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QUINN EMANUEL URQUHART OLIVER & HEDGES; LLP John B. Quinn (Bar No. 90378) FILED LI LI CLERK, U.S DISTRICT COURT Michael T. Zeller (Bar No. 196417) Duane R. Lyons (Bar No. 125091) Jon D. Corey (Bar No. 185066) 3 1 7 2005 865 South Figueroa Street, 10th Floor Los Angeles, California 90017-2543 Telephone: (213) 443-3000 Facsimile: (213) 443-3100 MUNGER, TOLLES & OLSON LLP Daniel P. Collins (Bar No. 139164) 355 South Grand Avenue, 35th Floor Los Angeles, California 90071-1560 Telephone: (213) 683-9100 Facsimile: (213) 687-3702 9 Attorneys for Defendent Mattel, Ince D 10 BUT NOT FILED 11 UNITED STATES DISTRICT COURT 12 JUN 1 7 2005 MM 4:43 CHNTRAL DISTRICT OF CALIFORNIA CLERK, U.S. DISTRICT COURT
CEMPTAL DISTRICT OF CALIFORNIA
WESTERN DIVISION DEPUTY MGA ENTERTAINMENT, INC., Case No. CV 05-02727 NM (RNBx) a California corporation, 16 Plaintiff, DECLARATION OF MICHAEL T. ZELLER RE DEFENDANT 17 MATTEL, INC.'S COMPLIANCE 18 WITH LOCAL RULE 7-3 MATTEL, INC., a Delaware corporation, and DOES 1-10, 19 Date: August 8, 2005 Time: 10:00 a.m. Defendants. Place: Courtroom 11 20 April 13, 2005 None Set Action Filed: 21 Trial Date: 22 Hon. Nora M. Manella 23 DOCKETED ON CM 24 25 JUN 2 2 2005 26 27

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ORIGINAL

DECLARATION OF MICHAEL T ZELLER RE DEFENDANT MATTEL, INC.'S COMPLIANCE WITH LOCAL RULE 7-3

Dockets.Justia.co

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I, Michael T. Zeller, declare as follows:

- 1. I am a member of the bars of the States of California, New York and Illinois and a partner at Quinn Emanuel Urquhart Oliver & Hedges, LLP, attorneys for plaintiff and counter-defendant, Mattel, Inc. ("Mattel"). I make this declaration of personal, firsthand knowledge and, if called and sworn as a witness, I could and would testify competently thereto.
- 2. In the Declaration of Diana M. Torres re *Local Rule* 7-3 Conference dated June 3, 2005, she asserts that Mattel, Inc. failed to comply with *Local Rule* 7-3 with respect to its motion to dismiss and strike portions of the complaint. As explained below, Mattel complied with *Local Rule* 7-3.
- 3. Plaintiff MGA Entertainment, Inc. ("MGA") served its Complaint upon Mattel on April 13, 2005. Under the *Federal Rules of Civil Procedure*, Mattel was required to file an answer or otherwise respond to the Complaint on or before May 3, 2005.
- 4. On April 28, 2005, I had a telephone conversation with Ms. Torres, counsel for MGA. During that conversation, I informed her that Mattel anticipated moving to dismiss and strike portions of MGA's complaint, and identified a number of grounds for such a motion. Ms. Torres informed me at the time that she would have to confer with MGA to determine whether MGA would agree to amend the Complaint to address the issues raised. To allow Ms. Torres time to have these discussions with MGA as well as for the parties' counsel to further explore whether the potential motion could be avoided, I suggested that the parties stipulate to extend the time for Mattel to respond to the Complaint.
- 5. On April 29, 2005, I had a further conversation with Ms. Torres about Mattel's contemplated motion to dismiss and strike. Again, Ms. Torres was unable to tell me whether MGA was willing to amend the Complaint to address the substantive pleading problems that Mattel had identified in the Complaint. During

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that conversation, however, Ms. Torres indicated that she was amenable, in principle, to an extension of time for Mattel to respond to the Complaint and would let me know MGA's position on the potential motion. That same day, my partner, Jon Corey, sent Ms. Torres a proposed stipulation by e-mail. A true and correct copy of that e-mail message and proposed stipulation is attached as Exhibit A.

