' Petition For Rehearing...

Scribd. ± Download Share <> Click bottom right comer box to **ENLARGE / REDUCE** document view Fig. 1 – Brief Of *Amicus Curiae* Lakshmi Arunachalam, Ph.D. In Support Of Leader

Technologies' Petition For Rehearing And Rehearing En Banc, Filed Jul. 10, 2012, Leader Tech v. Facebook, Case No. 2011-1366 (Fed. Cir.). Click here to view the brief at **docstoc**. Click here to download the PDF file from **Leader.com**. This motion is also available at http://www.scribd.com/amer4innov.

Where was Mark Zuckerberg?

Dr. Arunachalam places her voice squarely on the side of American innovation and the threats to it. Among them is an issue of constitutional law that she says was ignored. She points out that the trial changed judges from Judge Joseph J. Farnan who had twentyfive years of experience to Judge Leonard P. Stark who had never judged a trial before. Then, after taking over the trial, one of Judge Stark's first decisions was to allow Facebook to do an "about-face" and go from claiming that Leader had no invention to claiming leader had an invention and tried to sell it too soon.

To make matters even more prejudicial, according to Dr. Arunachalam, the judge denied Leader the opportunity to conduct addition discovery to build evidence to defend against this new claim. In addition, Facebook did not produce any evidence from the same 2002-2004 time period. Had they, new testimony is now emerging that Leader may have found their actual source code on Mark Zuckerberg's computers; evidence that he has so far obfuscated. Curiously, his attorneys now say he still has these computers, but those same attorneys told Leader they didn't have that evidence. Had Leader been able to prove actual theft of their source code, the trial turns criminal, after which Leader has the

constitutional right to confront their accuser about where and how he obtained Leader's source code. Hmmmm. Is it just me, or do these courts seem to be going out of their way to protect the infringer?

Dr. Arunchalam stated "This makes absolutely no sense [preventing Mark Zuckerberg's testimony] and was clearly prejudicial to Leader Technologies being able to tell the full story to the jury, and in being able to cross-examine the adjudged infringer in front of the jury."

Dr. Arunachalam does an easily-understood job of breaking down the many issues of law which she says were sidestepped by the three-judge Federal Circuit panel comprised of Judge Alan A. Lourie (presiding), Judge Kimberly A. Moore, and Judge Evan J. Wallach.

She believes that "every champion of property rights in the United States must stand behind Michael McKibben and Leader Technologies.

Strong words from a woman who has certainly earned her stripes.

More later, but here's the brief. Enjoy!

-Donna



Update – OPERATIONS SPOTLIGHT. Reports are coming



OPERATION SPOTLIGHT -*Industry Expert Says* American Property Rights Are Threatened

in from around the country that our elected officials and the media are paying attention to this case now because of your efforts. Keep it up! (Remember, our Madison Ave. NY experts supporting OPERATION SPOTLIGHT say it takes three times contacting a person before they actually notice that you have sent them *anything!*)

- Click here for contact lists of decision influencers
- <u>Click here</u> for a sample letter to Congresspersons, Senators, Media
- Click here to read a response from Senator Richard Lugar

Click here to go to the **Comments**.

Posted by Donna Kline on Wednesday, July 11, 2012, at 8:04 pm.

Filed under Investigation.

Follow any responses to this post with its comments RSS feed.

You can post a comment or trackback from your blog.

Comments

Steve and Amy | July 11, 2012 at 1. 9:57 pm | Permalink



Having read this entire brief, cover to cover, and all we can say is..."there be some rich judges somewhere!" What a shameless travesty this court ruling has become. As Dr. Arunachalam so eloquently pointed out the flaws in this case, we too are of the belief that our Constitution has been dragged through the outhouse. And, like her, we are calling out the three "Amigos" (judges) to apply the letter of the LAW, and not emotion, to this case. If they do not, then we might as well consider ourselves at war with our own country. We do recall a few branded "traitors" who stood up for individual property rights to a growing tyranny. And, as we also recall, those traitors ultimately defeated that tyranny and crafted our Constitution that our courts now defecate on. Not to sound too melodramatic here, but this "war" too can be avoided, if only a certain merry band of robed misfits can get their collective heads

out of their you-know-whats.

