Case No. 2:11-CV-00319 GEB JFM

Doc. 4

TABLE OF CONTENTS

I.	INTRO	DDUCT	ION	2	
II.	BACK	BACKGROUND			
III.			MOTION TO DISMISS GOOGLE'S COUNTERCLAIM OF PURSUANT TO RULE 12(B)(6) SHOULD BE DENIED	3	
	A.	Legal S	Standard	3	
	B.	Argum	ent	5	
IV.	RELA'	TING T	MOTION TO STRIKE GOOGLE'S AFFIRMATIVE DEFENSE O INVALIDITY PURSUANT TO RULE 12(F) SHOULD BE	6	
	A.	Legal S	Standard	6	
	B.	Argum	ent	7	
		1.	Google's Affirmative Defense Relating to Invalidity Provides Sufficient Detail Under Rule 8	7	
		2.	Standard for Pleading Articulated a Counterclaim Does Not Apply to an Affirmative Defense	9	
		3.	Form 30 the Federal Rules of Civil Procedure Demonstrates that Google's Affirmative Defense of Invalidity is Appropriately Plead	. 10	
V.			IS THE APPROPRIATE MECHANISM FOR THE PARTIES' TO TAILED CONTENTIONS	. 11	
VI.	CONC	LUSIO	N	. 12	

KAYE SCHOLER LLP

TABLE OF AUTHORITIES

Cases
Ashcroft v. Iqbal, 129 S. Ct. 1937 (2009)passim
Balistreri v. Pacifica Police Dept., 901 F.2d 696 (9th Cir. 1990)
Barnes v. AT & T Pension Ben. Plan-Nonbargained Program, 718 F. Supp. 2d 1167 (N.D. Cal. 2010)
Bell Atlantic Corp. v. Twombly, 550 U.S. 544 (2007)passim
CTF Dev., Inc. v. Penta Hospitality, LLC, No. 09-2429, 2009 U.S. Dist. LEXIS 99538 (N.D. Cal. Oct. 26, 2009)
Dann v. Lincoln Nat'l Corp., No. 08-5740, 2011 U.S. Dist. LEXIS 13089 (E.D. Pa. Feb. 10, 2011)
Doe v. Phoenix-Talent Sch. Dist., No. 10-3119, 2011 U.S. Dist. LEXIS 16894 (D. Or. Feb. 18, 2011)
<i>Holtzman v. B/E Aerospace, Inc.</i> , No. 07-80551, 2008 U.S. Dist. LEXIS 42630 (S.D. Fla. May 28, 2008)
In re Wash. Mut., Inc. Sec., Derivative & ERISA Litig., No. 08-1919, 2011 U.S. Dist. LEXIS 33531 (W.D. Wash. Mar. 25, 2011)
J & J Sports Prods. v. Montanez, No. 10-1693, 2010 U.S. Dist. LEXIS 137732 (E.D. Cal. Dec. 13, 2010)
McArdle v. AT & T Mobility LLC, 657 F. Supp. 2d 1140 (N.D. Cal. 2009)
Network Caching Tech., LLC v. Novell, Inc., No. 01-2079, 2001 U.S. Dist. LEXIS 26211 (N.D. Cal. Dec. 31, 2001)
Pareto v. F.D.I.C., 139 F.3d 696 (9th Cir. 1998)
Parks Sch. of Bus., Inc. v. Symington, 51 F.3d 1480 (9th Cir. 1995)
<i>Qarbon.com Inc. v. eHelp Corp.</i> , 315 F. Supp. 2d 1046 (N.D. Cal. 2004)
Salcer v. Envicon Equities Corp., 478 U.S. 1015 (1986)
Securities & Exchange Comm'n v. Sands, 902 F. Supp. 1149 (C.D. Cal. 1995)
Sprewell v. Golden State Warriors, 266 F.3d 979 (9th Cir. 2001)
United States v. City of Redwood City, 640 F.2d 963 (9th Cir. 1981)
W. Mining Council v. Watt, 643 F.2d 618 (9th Cir. 1981)