6. On May 2, 2005, the parties signed a stipulation that extended the time for Mattel to respond to the complaint for, among other reasons, to allow the parties additional time to discuss whether they could reach agreement and avoid unnecessary motion practice. The applicable recital of the stipulation read as follows:

WHEREAS, Mattel also is contemplating bringing motions to challenge certain allegations in the Complaint, and an extension of time would permit counsel additional time to discuss any potential resolution of these issues and, if successful, thereby potentially avoid motion practice before the Court, in whole or in part. . .

Stipulation to Extend Mattel, Inc.'s Time to Respond to Complaint; and [Proposed] Order Thereupon at 2 (emphasis added). The Court "so ordered" the Stipulation on May 3, 2005. A true and correct copy of the Stipulation and Order thereon is attached as Exhibit B.

After Mattel's counsel did not receive any further response from 7. MGA's counsel on its position on the contemplated motion (despite two voicemails I had left for Ms. Torres on May 4 and May 6, 2005), over the weekend, I sent an e-mail message to Ms. Torres further detailing the basis for Mattel's contemplated motion to dismiss and or strike portions of the Complaint, including by citing key authorities supporting Mattel's position. In that e-mail message, I referenced our prior discussions about Mattel's contemplated motion and again laid out the grounds for such a motion. I concluded by inviting MGA's counsel to "further discuss our motions . . . in greater detail to see if motion practice may be avoided." A true and correct copy of my e-mail message to Ms. Torres is attached as Exhibit

- 8. MGA's counsel did not respond to my voice-mail messages or e-mail message until Wednesday, May 11, 2005. Ms. Torres informed me by telephone on that day that she had been out of the office and that she would not be available to further discuss the merits of Mattel's motion to determine if the parties could come to an agreement before May 13, 2005, when Mattel's response was due. She did inform me that another attorney for MGA, Paula Ambrosini, would be available to further discuss the grounds for Mattel's motion during the afternoon of Thursday, May 12, 2005.
- On Thursday, May 12, 2005, my partner, Jon Corey, spent over an 9. hour on the phone with Ms. Ambrosini elaborating further on the grounds for Mattel's motion. Ms. Ambrosini indicated that she would have to discuss the grounds for Mattel's motion with MGA to determine whether any agreement could be reached and motion practice could be avoided. As a follow up to that conversation, Mr. Corey provided Ms. Ambrosini with additional authority that she requested regarding one basis for Mattel's motion. Because Ms. Ambrosini indicated that she was leaving town and would be unable to discuss these issues with her client before Mattel had to file its motion on May 13, 2005, Mr. Corey requested in an e-mail message a short, three-day extension of time to respond to the Complaint so that MGA's counsel could have additional time to discuss Mattel's motion and perhaps avoid needless motion practice. A true and correct copy of Mr. Corey's May 12, 2005 e-mail message to Ms. Ambrosini is attached as Exhibit D.
 - 10. On the following morning of May 13, 2005, Ms. Torres responded to Mr. Corey's e-mail. It stated:

I am not in a position to agree to any extension given the time, although I assume that your papers are at least largely finished

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anyway. I will be out of the office tomorrow but will have the cases you cite, as well as any other authority you provide, pulled and will try to read them as soon as possible. If we find the authorities persuasive, we will do what we can to avoid burdening the court. You should, however, file your papers tomorrow [sic] assuming you do not hear from us, which, given the timing, is unlikely to happen before the court closes.

A true and correct copy of that e-mail message is attached as Exhibit E.

11. That same morning, my partner John Quinn sent a response e-mail message to Diana Torres that read, in relevant part, as follows:

I just want to make sure that I understand the recent exchange of e-We have cited to you some authorities which we have mails. represented to you establish that certain of your claims have no merit. We have asked you to withdraw them. You haven't had time yet to look at the authorities. We have asked for a 3 business day extension of our time to file, so that you will have an opportunity to consider these legal issues. You have declined any extension at all and are requiring that we file our responsive pleading today, notwithstanding the open issues regarding the viability of certain of your claims. Is this correct?

A true and correct copy of the e-mail message that John Quinn sent to Diana Torres is attached as Exhibit F. MGA's counsel did not respond to Mr. Quinn's email message before the end of the day (when the motion was due) and Mattel

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accordingly filed its motion to dismiss and strike portions of MGA's Complaint on May 13, 2005. I declare under penalty of perjury of the laws of the United States of America that the foregoing is true and correct. Executed this 17th day of June, 2005 at Los Angeles, California.