People are human; we do make mistakes, and none of us are immune to that fact. But a large part of our humanity is having the ability to acknowledge those mistakes, correct them as best we can, and move forward as we grow in life. Stubbornness, arrogance, and self-righteousness do not foster that growth; on the contrary it stifles it. Now is not the time for you to be resting on your "Judicial High-horses". Now is not the time to be looking down upon us lowly peasants. And, certainly, now is not the time to be rewriting the simple definitions of common English phrases in order to fit the needs of an inexcusable and indefensible ruling.

You "Amigos" blew it. So what; fix it and move on. Let's get back to being a nation of laws. A nation that respects the rights of individuals and their properties so that we may get on with our pursuit of "life, liberty, and happiness".

Else, these lowly peasants, and their "common speak", will knock you off your "high-horses", and will be proudly branded as "traitors" once again.

2. **Tootall** | July 12, 2012 at 6:43 am |



Permalink

Follow the money maybe not now but down the road under the radar there will be some type of loyalty rewards for the three. That's the way our courts run & you work; it's a total shame isn't IT ????!!!!!!

3. <u>Tex</u> | July 12, 2012 at 4:43 pm | Permalink



This is, indeed, a very encouraging turn of events for this conflict. An "Amicus Curiae" filed by such an knowledgeable and highly respected business woman is an attentiongetter, for sure. Dr. Arunachalam appears to be driven by "truth" and justice rather than by short term gain. Dr A, you are a very honorable person. Another real hero, somewhere out there, should now step forward with more information even though calling out Zuckerberg's pilfering could affect their future. There are few moments in a person's life that truly stay with you

forever..... For someone who knows the truth and has proof of this twisted malfeasance, this is your moment. Give it serious thought..... do the right thing. Its never the first crime that entangles the innocent victims, it's the cover up and deception that follows. That knot in your stomach will go away when you tell the truth!!

lisa | July 12, 2012 at 10:58 pm | 4. Permalink





Stanford Univ. Entrepreneurial Thought Leader's Seminar Oct. 26, 2005, James W.

Breyer, Accel Partners (L), Mark Zuckerberg, Facebook (R). Stanford Univ. VIDEO (63 min.); TRANSCRIPT.

Dr. A, this is a stunning exposé. Facebook's tack is to demean everyone who criticizes them. Let's see what they concoct for you. You're in their backyard and helped build the very networks they are exploiting... criminally? Zuckerberg has more origin stories than Tommy Flanagan. I always suspected Accel Partners' James Breyer's fawning praise of the young Zuck back in 2005 at the Stanford Business Q&A. I was there. Now we know. He was the front man. Breyer took out \$6.5B himself from the IPO..

[DLK: Here's the Oct. 26, 2005 Stanford **Entrepreneurial Thought Leaders Seminars** VIDEO featuring speakers James W. Breyer and Mark Zuckerberg (63 min.) to which Lisa refers. See also the Oct. 26, 2005 TRANSCRIPT. Now, watching this with the benefit of the new revelations, it certainly causes one pause.]

Binky | July 13, 2012 at 9:38 am | 5.



Permalink

Are these the kinds of moral role models that Stanford University is teaching our children to emulate? Wait, these are Harvard people. Coastal bookends of immorality?

mike kennedy | July 13, 2012 at 6. 1:08 pm | Permalink



Gee, what an interesting video. 63 minutes of Zuck saying absolutely nothing. Why? Because he doesn't know anything. His "team" are the people behind the "Great OZ" curtain. A true collaboration of thieves that don't even know how they got there, and would have never been in the position they are now without Mike McKibben's genius. It's truly sickening to view. Really pisses me off.