Williams v. Jader Fuel Co., 944 F.2d 1388 (7th Cir. 1991)	7
Wine Group LLC v. L. & R. Wine Co., No. 10-2204, 2011 U.S. Dist. LEXIS 5765 (E.D. Cal. Jan. 13,	2011)9
Wyshak v. City Nat'l Bank, 607 F.2d 824 (9th Cir. 1979)	8
<u>Statutes</u>	
35 U.S.C. § 101	
35 U.S.C. § 271(a)	5
FRCP 12(b)(6)	
FRCP 12(f)	passim
FRCP 15(a)(2)	
FRCP 8	2
FRCP 8(a)	
FRCP 8(c)	
FRCP 8(c)(1)	
FRCP 84	10
Other Authorities	
Arthur R. Miller, From Conley to Twombly to Iqbal: A Double Play o Civil Procedure,	on the Federal Rules of
60 Duke L.J. 1, 101 (2010)	9

NOTES ON CITATIONS

The Declaration of John LaBarre (the "LaBarre Decl.") in Support of Google's Opposition to Plaintiff's Motion Dismiss was filed concurrently with this Memorandum in Opposition to Plaintiff's Motion to Dismiss Pursuant to FRCP 12(b)(6) and Motion to Strike Pursuant to FRCP 12(f). Citations to Exhibits to the LaBarre Declaration will be in the form "LaBarre Decl., Ex. XX, p. YY." The Exhibits to the LaBarre Decl. are indicated below.

Exhibit	Description	
1	Judge Alsup's Order denying Oracle's Motion to Dismiss and Strike in <i>Oracle America, Inc. v. Google Inc.</i> , Case No. 3:10-cv-03561 (N.D. Cal. 2010)	
2	Yahoo! Inc.'s Answer in <i>IconFind, Inc. v. Yahoo! Inc.</i> , Case No. 2:09-cv-00109 (E.D. Cal. 2009)	
3	Recovery Database Network's Answer in MVConnect, LLC v. Recovery Database Network, Inc., Case No. 10-cv-6247 (N.D. III. 2010)	
4	The Black and Decker Corp.'s Answer in <i>Byrne v. The Black and Decker Corp.</i> , Case No. 2:04-cv-262 (E.D. Ky. 2004)	

I. <u>INTRODUCTION</u>

On April 18, 2011, Plaintiff filed its Motion to Dismiss Pursuant to FRCP 12(b)(6) and Motion to Strike Pursuant to FRCP 12(f) ("Plaintiff's Mot."). Plaintiff's Motion seeks to dismiss Google's affirmative defense and counterclaim relating to the invalidity of the patent-in-suit. Google believes that its Amended Answer and Counterclaims, which add additional detail regarding Google's defense and counterclaim of invalidity, is sufficient under FED. R. CIV. P. 8 and provides appropriate detail for this stage of this matter.

Plaintiff's argument boils down to the notion that it believes that it is entitled, not only to know the grounds for Google's affirmative defense and counterclaim of invalidity which Google's Amended Answer and Counterclaim clearly provide, but also, which specific pieces of prior art Google has identified in forming its opinion relating to invalidity. (Plaintiff's Mot., pp. 2 & 7-8.) Tellingly, however, Plaintiff points to no case law that requires such disclosures of prior art during the pleading stage of a patent litigation matter. And, in fact, no such case law or requirement exists.

Plaintiff seeks a premature look at Google's invalidity contentions. However, much as Google will wait until the upcoming discovery phase of this litigation to learn the details of Plaintiff's theories of Google's alleged infringement, so too must Plaintiff wait. Plaintiff's request amounts to an extraordinary overreaching of the requirements of notice pleading in a patent litigation matter and should be denied.