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Jon Corey

To:

"DTorres@OMM.com".GWIA.LADOMAIN

Date:

4/29/05 3:36PM

Subject:

RE: MGA v. Mattel

Diana,

I understood from our conversation that we had an agreement based on our agreement with your requests in the respective cases, but assuming that you will confirm that agreement on Monday, I have attached a form of stipulation for your review and signature. If you have any comments that you believe should be made before Monday morning, please let me know now, so that there will be no delay in filing the stipulation then.

Best regards,

Jon D. Corey, Esq. Quinn Emanuel Urguhart Oliver & Hedges, LLP 865 South Figueroa Street, 10th Floor Los Angeles, California 90017 Phone: (213) 624-7707

Fax: (213) 624-0643

e-mail address: joncorey@quinnemanuel.com

Note: The information contained in this message may be privileged and confidential and protected from disclosure. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your computer Thank you. Quinn Emanuel Urquhart Oliver & Hedges, LLP

>>> "Torres, Diana" <DTorres@OMM.com> 04/29/05 03:16PM >>>

I expressly told you that I didn't have final authority on this but that I thought I could get it and would try to do so as quickly as possible if you were willing to agree to the other issues. My client is ill today (which I didn't tell you) but, with this, I will try to get final sign off. Assuming that is the case, we can get the stipulations ready for filing on Monday morning. I'll start that process with respect to the Mattel v. Bryant issues as you suggest. Thanks.

Diana

----Original Message-----

From: Jon Corey [mailto:joncorey@quinnemanuel.com]

Sent: Friday, April 29, 2005 2:26 PM

To: Torres, Diana Cc: Michael T Zeller Subject: MGA v. Mattel

Diana,

This message will confirm MGA's agreement to provide Mattel an additional 10 days to answer or otherwise respond to the complaint in



the referenced case. I will provide a stipulation for your signature shortly. If you have time to review it, I would prefer to file it today.

Separately, this message will also confirm the agreements that we reached in the Mattel v. Bryant case regarding Ms. Martinez's deposition and documenting in a stipulation the May 9, 2005 obligations of each party. We are also agreeable to continuing the deposition of Mr. Larian until May 26, 2005. I will send you a letter documenting these agreements more fully. Please let me know if your office will be preparing a stipulation for filing in the Mattel v. Bryant case, or whether I should do so.

Best regards,

Jon D. Corey, Esq. Quinn Emanuel Urguhart Oliver & Hedges, LLP 865 South Figueroa Street, 10th Floor Los Angeles, California 90017 Phone: (213) 624-7707

Fax: (213) 624-0643

e-mail address: ioncorey@quinnemanuel.com

Note: The information contained in this message may be privileged and confidential and protected from disclosure. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your computer. Thank you. Quinn Emanuel Urguhart Oliver & Hedges, LLP

CC:

Michael T Zeller



07975/652126.1

WHEREAS, Mattel also is contemplating bringing motions to ١ challenge certain allegations in the Complaint, and an extension of time would 2 permit counsel additional time to discuss any potential resolution of these issues 3 and, if successful, thereby potentially avoid motion practice before the Court, in 4 whole or in part; and 5 WHEREAS, Mattel has received no other extensions of time to 6 answer or otherwise respond to the Complaint; 7 THEREFORE, pursuant to Local Rule 7-1, Mattel and MGA, by and 8 through their respective counsel, hereby stipulate and agree, as follows: 9 Mattel's time in which to answer or otherwise respond to the 10 Complaint is extended for ten days, to and including May 13, 2005. This 11 stipulation does not waive or prejudice Mattel's right to challenge the Complaint 12 or the allegations in the Complaint in any respect. 13 This is the first extension of time requested or sought to answer or 14 otherwise respond to the Complaint. 15 16 DATED: April 29, 2005 OUINN EMANUEL UROUHART OLIVER & HEDGES, LLP 17 18 Jon D. Corey 19 Attornevs for Defendant Mattel, Inc. 20 21 DATED: April 29, 2005 O'MELVENY & MYERS, LLP 22 23 Diana Torres 24 Attorneys for Plaintiff MGA Entertainment, Inc. 25 IT IS SO ORDERED. 27 DATED: 28 Hon. Consuelo B. Marshall United States District Court Judge -2-07975/652126.1

