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Apple Inc.*

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

EMBLAZE LTD.,

Plaintiff;
v.

APPLE INC., a California Corporation,
Defendant.

CASE NO.4:11-CV-01079 SBA

**DEFENDANT APPLE INC.'S ANSWER AND
COUNTERCLAIMS TO PLAINTIFF'S FIRST
AMENDED COMPLAINT**

Defendant Apple Inc. (“Apple”) responds to the First Amended Complaint for Patent Infringement (the “Amended Complaint”) of Plaintiff Emblaze, Ltd. (“Emblaze”) as follows¹:

I. PARTIES

1. Apple is without sufficient information or knowledge to either admit or deny the allegations in paragraph 1 and therefore denies the same.

2. Apple is without sufficient information or knowledge to either admit or deny the allegations in paragraph 2 and therefore denies the same.

3. Apple admits that it is a California corporation with its principal offices situated at One Infinite Loop, Cupertino, California 95014.

II. JURISDICTION AND VENUE

4. Apple admits that this Court has subject matter jurisdiction over this action.

5. For purposes of this action only, Apple does not contest that venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b)-(c) and 1400(b).

III. COUNT I - PATENT INFRINGEMENT

6. Apple admits that what appears to be a copy of United States Patent No. 6,389,473 (“the ’473 patent”) is attached as Exhibit A to Emblaze’s Complaint. Apple is without sufficient information or knowledge to either admit or deny the remaining allegations in paragraph 6 and therefore denies the same.

7. Apple is without sufficient information or knowledge to either admit or deny the allegations in paragraph 7 and therefore denies the same.

8. Apple is without sufficient information or knowledge to either admit or deny the allegations in paragraph 8 and therefore denies the same.

9. Apple is without sufficient information or knowledge to either admit or deny the allegations in paragraph 9 and therefore denies the same.

¹ Despite previously moving to dismiss Emblaze’s First Amended Complaint under Fed. R. Civ. P. 12(b)(6) for failure to state a claim upon which relief may be granted (Dkt. No. 105), Apple files this Answer in an abundance of caution to address the Federal Circuit’s interpretation of the tolling provisions of the Federal Rules. *See General Mills, Inc. v. Kraft Foods Global, Inc.*, 495 F.3d 1378, 1379 (Fed. Cir. 2007) (“The language of the rule is unambiguous: Rule 12(a)(4) does not extend the time for filing an answer to an amended complaint when ‘the time remaining for response to the original pleading’ has elapsed.”).

1 10. Apple admits that it has used and continues to use, has sold and/or offered to sell in
2 New York and elsewhere products incorporating Apple's HTTP Live Streaming technology. Apple
3 denies that its HTTP Live Streaming technology or any other Apple products or services infringe any
4 claims of the '473 patent.

5 11. Apple admits that it announced the introduction of Apple's HTTP Live Streaming
6 technology on or about mid-2009, and that such technology is utilized in certain of Apple's products.
7 Apple denies the remaining allegations in paragraph 11.

8 12. Apple denies the allegations in paragraph 12.

9 13. Apple admits that Emblaze sent a letter to Apple on October 29, 2010 alleging that
10 Apple's HTTP Live Stream Standard technology infringes the '473 patent and offering to discuss
11 possible licensing under the '473 patent. Apple denies the remaining allegations in paragraph 13.

12 14. Apple admits that it has declined to take a license under the '473 patent.

13 15. Apple denies the allegations in paragraph 15.

14 16. Apple denies the allegations in paragraph 16.

15 17. Apple denies the allegations in paragraph 17.

16 **IV. JURY DEMAND**

17 18. Apple also demands a trial by jury.

18 **V. PRAYER FOR RELIEF**

19 19. Apple denies that Emblaze is entitled to the relief sought in items A through H on p. 4
20 of the First Amended Complaint or any other relief Emblaze requests against Apple.

21 **VI. DENIAL OF ANY REMAINING ALLEGATIONS**

22 20. Except as specifically admitted herein, Apple denies any remaining allegations in
23 Emblaze's Complaint.

24 **VII. AFFIRMATIVE DEFENSES**

25 21. Apple incorporates by reference the foregoing paragraphs in their entirety and asserts
26 the following Affirmative Defenses. In addition to the defenses described below, Apple reserves all
27 affirmative defenses under Rule 8(c) of the Federal Rules of Civil Procedure, the Patent Laws of the
28

1 United States and any other defenses, at law or in equity, which may now exist or in the future may
2 be available based on discovery and further factual investigation in this case.

3 **FIRST AFFIRMATIVE DEFENSE**

4 **(No Infringement)**

5 22. Apple does not infringe and has not infringed any claim of the '473 patent either
6 directly or by inducing or contributing to infringement by others.

7 **SECOND AFFIRMATIVE DEFENSE**

8 **(Invalidity)**

9 23. Each of the Claims of the '473 patent are invalid, unenforceable, and/or void for
10 failing to comply with one or more of the requirements for patentability under the Patent Laws of the
11 United States, including but not limited to, 35 U.S.C. §§ 101, 102, 103, 112, and 282.