II. <u>BACKGROUND</u>

Plaintiff's suit was filed February 4, 2011. Google Answered and Counterclaimed on March 24, 2011. (Dkt. 18.) On April 1, 2011, Plaintiff filed its Initial Motion to Dismiss and Strike. (Dkt. 22.) While Google maintains that the disclosures contained within its initial Answer and Counterclaims were sufficient, in the hopes of obviating the dispute, Google filed its Amended Answer and Counterclaims on April 11, 2011. (Dkt. 27.) On April 15, 2011, Plaintiff

19

20

21

22

23

24

25

26

27

28

1

2

3

4

5

6

7

8

9

withdrew its Initial Motion to Dismiss. On that same day, Google filed a Motion for Judgment on the Pleadings of Invalidity of the U.S. Patent No. 7,181,459.

Plaintiff filed the instant motion on April 18, 2011, directed towards Google's Amended Complaint and Counterclaims. Plaintiff's Motion seeks to dismiss and/or strike Google's affirmative defense of invalidity of the '459 patent pursuant to Rule 12(f) as well as Google's counterclaim of patent invalidity pursuant to Rule 12(b)(6).

There are notable procedural differences between Rule 12(b)(6) and Rule 12(f): FED. R. CIV. P. 12(b)(6) governs the sufficiency of a counterclaim (stating that "failure to state a claim upon which relief can be granted" is a defense to a claim for relief) and FED. R. CIV. P. 12(f) governs the sufficiency of an affirmative defense (stating that a court "may strike from a pleading an insufficient defense"). Although both procedural devices are concerned with a pleading's legal sufficiency, the requirements underlying the determination derive from different sources: FED. R. CIV. P. 8(a) applies to claims (and, accordingly, counterclaims), while FED. R. CIV. P. 8(c) sets forth the standard for affirmative defenses.²

For the reasons discussed below, Google's affirmative defenses and counterclaim are sufficient as a matter of law.

III. PLAINTIFF'S MOTION TO DISMISS GOOGLE'S COUNTERCLAIM OF INVALIDITY PURSUANT TO RULE 12(B)(6) SHOULD BE DENIED

A. **Legal Standard**

A motion to dismiss a counterclaim brought pursuant to Rule 12(b)(6) is governed and evaluated under the same standard which governs a motion to dismiss a plaintiff's claim. CTF

¹ This Motion on the Pleadings relates to Google's allegations that the '459 patent is invalid for failing to meet the requirements of 35 U.S.C. 101. (Dkt. Nos. 29-34) To the extent that Plaintiff was concerned about the adequacy and sufficiency of Google's pleading with respect to invalidity under 35 U.S.C. 101, Google's Motion on the Pleadings clearly moots any such issue.

² Rule 8(a) requires the pleader to aver "a short and plain statement of the claim showing the plead is entitled to relief." Fed. R. Civ. P. 8(a)(2). Rule 8(c), on the other hand, requires "a party [to] affirmatively state any avoidance or affirmative defense." Fed. R. Civ. P. 8(c)(1).

Dev., Inc. v. Penta Hospitality, LLC, No. 09-2429, 2009 U.S. Dist. LEXIS 99538, at *5-6 (N.D. Cal. Oct. 26, 2009). "Rule 12(b)(6) tests the legal sufficiency of the claims asserted and 'must be read in conjunction with Rule 8, which requires a short and plain statement showing that the pleader is entitled to relief and contains a powerful presumption against rejecting pleadings for failure to state a claim." Id. (quoting Ileto v. Glock, Inc., 349 F.3d 1191, 1200 (9th Cir. 2003)).

The recent Supreme Court cases of Bell Atlantic Corp. v. Twombly, 550 U.S. 544 (2007),

The recent Supreme Court cases of *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544 (2007), and *Ashcroft v. Iqbal*, 129 S. Ct. 1937 (2009), confirmed that although detailed factual allegations are not required, satisfying Rule 8(a)(2) requires the complaint to plead sufficient factual matters that, if accepted to be true, would state a plausible claim for relief. *Iqbal*, 129 S. Ct. at 1949 (citing *Twombly*, 550 U.S. at 555, 570). "While a complaint attacked by a Rule 12(b)(6) motion to dismiss does not need detailed factual allegations, a [party's] obligation to provide the 'grounds' of his 'entitlement to relief' requires more than labels and conclusions, and a formulaic recitation of the elements of a cause of action will not do." *Twombly*, 550 U.S. at 555. "[F]actual allegations must be enough to raise a right to relief above the speculative level." *Id*.