MAY 6 - 2005

CLERK, U.S. DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

OUINN EMANUEL URQUHART OLIVER & HEDGES, LLP John B. Ouinn (Bar No. 90378) Michael T. Zeller (Bar No. 196417) Jon D. Corey (Bar No. 185066) 865 South Figueroa Street, 10th Floor Los Angeles, California 90017-2543

(213) 443-3000 Telephone:

Facsimile: (213) 443-3100

Attorneys, for Defendant Mattel, Inc.

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UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

MGÁ ENTERTAINMENT, INC.,

Plaintiff.

MATTEL, INC., a Delaware Corporation, and DOES 1-10;

Defendants.

Case No. CV 05-02727 NM (RNBx)

STIPULATION TO EXTEND MATTEL, INC.'S TIME TO RESPOND TO COMPLAINT; AND

[PROPOSED] ORDER THEREUPON

Action Filed April 13, 2005 Trial Date: None Set

WHEREAS, defendant Mattel, Inc. ("Mattel") and plaintiff MGA

Entertainment, Inc. ("MGA") have agreed that Mattel shall have an additional ten

days to respond to MGA's Complaint;

WHEREAS, good cause exists for granting this extension because certain Mattel counsel responsible for this matter, including Mattel's lead counsel, John Quinn, and Mattel's principal in-house attorney, have both been out of the

state on business during the majority of the 20-day period in which Mattel would

otherwise have to answer or respond to the Complaint under the Federal Rules of

27 Civil Procedure;

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1	WHEREAS, Mattel also is contemplating bringing motions to						
2	challenge certain allegations in the Complaint, and an extension of time would						
3	permit counsel additional time to discuss any potential resolution of these issues						
4	and, if successful, thereby potentially avoid motion practice before the Court, in						
5	whole or in part; and						
6	WHEREAS, Mattel has received no other extensions of time to						
7	answer or otherwise respond to the Complaint;						
8	THEREFORE, pursuant to Local Rule 7-1, Mattel and MGA, by and						
9	through their respective counsel, hereby stipulate and agree, as follows:						
10	Mattel's time in which to answer or otherwise respond to the						
11	Complaint is extended for ten days, to and including May 13, 2005. This						
12	stipulation does not waive or prejudice Mattel's right to challenge the Complaint						
13	or the allegations in the Complaint in any respect.						
14	This is the first extension of time requested or sought to answer or						
15	otherwise respond to the Complaint.						
16	DATED: May 2, 2005 QUINN EMANUEL URQUHART						
17	OLIVER & HEDGES, LLP						
18	By Jon O Corey						
19	Jon D. Corey Attorneys for Defendant						
20	$\mathbf{N} \mathbf{K} = \mathbf{M} = 1 \mathbf{I}_{\mathbf{M}} = 1 \mathbf{I}_{\mathbf{M}}$						
21	DATED: May 2, 2005 O'MELVENY & MYERS, LLP						
22							
23	ll Diana Torres						
24	Attorneys for Plaintiff MGA Entertainment, Inc.						
25							
26							
2	DATED: 5/5/05						
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WHEREAS, Mattel also is contemplating bringing motions to 1 challenge certain allegations in the Complaint, and an extension of time would 2 permit counsel additional time to discuss any potential resolution of these issues 3 and, if successful, thereby potentially avoid motion practice before the Court, in 4 whole or in part; and 5 WHEREAS. Mattel has received no other extensions of time to 6 answer or otherwise respond to the Complaint; THEREFORE, pursuant to Local Rule 7-1, Mattel and MGA, by and 8 through their respective counsel, hereby stipulate and agree, as follows: Mattel's time in which to answer or otherwise respond to the 10 Complaint is extended for ten days, to and including May 13, 2005. This 11 stipulation does not waive or prejudice Mattel's right to challenge the Complaint 12 or the allegations in the Complaint in any respect. 13 This is the first extension of time requested or sought to answer or 14 otherwise respond to the Complaint. 15 16 QUINN EMANUEL URQUHART **DATED:** May 2, 2005 OLIVER & HEDGES, LLP 17 18 Jon D. Corey Attorneys for Defendant 19 Mattel, Inc. 20 21 O'MELVENY & MYERS, LLP DATED: May 2, 2005 22 23 Attorneys for Plaintiff 24 MGA Entertainment, Inc. 25 IT IS SO ORDERED. 26 27 DATED: Hon. Nora Manella 28 United States District Court Judge

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PROOF OF SERVICE

1013A(3) CCP Revised 5/1/88

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is: QUINN EMANUEL URQUHART OF VER & HEDGES, LLP, 865 South Figueroa Street, 10th Floor, Los Angeles, California 90017.