BillC | July 13, 2012 at 6:02 pm | Permalink



From affidavit of the New Zealander David London, Breyer-Zuck were well into using Leader's source code for their criminal enterprise by October 2005 when that Stanford video was made. Did you notice all the ahs and ya knows in both Breyer's and Zuck's talking? They were making it up on the fly. What a bunch of liars. No wonder they could move so quickly! Their wealth was gained on the backs of the real inventors McKibben, Leader employees and investors. What country is this that lets this happen??? I hope we are not so far gone morally that we cannot fix it and bring some justice to the Leader team. Steve and Amy are right. The three amigos were asleep in the saddle. Just admit it, wake up, and fix it. Don't let your egos prevent a little repentance. Its good for the soul. As much as you judges lecture the citizenry about right and wrong... take your own medicine now.

newbe | July 14, 2012 at 2:05 am | 8. Permalink



Lisa, thank you for the video.

JohnC | July 14, 2012 at 2:20 pm | 9.



Permalink

I believe the submission of this brief was vet another tactical error that will harm Leader's very limited prospects of a rehearing.

First, Dr. Arunachalam already has a reputation as a patent troll, and her opinion is not likely to sit well with the court of appeals. From a recent InformationWeek article:

"In fact, Microsoft claims that WebXchange CEO Lakshmi Arunachalam simply copied, cut-and-paste style, existing works on Internet technology in making the patent applications. "Arunachalam either did that copying herself or, at the very least, was aware of such copying prior to the prosecution of the WebXchange patents."

According to its Web site, WebXchange is a Menlo Park, Calif.-based "transaction service provider." The amateurishly designed site, however, offers little in the

way of information about the company, its executives, or its operations."

Further, the brief is very unfocused, rambling, and steps far, far outside the scope of this limited appeal. This likewise will not sit well with the justices.

Finally, the language of the brief contains an astounding number of word-for-word similarities of Leader's previous YouTube postings, blog postings, etc. It appears virtually certain that Mike McKibben actually wrote the brief, and then convinced the Dr. to put her name on this. I think that the Court of Appeals will view this as an improper attempt by Leader to submit two briefs, and this will likewise harm Leader's prospects on appeal.

Valley Guy | July 14, 2012 at 3:26 10. pm | Permalink



Well JohnC, you're back! You folks at Facebook getting worried? You should be. We're on your tail now. As expected of you bad guys, you try to change the conversation to try and demean individuals instead of make cogent arguments about the facts and the evidence. All you have is haughtiness and pomposity. YAWN. I was expecting you to discredit Dr. Arunachalam. didn't take you long. What else are you going to do with a beautiful piece of writing? Remember what William Shakespeare suggested be done with attorneys? LOL. You call her a patent troll. Let's see, you called McKibben one too. However, you are guilty on 11 counts of infringing that troll's patent. LOL. Let's see, you criticize her website, then criticize the writing style of the brief, accuse McKibben of writing it, speculate the courts will reject it, hmmm. Where's the beef? Truth hurt? It should. (By the way, I have red hair. Criticize that too while you're at it.)

Just curious JohnC, how many patents do you hold in your name? Any?

law blogger | July 14, 2012 at 4:29 11. pm | Permalink



Folks, don't let JohnC sidetrack you. If he is a Facebook attorney, he knows his

arguments are juvenile and elitist and only meant to fool laypeople. ANY person subject to US law can file an amicus curiae brief. It's called "pro se" representation (Latin: for yourself). It's a constitutional right and privilege. That person can get help with their research and writing from anyone and anywhere. The rules are stricter if an attorney writes the brief for that citizen. In that case the attorney must make an appearance when the brief is filed. I haven't met an attorney yet that didn't use sound argument written by others, so it is no surprise Dr. Aranachalam might quote McKibben. He's a cogent writer. (See, I used a word that Valley Guy used!)

Dr. Aranachalam followed the rules as best I can tell. It is so common it is almost expected that the litigants will solicit third parties to write amicus briefs in support of their points of view on the law involved. The purpose of such briefs are to give the courts as many different points of view as possible so their decisions are fair and do not neglect important issues regarding the facts and the law in the case. So JohnC's

criticism of two Leader appeal briefs is just wierd. For example, in Microsoft v. i4i recently the parties hired other law firms to write amicus briefs for them. Its a common practice.