In considering a motion pursuant to FED. R. CIV. P. 12(b)(6), a court must accept as true all material allegations in the complaint or counterclaims, as well as all reasonable inferences to be drawn from them. *Pareto v. F.D.I.C.*, 139 F.3d 696, 699 (9th Cir. 1998). The counterclaims must be read in the light most favorable to the nonmoving party. *Sprewell v. Golden State Warriors*, 266 F.3d 979, 988 (9th Cir. 2001); *Parks Sch. of Bus., Inc. v. Symington*, 51 F.3d 1480, 1484 (9th Cir. 1995). However, a court need not accept as true unreasonable inferences or conclusory legal allegations cast in the form of factual allegations. *Sprewell*, 266 F.3d at 988; *W. Mining Council v. Watt*, 643 F.2d 618, 624 (9th Cir. 1981).

Dismissal pursuant to Rule 12(b)(6) is proper only where there is either a "lack of a cognizable legal theory or the absence of sufficient facts alleged under a cognizable legal theory." *Balistreri v. Pacifica Police Dept.*, 901 F.2d 696, 699 (9th Cir. 1990). Accordingly, it is only

under extraordinary circumstances that dismissal is proper under Rule 12(b)(6). *United States v. City of Redwood City*, 640 F.2d 963, 966. (9th Cir. 1981).

B. Argument

Google's counterclaim relating to invalidity, in substantive part, reads:

The '459 patent is invalid because it fails to meet the "conditions for patenta-bility" of 35 USC §§ 102, 103, and/or 112 because the alleged invention thereof lacks utility; is taught by, suggested by, and/or obvious in view of, the prior art; and/or is unsupported by the written description of the patented invention.

Amended Answer and Counterclaims, ¶ 12. This paragraph spells out the bases for Google's additional contentions (*i.e.*, those beyond failing to meet the requirements of 35 U.S.C. § 101 as being directed towards an abstract idea) that the '459 patent is invalid. Contrary to Plaintiff's contention, Google's counterclaim does not simply recite formulaic responses. Google's counterclaims relating to the invalidity of the '459 patent in its Amended Answer and Counterclaims clearly allege facts that, if true, would state a claim for patent invalidity. Accordingly, Google's invalidity counterclaim asserted in its Amended Answer And Counterclaims satisfies Rule 8(a)(2) as interpreted under *Iqbal* and *Twombly*. *See Iqbal*, 129 S. Ct. at 1949 (citing *Twombly*, 550 U.S. at 555, 570). Plaintiff provides no authority – and Google is unaware of any such authority – that would support an assertion that the Federal Rules require more disclosure than Google's Amended Answer And Counterclaims already provides. In fact, as discussed below, various cases have approved the exact same language used by Google here. Accordingly, Google's Amended Answer and Counterclaims provides the reasonable notice to which Plaintiff is entitled under Rule 8(a)(2).

The counterclaims asserted in Google's Amended Answer And Counterclaims are also at least as detailed as Plaintiff's infringement claims. With respect to its allegations of infringement, Plaintiff's Complaint (which contains only a threadbare eleven numbered paragraphs) says only that "Google has infringed and continues to infringe at least claims 1, 6, 9, 16, 17, 19, 20, 21, 22, 29, 30 and 31 of the '459 patent under 35 U.S.C. § 271(a) through

Google's use, ownership and operation of websites in which it incorporates and facilitates

Creative Commons licenses, including but not limited to Google Knol, Google Books and Google

Picasa." Complaint ¶ 7. Plaintiff's claim for patent infringement is woefully deficient under the

reading of Rule 8(a)(2) that Plaintiff advances in its motion, because Plaintiff's claim fails to

provide any facts as to "how" Google allegedly infringes. But just as Google will learn these

facts in discovery, the appropriate mechanism for Plaintiff to receive the details of Google's

invalidity contentions is through discovery.