On May 3, 2005 I caused to be served the following document(s) on interested parties in this action described as STIPULATION TO EXTEND MATTEL, INC.'S TIME TO RESPOND TO COMPLAINT; AND [PROPOSED] ORDER THEREUPON addressed as follows:

Diana Torres, Esq. O'Melveny & Meyers, LLP 400 S. Hope Street Los Angeles, CA 90071 Phone: 213-430-6000 Fax: 213-430-6407

	**(BY MAIL) I deposited such envelope in the mail at, California. The envelope was mailed with postage thereon fully prepaid.						
	**(BY MAIL) I caused such envelope to be placed in the firm's mail. I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. It is deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.						
X	**(BY FACSIMILE) I caused such document to be transmitted by facsimile to the offices of the addressee. Upon completion of the said facsimile transmission, the transmitting machine issued a transmission report showing the transmission was complete and without error.						
	**(BY FEDERAL EXPRESS) by placing the document(s) listed above in such envelope for deposit with FEDERAL EXPRESS to be delivered via priority overnight service to the persons at the addresses set forth above.						
	**(BY PERSONAL SERVICE) I caused to be delivered by hand such envelope to the offices of the addressee.						
Execu	ted on May 3, 2005, at Los Angeles, California.						
	(State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.						
X	whose direction the service was made.						
	ntha Soffer						
Type	or Print Name Signature						

Michael T Zeller

To:

Torres, Diana

Date:

5/9/05 12:00AM

Subject:

MGA v. Mattel

Dear Diana,

As I have previously mentioned, Mattel is contemplating moving against aspects of the Complaint that MGA recently filed. This relates, in particular, to the non-trade dress and non-trademark infringement related matters contained in the Complaint. I therefore am writing you pursuant to Local Rule 7-3 to confer with you on that matter and to set up a time when the parties might further discuss these issues, with a view of hopefully resolving them so as to avoid burdening the Court with a motion.

Generally in paragraphs 74 to 99 and paragraphs 113 to 114, MGA alleges various acts that it claims — "[a]lone" and "in combination" — violate federal and state unfair competition law. It is clear that they do not. MGA includes these non-trade dress and non-trademark allegations in its "unfair competition" claim under 15 U.S.C. § 1125(a). (Cmplt., Second Claim for Relief, esp. ¶¶ 113-14.) Section 1125 prohibits conduct that is likely to "cause confusion, or to cause mistake, or to deceive" as to the "origin, sponsorship or approval" of goods, services or commercial activities. Because the Complaint does not (and could not) allege that Mattel's supposed "intimidation" of retailers, distributors and industry organizations, its lawsuit or its pre-litigation letters to its former employees are likely to cause confusion, those matters cannot state a claim under Section 1125.

Second, MGA's allegations as to such purported conduct fail to state any violation of state unfair competition law. Paragraphs 75, 113 and 114 of the Complaint rely upon Mattel's litigation against a third-party and its pre-litigation communications with its former employees. Mattel's conduct and communications in connection with that suit are absolutely privileged under section 47(a), (b) of the California Civil Code. Abraham v. Lancaster Community Hospital, 217 Cal. App. 3d 796, 822-23, 266 Cal. Rptr. 360, 376 (1990). Likewise, the letters sent in anticipation of litigation, which are referenced in Paragraphs 75 and 113 of the Complaint, are privileged under section 47(b) of the California Civil Code. Dove Audio, Inc. v. Rosenfeld, Meyer & Susman, 47 Cal. App. 4th 777, 781, 54 Cal. Rptr. 2d 830, 833 (1996). We therefore believe that these allegations are subject to a motion under Rule 12(b)(6) and 12(f) and pursuant to the California anti-SLAPP statute, Cal. Civ. Proc. Code § 425 16.