Also, as I recall, but I need to double check, Dr. Aranachalam recently won a case against Microsoft. She holds over a dozen of her own patents I believe. Her bio is in the the appendix of the brief. That's not a troll in any sense of the word. If Facebook's supporters are throwing around such cheap shots, they are desperate indeed.

BTW. Have you seen a professor's website yet that was anything but functional? Dr. Aranachalam is a thinker, academician, technologist, network specialist and inventor. She's not out to win website design awards. Such criticisms are remarkably narcissistic.

newbe | July 14, 2012 at 8:36 pm | 12. Permalink



Donna, You may want to consider another angle to this investigation related to Peter

Thiel. Elon Musk knows all about Peter Thiel's mischief in the founding of PayPal. As a reminder to readers, Thiel teamed up with Zuckerberg and James W. Breyer at Accel to give Zuckerberg \$500K after he went to California in the summer of 2004, with the Leader source code hidden in his hoodie. There they had to hire a real programmer, Stephen Dawson Haggarty, because the Leader code was way beyond their hacker skills. In Facebook Peter Thiel is only continuing his raping and pillaging, as Elon Musk can attest.

Donna Kline | July 14, 2012 at 9:02 13. pm | Permalink



We have had many requests for a YouTube copy of the Oct. 26, 2005 Breyer-Zuckerberg Stanford Interview. Watching this video with the benefit of seven years of hindsight and knowledge that Facebook "literally infringes" the patent of Leader Technologies and Michael McKibben, is cause for great pause. Reading between the lines appears to have become an art form at Facebook. Watch the body language. Here's

the video:

Here's the <u>TRANSCRIPT</u>.

ZUCKERBERG-BREYER INTERVIEW, OCT. 26, 2005, STANFORD CENTER FOR PROFESSIONAL DEVELOPMENT, TITLE SLIDE: Stanford Center for Professional, Development, Autumn Quarter 2005, MS&E 472, Entrepreneurial Thought Leaders Seminars, Professors Tom Kosnik, Tom Byers, Tina Seelig, sponsored by

BASES and Stanford Technology Ventures Program.

bg761 | July 14, 2012 at 10:49 pm | 14. Permalink



I have to agree with what Tex has said about Dr. Arunachalam!!! Also, thank you for posting the Stanford video.

1. The very beginning of the Breyer-Zuckerberg 2005 Stanford video is the most telling. Click here for this queued up YouTube video. Also at the Transcript 4:15. CHECK OUT THE EYE CONTACT AND BODY LANGUAGE BETWEEN THEM AND ZUCKS REACTION!!! Remember, this is late October in 2005, at this time they think they have gotten away with Leader's source code.

> BREYER: "Thank you. So I, I'd really like to thank Tina and Tom Byers in particular because they sent a list of questions in advance of this to help me prepare. And, the most interesting one, which I'll start with Mark is (reading from notes)

have there been any plunders along the way?"

ZUCK: (sort of laughs) "A-haha-ha-ha sheee."

BREYER: "I think they meant

blunders."

ZUCK: "Yeah (pause) huh huh

huh."

2. Later in the video, the go out of their way to emphasize that Leader's software is not a social networking program, but a "utility." DUH!!!!! This was pointed out during the trial. Breyer and Zuck agreed with Leader. They didn't think it was just social networking either. Also at the Transcript 17:6. Click here to view this piece of the video which I queued up.

> BREYER: "Now, I have to ask, it's a phrase I don't like but, it's a phrase that's supplied to the Facebook all the time. That's social networking, a Wall Friendster, whatever it might be. And I'm curious to hear how you think about social networking. Is it relevant as you think about the Facebook? And how do you define what Facebook really is?"

ZUCK: "Yes, I don't really call it social networking."

BREYER: "No, I know that. Nor do I, but, a lot of people do."

3. This third example is a huge Freudian slip by Zuckerberg. He hasn't yet got his "official" creation story worked out and stumbles through it. This is also at Transcript 31:9. Click here to view this video which I have queued up.

> **ZUCK**: "That's fine. No, no. Um, it actually wasn't a business thing until like six months after we started it. I mean we. I guess like I programmed the original version um and launched it in February 04."