In the face of the dearth of authority supporting its position, Plaintiff relies on *Qarbon.com*, in which the court dismissed invalidity counterclaims (with leave to amend) because those counterclaims merely listed the sections of the patent statute that the defendant raised as a ground for invalidity. *See Qarbon.com Inc. v. eHelp Corp.*, 315 F. Supp. 2d 1046, 1050 (N.D. Cal. 2004) (dismissing a counterclaim that stated only "the '441 patent is invalid and void under the provisions of Title 35, United States Code §§ 100 et seq., and specifically, §§ 101, 102, 103, and/or 112."). *Qarbon.com* settled before an amended counterclaim could be filed or evaluated. It therefore provides little guidance as to the proper pleading standard.

IV. PLAINTIFF'S MOTION TO STRIKE GOOGLE'S AFFIRMATIVE DEFENSE RELATING TO INVALIDITY PURSUANT TO RULE 12(F) SHOULD BE DENIED

A. Legal Standard

Rule 12(f) provides that a court may strike an affirmative defense if it presents "an insufficient defense, or any redundant, immaterial, impertinent, or scandalous matter." FED. R. CIV. P. 12(f). A defense may be stricken "if it fails to provide 'fair notice' of the basis of the defense." *Qarbon.com*, 315 F. Supp. 2d at 1048-49 (citation omitted). "While a Rule 12(f) motion provides the means to excise improper materials from pleadings, such motions are generally disfavored because the motions may be used as delaying tactics and because of the strong policy favoring resolution on the merits." *Barnes v. AT & T Pension Ben. Plan-Nonbargained Program*, 718 F. Supp. 2d 1167, 1170 (N.D. Cal. 2010) (citation omitted).

21

22

23

24

25

26

27

28

1

2

3

4

5

6

7

As other district courts in this circuit have previously recognized, "[a]lthough the Ninth Circuit has not ruled on the proper use of a Rule 12(f) motion to strike an affirmative defense, three other circuits have ruled that the motion is disfavored and should only be granted if the asserted defense is clearly insufficient as a matter of law under any set of facts the defendant might allege." McArdle v. AT & T Mobility LLC, 657 F. Supp. 2d 1140, 1149-50 (N.D. Cal. 2009) (citations omitted); accord Williams v. Jader Fuel Co., 944 F.2d 1388, 1400 (7th Cir. 1991) (motion to strike affirmative defense is disfavored unless it appears certain that plaintiffs would succeed despite any facts that would support defendants that are inferable from the pleadings). "Accordingly, once an affirmative defense has been properly pled, a motion to strike which alleges the legal insufficiency of an affirmative defense will not be granted 'unless it appears to a certainty that plaintiffs would succeed despite any state of the facts which could be proved in support of the defense." Barnes, 718 F. Supp. 2d at 1170 (quoting William Z. Salcer, Panfeld, Edelman v. Envicon Equities Corp., 744 F.2d 935, 939 (2d Cir. 1984) (internal citation omitted), vacated on other grounds by Salcer v. Envicon Equities Corp., 478 U.S. 1015 (1986)); see also Securities & Exchange Comm'n v. Sands, 902 F. Supp. 1149, 1165 (C.D. Cal. 1995) ("To strike an affirmative defense, the moving party must convince the court 'that there are no questions of fact, that any questions of law are clear and not in dispute, and that under no set of circumstances could the defense succeed." (quotation omitted)). "Motions to strike under Rule 12(f) are disfavored, and several courts have characterized such motions as 'time wasters.'" Holtzman v. *B/E Aerospace, Inc.*, No. 07-80551, 2008 U.S. Dist. LEXIS 42630 (S.D. Fla. May 28, 2008) (citing Royal Palm Savings Association v. Pine Trace Corp., 716 F. Supp. 1416, 1417 (M.D. Fla. 1989)).