In fact, MGA was not even a party to the Brawer lawsuit. Although federal law requires that facts establishing standing be affirmatively pled, MGA fails to allege that it has standing to engage in satellite litigation over that Mattel suit.

In that same vein, MGA alleges Mattel conduct as to another third party, LeapFrog. MGA does not and cannot establish standing to sue over Mattel's actions as to a third-party competitor in which MGA claims no interest.

Additionally, the unfair competition laws are not designed to allow a competitor to sue on any conduct it unilaterally labels "unfair." Rather, in the context presented by this suit, MGA must both identify some legislatively declared policy that Mattel's acts purportedly violated and allege facts demonstrating a harm to "competition" E.g., Cel-Tech Comm. v. Los Angeles Cellular Tel. Co., 20 Cal. 4th 163, 83 Cal. Rptr. 2d 548 (1999) The Complaint here does neither as to the non-trade dress and non-trademark infringement allegations. As a consequence, we believe that these allegations should be dismissed under Rule 12(b)(6) and for lack of standing.

Finally, several paragraphs of the Complaint, including at paragraphs 10 through 20 of the Complaint, make allegations about Mattel's business in the late-1990s that are immaterial to the claims and issues in the case. Under Ninth Circuit law, such superfluous historical allegations are subject to being stricken under Rule 12(f), especially where, as here, they would be burdensome to answer and to litigate. Fantasy, Inc. v. Fogerty, 984 F.2d 1524, 1527 (9th Cir. 1993), rev'd on other grounds, 510 U.S. 517 (1994). The allegations have no bearing on whether the parties' products are confusingly similar and to who copied



whom. More troubling, if the allegations are allowed to remain, the parties and the Court will face endless discovery, and the jury will be saddled with massive presentations of evidence, regarding the details of complex corporate acquisitions, among other things. Accordingly, Mattel currently plans to move to strike these allegations. See Fed. R. Civ. P. 12(f).

We would like to further discuss our motions with you in greater detail to see if motion practice may be avoided. Hook forward to hearing from you.

Michael T. Zeller Quinn Emanuel Urquhart Oliver & Hedges, LLP 865 S. Figueroa St, 10th Floor Los Angeles, California 90017

Tel.: 213-443-3180 Tel: 213-624-7707 Fax: 213-624-0643

Please be advised that this transmittal may be a confidential attorney-client communication or may otherwise be privileged or confidential. If you are not the intended recipient, please do not read, copy or re-transmit this communication. If you have received this communication in error, please notify us by e-mail or by telephone and delete this message and any attachments. Thank you in advance for your cooperation and assistance.

CC: Jon Corey; Timothy Alger

Jon Corey

To:

Pambrosini@omm.com

Date:

5/12/05 5:38PM

Subject:

MGA v. Mattel

Paula.

Following up on our conversation this afternoon, the authority that I committed to provide you that supports the proposition that the allegations in paragraph 74-100 and 113-14 do not fall within the narrow common law tort of unfair competition is Bank of the West v. Superior Court, 2 Cal. 4th 1254, 1263-64 (1992) and Frey v. Trans Union Corp., 127 Cal. App. 4th 986, 997 (2005). I will provide you with the authority for the proposition that the evidence relevant to prove willful infringement is narrow tomorrow.

Please let me know when you can get back to me to see if we can resolve the issues that we discussed without having to burden the Court with needless motion practice. Based on our discussion, it appeared that we could possibly reach agreement on some issues. It makes sense, therefore, that the parties agree that Mattel can have until next Wednesday to answer or otherwise respond to the Complaint while we see if we can minimize any motion practice. I look forward to hearing from you promptly in this regard.

If you have any questions regarding the foregoing, please do not hesitate to call.

Jon D. Corey, Esq.
Quinn Emanuel Urquhart Oliver & Hedges, LLP
865 South Figueroa Street, 10th Floor
Los Angeles, California 90017
Phone: (213) 443-3000
Fax: (213) 443-3100
e-mail address. ioncorey@quinnemanuel.com

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CC:

Michael T Zeller



"Torres, Diana" <DTorres@OMM.com>

To:

"Jon Corey" < joncorey@quinnemanuel.com>

Date:

5/13/05 12:10AM

Subject:

MGA v. Mattel

Jon.