Zuckerberg stated in sworn *ConnectU* testimony that he was the only one working on Facebook in the beginning! Of course he did. He slipped away from Harvard under the cover of darkness with a full copy of Leader's actual source code in his backpack. I wonder if Facebook is going to try and seal all these video's like they have tried to do with all their court documents? So

law blogger | July 15, 2012 at 12:40 15. pm | Permalink



All, several thing hit me like a ton of bricks watching this Breyer-Zuck video:

- > Vapidness. Zuck is vapid (offering nothing that is stimulating or challenging). As a result, think about it. Experienced investors like James W. Breyer don't feed teenagers like Mark Zuckerberg with millions, now billions, for no reason. Perhaps their "dirty little secret" is the theft Leader Technologies' program code — a secret that Zuck knows will keep Breyer fawning over him forever? Explains a lot of things.
- > **Solicitation?** Is this solicitation by Zuckerberg with a "resounding yes" from Breyer not the beginning of the APPS market fueled by Accel Partners (over \$1.5 billion invested in APPs to date)? Correct me if I am wrong, but did we not watch both Breyer and Zuckerberg soliciting third parties to commit ____ ? Caught on video? Are these two amigos not soliciting third party programmers to build APPS for Facebook which uses Leader Technologies'

stolen code? Here's that section of the transcript (also, do ya think this was a ringer? Watch both Breyer and Zuckerberg closely while the question is being asked. LOL):

Click here: Brever-Zuckerberg YouTube Video set to display automatically at 49 mins. 11 secs.

Click here: **Transcript** set to display automatically at page 39, line 14 to page 40, line 8

> JIM BREYER: Right here in the blue and please use the mike. Thank you.

AUDIENCE QUESTION: Yeah um, so there is a lot of social networks out there and a lot of them have [garbled] silence um and I think that is the number one reason why they have plateaued over the last few years also. Um the Facebook is not a social network, it's a utility. So. Have you actually thought about um instead of building all the applications on your platform it has? Um have you ever

thought about opening up uh the Facebook over a secure web services? Or, something and have hundreds of people go build hundreds of utility applications on the Facebook and just have a side of a button that says the power button Facebook or, something?

MARK ZUCKERBERG: Yes, and any of you guys have studied operating systems, languages or, compilers, come help me do it.

JIM BREYER: Exactly. It's a resounding yes. Right behind.

> Another payoff at the USPTO?

Leader just now received their patent on APPS. That patent was filed on the same day as the other patent that Facebook is infringing. If the Facebook cabal is able to get the USPTO Director to issue bogus reexamination orders against Leader, why should we be surprised that they paid off an Examiner to stall the issuance of Leader's patent on APPS for ten years? U.S. Patent No. 8,195,714 titled CONTEXT INSTANTIATED APPLICATION

PROTOCOL issued on June 5, 2012 (filed Dec. 11, 2002). See Donna's previous post on this.

The chickens appear to be coming home to roost for Breyer and Zuckerberg?

16. **newbe** | July 15, 2012 at 7:12 pm | Permalink



It was David London who first asked the question "Have there been any plunders along the way?" That question was repeated at the Stanford University event on October 26, 2005. BREYER, you know that Zuckerberg stole the idea for Facebook from David London. You also know that ZUCKERBERG stole the platform code from Michael McKibben and Leader Technologies. Elon Musk has all the emails to prove these to be true, among others. You are a fraud. The truth is catching up to your decade of lies.

fred | July 15, 2012 at 8:31 pm | 17. Permalink



LEGAL DEFINITION OF CRIMINAL SOLICITATION: A person is guilty of solicitation to commit a crime if, with the purpose of promoting or facilitating its commission, he commands, encourages or requests another person to engage in specific conduct which would constitute such crime or an attempt to commit such crime or which would establish his complicity in its commission or attempted commission. It is immaterial that the actor fails to communicate with the person he solicits to commit a crime if his conduct was designed to effect such a communication. (From uslegal.com)

Did Breyer and Zuck solicit programmers to participate in building apps on Leader's stolen platform? Now that we know they were found guilt on 11 of 11 Leader patent counts in Leader v. Facebook, seems the answer must be yes. Whoops.