В. **Argument**

Google's Affirmative Defense Relating to Invalidity Provides Sufficient 1. **Detail Under Rule 8**

Google's affirmative defense of invalidity reads in substantive part:

The claims of the '459 patent are invalid because they fail to meet the "conditions for patentability" of 35 USC §§ 102, 103, and/or 112 because

the claims lack utility; are taught by, suggested by, and/or obvious in view of, the prior art; and/or are not adequately supported by the written description of the patented invention.

Amended Answer and Counterclaims, ¶ 15.

This exact language has previously been found appropriate in various patent matters brought in the Northern District of California. In one matter, Plaintiff was similarly challenging the sufficiency of Defendant's affirmative defense of invalidity. In its briefing, Defendant proposed the above language, and Judge Walker found the language adequate under Rule 8 holding:

[t]his language gives fair notice to [Plaintiff] of [Defendant]'s defense. While more factual specificity would be helpful, because [Plaintiff] has not clarified its patent infringement claims at this stage in the litigation, the court does not require it. The court finds that [Defendant]'s proposed amended affirmative defense is sufficient under FRCP 8.

Network Caching Tech., LLC v. Novell, Inc., No. 01-2079, 2001 U.S. Dist. LEXIS 26211 (N.D. Cal. Dec. 31, 2001) (internal citations omitted).³ In another ongoing matter involving allegations of infringement by Oracle America, Inc. ("Oracle") against Google, Oracle effectively dropped its fully briefed motion on this same issue after Google amended its invalidity allegations to conform to the above language. (See LaBarre Decl., ¶2). As the Court indicated in formally denying Plaintiff's Motion, Oracle dropped its motion "because [the] required disclosures and discovery responses 'will achieve the practical objective of giving [Oracle] fair notice of what Google has in mind in defending this case." (LaBarre Decl., Ex. 1.) Such is the case here. Both Plaintiff and Google will have appropriate opportunity during discovery to fully explore each other's contentions.

Rule 8 of the Federal Rules requires only that Plaintiff be put on "fair notice" as to the defenses asserted by a defendant. *Wyshak v. City Nat'l Bank*, 607 F.2d 824, 827 (9th Cir. 1979).

³ Google, of course, acknowledges, as Plaintiff points out, that this opinion predates both *Twombly* and *Iqbal*. Plaintiff, however, points to nothing in these cases that would necessitate a different holding in light of *Twombly* and *Iqbal*.

This is all Rule 8(c) requires. Google's affirmative defense of invalidity puts Plaintiff on fair notice of the bases for Google's claims of invalidity.

2. Standard for Pleading a Counterclaim Does Not Apply to an Affirmative Defense

Rule 8(a) differs from Rule 8(c). Rule 8(a) requires a "statement of the claim showing that the pleader is entitled to relief" while Rule 8(c) only requires a pleader to "state" an affirmative defense. FED. R. CIV. P. 8(a) and (c). Case law is unsettled whether the standard of pleading claims and counterclaims articulated in *Twombly* and *Iqbal* apply to affirmative defenses. *In re Wash. Mut., Inc. Sec., Derivative & ERISA Litig.*, No. 08-1919, 2011 U.S. Dist. LEXIS 33531 (W.D. Wash. Mar. 25, 2011) ("It is an open question in the Ninth Circuit whether *Twombly* and *Iqbal* apply to affirmative defenses."); *Doe v. Phoenix-Talent Sch. Dist.*, No. 10-3119, 2011 U.S. Dist. LEXIS 16894 (D. Or. Feb. 18, 2011) ("[N]either the Ninth Circuit nor any other Circuit Court of Appeal has held that *Twombly* and *Iqbal* govern the pleading standard for affirmative defenses"; *see also* Arthur R. Miller, *From Conley to Twombly to Iqbal: A Double Play on the Federal Rules of Civil Procedure*, 60 Duke L.J. 1, 101 n.391 (2010) (identifying and interpreting the split).⁴