Paula had to leave town this afternoon but forwarded your message to me. I am just getting to it now because I was out of the office on a personal matter all day yesterday and had another matter to deal with all day (and all night) today so my email inbox is fairly full. I am not in a position to agree to any extension given the time, although I assume that your papers are at least largely finished anyway. I will be out of the office tomorrow but will have the cases you cite, as well as any other authority you provide, pulled and will try to read them as soon as possible. If we find the authorities persuasive, we will do what we can to avoid burdening the court. You should, however, file your papers tomorrow assuming you do not hear from us, which, given the timing, is unlikely to happen before the court closes.

- Diana

----Original Message----

From: Jon Corey [mailto:joncorey@quinnemanuel.com]

Sent: Thu May 12 17:39:45 2005

To: Cc: Ambrosini, Paula Michael T Zeller

Subject:

MGA v. Mattel

Paula,

Following up on our conversation this afternoon, the authority that I committed to provide you that supports the proposition that the allegations in paragraph 74-100 and 113-14 do not fall within the narrow common law tort of unfair competition is Bank of the West v. Superior Court, 2 Cal. 4th 1254, 1263-64 (1992) and Frey v. Trans Union Corp , 127 Cal. App. 4th 986, 997 (2005). I will provide you with the authority for the proposition that the evidence relevant to prove willful infringement is narrow tomorrow.

Please let me know when you can get back to me to see if we can resolve the issues that we discussed without having to burden the Court with needless motion practice. Based on our discussion, it appeared that we could possibly reach agreement on some issues. It makes sense, therefore, that the parties agree that Mattel can have until next Wednesday to answer or otherwise respond to the Complaint while we see if we can minimize any motion practice. I look forward to hearing from you promptly in this regard

If you have any questions regarding the foregoing, please do not hesitate to call.

Jon D. Corey, Esq. Quinn Emanuel Urquhart Oliver & Hedges, LLP 865 South Figueroa Street, 10th Floor Los Angeles, California 90017 Phone: (213) 443-3000

Fax: (213) 443-3100



e-maii ad	aress:	Joncorey@q	uinnemanu	ei.com	
*****	******	******	*****	*******	*****
confidenti message responsib are hereb this comm communic message	ial and part to the ford to the ford to the ford to the ford the f	protected from the intended elivering this ed that any colon is strictly the error, plea	om disclosur recipient, or s message t dissemination prohibited. se notify us n your comp	message may be re. If the reader of an employee or o the intended re in, distribution or If you have rece immediately by ruter. Thank you.	of this agent cipient, you copying of ived this eplying to the

CC: "Ambrosini, Paula" <PAmbrosini@OMM.com>

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John Quinn

To:

Dtorres@omm.com

Date:

5/13/05 7:35AM

Subject:

diana--

i just want to make sure i understand the recent exchange of emails.

we have cited to you some authorities which we have represented to you establish that certain of your claims have no merit. we have asked you to withdraw them.

you haven't had time yet to look at the authorities.

we have asked for a 3 business day extension of our time to file, so that you will have an opportunity to consider these legal issues

you have declined any extension at all and are requiring that we file our responsive pleading today, nothwithstanding the open issues regarding the viability of certain of your claims.

is this correct? if so, it seems very unfortunate - I would ask you to reconsider, in part to protect your own interests and those of your client.

CC:

Jon Corey; Michael T Zeller



PROOF OF SERVICE

I am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business address is 865 S. Figueroa Street, 10th Floor, Los Angeles, CA 90017.

On June 17, 2005, I served the foregoing document:

DECLARATION OF MICHAEL T. ZELLER RE DEFENDANT MATTEL, INC.'S COMPLIANCE WITH LOCAL RULE 7-3

on the interested parties in this action:

1.7

Diana M. Torres
Paula E. Ambrosini
O'Melveny & Myers LLP
400 South Hope Street
Los Angeles, California 90071-2899
O 213.430.6000; F 213.430.6407

- [] [PERSONAL] by personally delivering the document listed above to the persons at the address set forth above.
- [X] BY TELECOPIER By transmitting the above listed document(s) to the fax number(s) set forth on this date.

I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on June 17, 2005, at Los Angeles, California.

Olivia Banke

07975/661905.1