18. **Mavis** | July 15, 2012 at 9:07 pm | Permalink



I have been watching this blog for months.

Merits aside, I believe that this dispute is simply dead. The federal circuit will almost certainly deny a rehearing, and that is simply the end of the line. Leader is done, and Facebook won. It's unfortunate that this came down to the jury disbelieving Mike McKibben, but that is the role of the jury, to evaluate credibility.

On the plus side, Facebook truly has revolutionized the world, and I believe brought us all in touch with so many former friends and colleagues we would never have known about. I guess the end result is a very positive check for all of us.

Steve Williams | July 15, 2012 at 19. 9:09 pm | Permalink



I'm beginning to believe that Zuckerberg isn't any smarter than my boxer puppy. This boy blunder is nothing but a puppet, whose strings have been pulled from day one. These investors, like Breyer, et al (we know the names by now) have propped up this idiot, probably using overseas "Mafia money" to do so. Anyone with half a brain

could see that this dork was lost in his own thought process when pressed about honest and in-depth questioning from audience members who clearly outrank him in the intelligence department (maybe due to the fact that honesty and Zuckerberg are opposing forces). I am one who believes that he really didn't have a good explanation, because he really didn't understand what the heck the questions were referring to.

I'm done with dishonest idiots in the news; I don't want to know them, don't want to see them, and don't want to hear about them. I wouldn't urinate on them if they were on fire!

How much more apparent does this have to be? Why is it that we, the lowly peasants, can see what the supposed "Intelligent" class doesn't? In this age of "transparency", there seems to be a lot of hidden agendas and attempts to conceal facts.

So my question is this: Is there anyone out there, whether they are an elected official, an appointed official, or private citizen; Do any of you have the brass to do what is

right? Do you have the will to say no to corruption, bribery, and backdoor deals? Is there anyone who can stand on their own two feet, step out boldly, and say.."Enough!" I, and many others, am starting to wonder if any person of this caliber truly exists in the legal, political, and business realm.

We need someone to prove us wrong....

fred | July 16, 2012 at 9:35 am | 20. Permalink



Mavis is smoking something and didn't read Dr. Aranachalam's Amicus Brief. This was not a fair fight because Judge Stark protected the boy wonder from having his credibility brought before the jury.

law blogger | July 16, 2012 at 9:50 21. am | Permalink



I have read the trial transcripts from cover to cover. The days involving the evaluation of Facebook's source code were sealed, but since it involved so much testimony and

multiple experts on both sides, Leader's win on 11 of 11 claims is probably unassailable.

However, the very small portion of the trial dedicated to on sale bar is embarrasing to read because it is so evident to a trained observer that McKibben was sandbagged, aided by a cooperative judge. Ask any experienced litigator and they'll tell you how easy it is to make Mother Teresa look bad if they try (and the judge doesn't stop it). For example, show pictures of her visiting an orphanage, and then quote a sermon where she quotes Jesus who said "suffer the little children to come unto me." Then, accuse her of untoward conduct. You get my drift. Innuendo can be a powerful persuader with a cooperative judge. The fact that the judge refused to allow Leader to cross-examine Mark Zuckerberg or even mention his name at the trial is just further proof that the on sale bar victory was a setup. This should be a lesson to all federal judges not to horse around with the Rules on fairness and equity. It will eventually come back to bite you.

Steve Williams | July 16, 2012 at 22. 11:07 am | Permalink



Hey, Mavis...put down your bong for a sec and answer me this: "Don't you think that Mike McKibben (and Leader Tech.) would've produced something on par, if not far better, a platform such as Facebook? I personally believe that Facebook has revolutionized the internet social world; the problem is, they did it illegally. The court records, the same ones you deem a victory for Facebook, show that your beloved company was found (and still is) guilty of infringing on Leader's patent. That is an undeniable fact that neither you, nor your sugardaddy (Zuckerberg), can dispute.

And as far as this case being dead and buried, you are SSOOOOO wrong. There are many people, in far higher positions of authority than you or I that are looking over this whole case with a microscope. It simply is not going away any time soon. You guys out on the left coast can try to wish it away as much as you want, but there are still many of us who will keep shining a light on this huge injustice.