12 **THIRD AFFIRMATIVE DEFENSE**

13 **(Laches, Waiver, Estoppel)**

14 24. Emblaze's claims are barred in whole or in part by the doctrines of laches, waiver,
15 and/or estoppel.

16 **FOURTH AFFIRMATIVE DEFENSE**

17 **(Notice, Damages, and Costs)**

18 25. Emblaze's recovery for alleged infringement of the '473 patent, if any, is limited to
19 any alleged infringement committed no more than six years prior to the filing of its Complaint (Dkt.
20 No. 1), pursuant to 35 U.S.C. § 286, and to the extent Emblaze failed to comply with the notice
21 provisions of 35 U.S.C. § 287, Emblaze may not recover damages prior to the filing of its Complaint
22 (Dkt. No. 1).

23 26. Emblaze is barred from recovering costs in connection with this action under 35
24 U.S.C. § 288.

25 **FIFTH AFFIRMATIVE DEFENSE**

26 **(Failure to State a Claim Upon Which Relief May Be Granted)**

27 27. With respect to each purported claim for relief alleged in the First Amended
28 Complaint, Emblaze fails to state a claim against Apple upon which relief may be granted.

1 **SIXTH AFFIRMATIVE DEFENSE**

2 **(Unclean Hands)**

3 28. The claims alleged in the First Amended Complaint are barred, in whole or in part, by
4 the doctrine of unclean hands.

5 **SEVENTH AFFIRMATIVE DEFENSE**

6 **(No Enhanced Damages)**

7 29. Emblaze is not entitled to enhanced or increased damages for willful infringement
8 because Apple has not engaged in any conduct that meets the applicable standard for willful
9 infringement.

10 **EIGHT AFFIRMATIVE DEFENSE**

11 **(No Injunctive Relief)**

12 30. Emblaze is not entitled to injunctive relief because any alleged injury to Emblaze is
13 not immediate or irreparable, and Emblaze has an adequate remedy at law.

14 **RESERVATION OF AFFIRMATIVE DEFENSES**

15 31. Apple hereby reserves the right to supplement and/or amend its affirmative defenses
16 as discovery proceeds in this case.

17 **VIII. COUNTERCLAIMS**

18 Incorporating by reference the foregoing paragraphs in their entirety, Apple asserts the
19 following counterclaims against Emblaze.

20 **PARTIES**

21 32. Counterclaim Plaintiff, Apple, is a California Corporation with its principal place of
22 business at One Infinite Loop, Cupertino, California 95014.

23 33. On information and belief based on Plaintiff's First Amended Complaint,
24 Counterclaim Defendant Emblaze, Ltd. is an Israeli corporation having a principal place of business
25 at Emblaze House, 22 Zarhin Street, Ra'anana, Israel 43662.

1 **JURISDICTION AND VENUE**

2 34. These counterclaims arise under the patent laws of the United States as enacted under
3 Title 35 of the United States Code and the provisions of the Federal Declaratory Judgment Act. The
4 jurisdiction of this Court is proper under 28 U.S.C. §§ 1331, 1338, 2201 and 2202.

5 35. Venue is technically proper in this District pursuant to 28 U.S.C. §§ 1391(b) and 1400.

6 **COUNT I – DECLARATION OF NON-INFRINGEMENT**

7 36. Apple realleges and incorporates by reference the allegations set forth in paragraphs
8 34-35 above.

9 37. Based on Emblaze's filing of this action and Apple's Affirmative Defenses, an actual
10 controversy has arisen and now exists between Emblaze and Apple as to whether Apple has infringed
11 or is infringing one or more claims of the '473 patent.

12 38. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 *et seq.*, Apple
13 requests the declaration of the Court that Apple does not infringe and has not infringed any valid and
14 enforceable claim of the '473 patent.

15 **COUNT II – DECLARATION OF PATENT INVALIDITY AND/OR UNENFORCEABILITY**

16 39. Apple realleges and incorporates by reference the allegations set forth in paragraphs
17 34-38 above.

18 40. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 *et seq.*, Apple
19 requests the declaration of the Court that the '473 patent is invalid and/or unenforceable for failure to
20 meet the conditions of patentability set forth in the Patent Laws of the United States, including but
21 not limited to 35 U.S.C. §§ 101, 102, 103, 112, and 282.

22 **JURY DEMAND**

23 41. Apple demands a trial by jury.

24 **PRAYER FOR RELIEF**

25 Apple respectfully requests a judgment against Emblaze as follows:

26 A. A declaration that Apple does not infringe and has not infringed any valid and
27 enforceable claim of the '473 patent;

28 B. A declaration that the '473 patent is invalid and/or unenforceable;

- 1 C. That Emblaze take nothing by its Complaint against Apple;
- 2 D. That the Court enter judgment against Emblaze and in favor of Apple and that
- 3 Emblaze's Complaint be dismissed with prejudice;
- 4 E. That the Court enter a judgment that this is an exceptional case under 35
- 5 U.S.C. § 285 and enter a judgment awarding Apple its costs and reasonable
- 6 attorneys' fees; and
- 7 F. That the Court grant Apple whatever further relief the Court may deem just
- 8 and proper.
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2 Dated: May 14, 2012

GREENBERG TRAURIG, LLP

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4 / s/
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