Google believes that the pleading standards articulated in *Twombly* and *Iqbal* do not apply to affirmative defenses and that, accordingly, for this reason alone, Plaintiff's Motion to Strike Google's affirmative defense of invalidity should be denied. However, because Google believes, as indicated above, that the level of detail contained in its as-amended affirmative defense of invalidity satisfies the standard of *Twombly*, *Iqbal*, and their progeny, this Court need not address

⁴ Google is aware that in a recent case in this District, a court indicated "[t]his year, the Ninth Circuit ruled that this heightened pleading standard also applies to affirmative defenses." *Wine Group LLC v. L. & R. Wine Co.*, No. 10-2204, 2011 U.S. Dist. LEXIS 5765 (E.D. Cal. Jan. 13, 2011) (citing *Barnes*, 718 F. Supp. 2d at 1172). However, upon review of the cited case (*Barnes*, a district court case, not a Circuit opinion) as well as an overall review of the case law, Google believes the statement to be in error. *Barnes*, cited by *Wine Group*, in fact, expressly acknowledges the split of authority. *Barnes*, 718 F. Supp. 2d at 1171-72.

the issue of applicability of *Twombly* and *Iqbal* to the pleading standards of affirmative defenses. *See, e.g., Phoenix-Talent Sch. Dist.*, 2011 U.S. Dist. LEXIS 16894 at *5-*6 (acknowledging the split of authority, but declining the necessity to make a ruling on the issue, instead finding affirmative defenses at issue properly plead under either standard); *J & J Sports Prods. v. Montanez*, No. 10-1693, 2010 U.S. Dist. LEXIS 137732 (E.D. Cal. Dec. 13, 2010) ("Whether *Iqbal* and *Twombly* apply to affirmative defenses has not yet been tested in the Ninth Circuit, and this Court need not reach the issue here.").

3. Form 30 the Federal Rules of Civil Procedure Demonstrates That Google's Affirmative Defense of Invalidity is Appropriately Plead

FED. R. CIV. P. 84 states that "[t]he forms in the Appendix suffice under these rules and illustrate the simplicity and brevity that these rules contemplate." Form 30 of the Appendix relates to affirmative defenses. As the undetailed recitations of affirmative defenses illustrated in Form 30 show, the requirement for affirmative defenses is not an exacting standard even remotely approaching the type of notice required of a claim under *Twombly* and *Iqbal*. *See* Fed. R. Civ. P., App. of Forms, Form 30. While Google believes *Twombly* and *Iqbal* cast doubt on the propriety of some of the forms (notably Form 18), they do so because of their interpretation of Rule 8(a)'s requirements – not Rule 8(c)'s. Accordingly, Form 30 remains an accurate illustration of what Rule 8(c) requires of an affirmative defense.

As Google's affirmative defense of invalidity provides more detail than contemplated or required by Form 30, pursuant to FED. R. CIV. P. 84, Plaintiff's Motion to Strike should be denied.⁵

⁵ Here again, Google does not believe that the Court necessarily needs to reach a conclusion regarding the efficacy of Form 30 in light of *Twombly* and *Iqbal*; notwithstanding Google's contentions that its affirmative defense need not provide the level of detail required under these cases, Google's affirmative defense, as discussed above, clearly does meet the level of required detail at this stage of the litigation.

V. DISCOVERY IS THE APPROPRIATE MECHANISM FOR THE PARTIES' TO RECEIVE DETAILED CONTENTIONS

As indicated above, Plaintiff's Complaint contains a sparse eleven numbered paragraphs and its allegations of infringement certainly do not the meet the pleading requirement Plaintiff posits is required in Google's counterclaims and affirmative defenses. Rather than move to dismiss these inadequate counts, however, Google elected, in the interest of judicial economy, to await the discovery phase of this matter. In fact, as outlined in the LaBarre Declaration, Google and Plaintiff have reached agreement that formal infringement contentions and invalidity contentions should be part of the Court's scheduling order in this matter. (LaBarre Decl. ¶4-6.) Accordingly, Plaintiff, in relatively short order, will be in possession of the very information of which it claims it is currently deprived (and more).