The role of the jury is to evaluate credibility; that is true, but based upon the evidence presented to them, and that is where the problem lies. Leader was not allowed to give its side of the story, or even interrogate Zuckerberg about the "alleged" theft of INTELLECTUAL PROPERTY. So, if he was found guilty of infringing, where did he get the source code from? And why wasn't leader allowed to ask him that in a court of law? It all seems shady, at best, to me.

law blogger | July 16, 2012 at 12:03 23. pm | Permalink



A "cooperative judge" only matters when (s)he is allowing the courtroom to be ruled by innuendo instead of hard evidence. Then, not even the law matters, because no matter what transpires that judge will interpret it in favor of the predetermined winner. Facebook had NO hard evidence of on sale bar. The so-called credibility evidence against McKibben was nothing more than a doctored Interrogatory No. 9,

and four judges willing to turn a blind eye to The Dictionary Act. While the jury can be forgiven for getting snookered, shame on these four justices for turning a blind eye to the law. Let's hope on rehearing they'll suck it up and do the right thing. Otherwise, the Supreme Court will have to take them to the woodshed.

Mike | July 16, 2012 at 3:31 pm | 24. Permalink



Dr. Arunachalam's Amicus Brief was filed on 07/10/12, three business days before the appellate judges' en banc decision. I am very interested if this brief will be referenced in the appellate judges' written order. If not, I am inclined to believe that they received Dr. Arunachalam's brief, and promptly issued their decision under the guise of never having seen it.

Donna Kline | July 16, 2012 at 8:28 25. pm | Permalink



We're getting the details on this question

now. Stay tuned.

OK, just added a new Fig. 2 sidebar at the beginning of this post above. Dr.

Arunachalam was kind enough to share the Federal Circuit order she just received with us. The timing is unbelievable. It would appear that Commenter Mike's inclinations are accurate.

law blogger | July 17, 2012 at 8:25 26. am | Permalink



Something isn't right here. Clerks often do work for judges, but they at least go through the motions of pretending that they have consulted their judge(s) before writing an order on their behalf. There is just no way Clerk Jan Horably would have had time to consult the twelve judges on an en banc amicus curiae motion, turn it around and get it in the mail before the end of the same day it was received from Dr. Arunachalam. Very few things in the justice system move that quickly for a reason (to avoid surprise). This was very surprising... . and frankly, suspicious.

Here's a FEDERAL CIRCUIT case **just decided** that applies equally to Dr. Arunachalam's motion and Leader's surprise at trial regarding the the district court preventing them from obtaining discovery on the late-filed on sale and public disclosure bar claim:

MIDWESTERN PET FOODS, INC. v. SOCIETE DES PRODUITS NESTLE SA (Fed. Cir. 2012):

> The central purpose of the federal discovery rules is to avoid surprise at trial. Those rules are designed to "make a trial less a game of blind man's bluff and more a fair contest with the basic issues and facts disclosed to the fullest practicable extent" (emphasis added).

Perhaps Circuit Judges LOURIE, MOORE and WALLACH should consult with their colleagues on the MIDWESTERN case. (MIDWESTERN was before BRYSON, MAYER, and DYK, Circuit Judges.)

BG | July 17, 2012 at 12:19 pm | 27.



Permalink

MONEY TALKS.....so name your price. Retire on an island in paradise. All I want are the 200 emails that Mr London sent out. bg121263@yahoo.com

law blogger | July 17, 2012 at 1:17 28. pm | Permalink



Donna's latest update confirms it. We are observing the kinds of "kangaroo court" justice that they have in the Banana Republics. The elites are testing the resolve the American citizenry to challenge them. They are not even hiding it. This is blatant corruption. Wow. If we don't stand up now, then kiss justice goodbye because it will take decades to fix the damage being done to our Constitution by these marauders (if in fact America as we have known it survives).

Tex | July 17, 2012 at 1:32 pm | 29. Permalink



Donna, can you post a copy of the Fox Business interview with Mr McKibben a few days ago? Thanks

Donna Kline | July 17, 2012 at 4:36 30.



pm | Permalink

Hi Tex, I did, it is linked in the new sidebar to this post.

Here's the link to the post (see "Update 7/17/12):

http://www.donnaklinenow.com/investigation/industryleader-blasts-facebooks-predatory-conduct

Here's the actual Fox Business link:

http://video.foxbusiness.com/v/1738073255001/leadertechnologies-sues-facebook-for-patentinfringement/?playlist id=163589

chicago | July 17, 2012 at 5:56 pm | 31.



Permalink

It seems to me that there is no such thing as justice anymore, what we need here is a major whistle blower who really knows the difference between right and wrong, and will do the right thing. Life can't continue

with such blatent crimminal acts as we have seen.

chicago | July 17, 2012 at 6:53 pm | 32. Permalink



It just frustrates me to no end on these bad decisions my the courts, do blue collar crime and go to jail, do a white collar crime and walk away with big payouts and cover ups. How is that justice what happened to this world and how can you teach someone right fro wrong when are own justice system has a different set of rules that they follow.

Fourleaf Tayback | July 17, 2012 at 33. 7:42 pm | Permalink



It is clear that Leader can't get justice from this group of judges. We can all speculate as to why that may be but the end result remains the same at this level of justice. The remaining hope that a correction can be made in this matter is our Supreme Court. I hope that they will decide to hear this case. The implications for future inventors and

property rights established by patents are too great to not hear it in the highest court. Flat out, there is too much riding on Leader's Case...too much not to give it every legal review and decision and it is that for that purpose that our great country has a Supreme Court.

I have just finished watching Mr. McKibben's interview on Fox Business and I would urge everyone to watch it. This is a good and decent man and a great inventor. I have faith that his day in court will come and he will receive justice but I absolutely invested in the right guy...no question about it. Thank you Mr. McKibben for fighting for us.

newbe | July 18, 2012 at 9:21 pm | 34. Permalink



The Securities and Exchange Commission says it has set aside about \$450 million for payments to outside whistle-blowers.

Winston Smith | July 19, 2012 at 35.



8:13 pm | Permalink

Amazing.I used to look up to the law. We are seriously doomed. No soft place for any of us to fall, anymore. The sooner we all get this concept, the more stable we will be to proceed.

Winston Smith | July 19, 2012 at 36. 8:16 pm | Permalink



Amazing. I used to look up to the law. We are seriously doomed. No soft place for any of us to fall anymore. The sooner we all get this concept, the stronger we will be.

lisa | July 19, 2012 at 9:46 pm | 37. Permalink



It appears that the Federal Circuit judges are puppets on the string of Clerk of Court Jan Horbaly who censors pleadings at will, decides cases for the judges, and dispenses decisions in favor of the highest bidder, and issues "gutless" orders. What have I missed? Notice how he even hides behind a signature stamp instead of having the

courage to sign the bogus orders himself. Taking bets that if the heat turns up, he'll blame a staffer for inadvertent actions. Everything he's doing is carefully designed for "deniability" if he gets caught. And we call these people "Your Honors." Why? There is nothing honorable about what they are doing.

"Having a form of godliness, but denying the power thereof: from such turn away." 2 Tim.3:5.

Who is Clerk of Court Horbaly accountable to? He is not elected, or appointed, he is hired. He needs to be fired for incompetence and investigated for evidence of undue influence. Clerks are supposed to be unbiased. If the legal profession is not going to raise itself out of the gutter, then we need to clean house and reorganize the system. These guys are acting like little Hitlers. They think no one will stop them. They will seize the Sudetenland if we don't stop them.

We need to monitor his offshore bank accounts and properties now and into the future for sudden unexplained wealth.

Linda | July 19, 2012 at 10:22 pm | 38. Permalink



Good summary Lisa. I have always had that problem calling bad bishops "your grace" and "your eminence" in the face of abject misconduct. Honor titles must be earned to be worthy of respect. These justices have gone to sleep professionally and are just holding their rings out for the kiss. The founders of this country rejected such conduct, but it appears we have not learned anything.

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