Google notes that in a prior case filed by Plaintiff involving allegations of infringement of the same patent at issue in the instant matter against Yahoo! Inc. in this same district (Case No. 2:09-cv-00109), Yahoo!'s Answer and Counterclaims contained allegations of invalidity similar to that contained in Google's *initial* Answer and Counterclaims. (LaBarre Decl., Ex. 2, pp. 3 & 5.) For example, Yahoo!'s counterclaim of invalidity reads in part: "All claims of the '459 Patent are invalid for failure to meet the Conditions for Patentability set forth in Title 35 of the United States Code, including, but not limited to, 35 U.S.C. §§ 101, 102, 103, and 112" Interestingly, Plaintiff, who was represented by the same lawyers in that matter as in this matter, made no similar objection to the sufficiency of Yahoo!'s affirmative defense and counterclaims in that matter.

Moreover, Plaintiff's own law firm, in the rare instance in which it is acting on behalf of a defendant in a patent matter, does not adhere to the level of pleading which it posits is required. *See, e.g., MVConnect, LLC v. Recovery Database Network, Inc.*, No. 10-6247 (N.D. Ill. 2010) (LaBarre Decl., Ex. 3, pp. 4 & 6) (including affirmative defense and counterclaims of invalidity

⁶ The Parties' soon-to-be-filed Joint Status Report will reflect this agreement.

pleading "[e]ach asserted claim of '965 Patent is invalid, unenforceable, void, or voidable for failure to comply with one or more of the provisions of Part II of Title 35 of the United States Code, including without limitation, 35 U.S.C. §§ 102, 103, and 112"); *Byrne v. The Black and Decker Corp.*, No. 04-262 (E.D. Ky. 2004) (LaBarre Decl., Ex. 4, pp. 4 & 8-9) (including affirmative defense and counterclaims of invalidity pleading "[t]he claim of the '815 and '126 patents are invalid under one or more of the grounds specified in United States Code, Title 35, including failure to comply with the requirements of 35 U.S.C. §§ 101, 102, 103 and/or 112").

Plaintiff's contentions that Google's pleadings are inadequate under the law and its implications that Google should somehow know better borders on the spurious. Plaintiff's counsel has represented untold number of plaintiffs in patent litigation matters. It is well-versed in the law. That Plaintiff can point to no case in which a Court ordered a party to identify prior art along with its pleadings – as Plaintiff's Motion clearly requests the Court to order in this case – is telling. Discovery, and not the pleading stage of a patent case, is the appropriate time and manner in which a plaintiff is entitled to learn the details of a defendant's allegations of invalidity. The parties' agreement with respect to infringement and invalidity contentions clearly provide that each will get the other's contentions in appropriate course. (*See* LaBarre Decl., ¶ 4.)

VI. <u>CONCLUSION</u>

a granted motion to strike).

For the forgoing reasons, Plaintiff's Motion to Dismiss Pursuant to FRCP 12(b)(6) and Motion to Strike Pursuant to FRCP 12(f) should be denied because Google's counterclaims and affirmative defenses relating to invalidity satisfy the notice pleading requirements of Rule 8(a)(2) and Rule 8(c) respectively.⁷

In the event, however, that the Court disagrees, at a minimum, Google should be provided

reasonable opportunity to amend. *See, e.g., Dann v. Lincoln Nat'l Corp.*, No. 08-5740, 2011 U.S. Dist. LEXIS 13089 (E.D. Pa. Feb. 10, 2011) (remarking that FED. R. CIV. P. 15(a)(2) requires that

leave to amend be freely granted and allowing Defendant the opportunity to amend in the face of

KAYE SCHOLER LLP

	1
	2
	3
	4
	5
	6
	7
	8
	9
	10
]	11
	12
]	13
2	14
)	15
	16
	17
	18
	19
	20
	21
	22
	23
	24
	25
	26

27

28

Dated: May 2, 2011

KAYE SCHOLER LLP

By: /s/ Michael J. Malecek

Michael J. Malecek Attorney for Defendant GOOGLE INC.