

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 09-cv-00636-REB-KLM

VIDEO PROFESSOR, INC., a Colorado corporation,

Plaintiff,

v.

AMAZON.COM, INC., a Delaware corporation,

Defendant.

PLAINTIFF'S MOTION TO EXCLUDE WAIVED AFFIRMATIVE DEFENSE

Plaintiff Video Professor, Inc. ("VPI"), by and through its counsel, hereby moves the Court to exclude from trial Defendant Amazon.com, Inc.'s ("Amazon") waived asserted affirmative defense of *Jus Tertii*, and states:

Certification Pursuant to Local Rule 7.1A

Undersigned certifies that, on April 14, 2010, despite language in Amazon's draft inserts for the proposed Final Pretrial Order suggesting otherwise, counsel for Amazon first made plain that it intended to raise a theretofore unmentioned affirmative defense of *Jus Tertii* in defense of all the Lanham Act claims asserted by VPI in this action, and not just a contributory infringement claim, which claim has been excluded from the case by Order of Court dated March 3, 2010 [Doc. No. 52].

Undersigned promptly conferred with counsel for Amazon by email at that time, and, thereafter by telephone, regarding VPI's intention to file the instant motion if Amazon refused to withdraw the asserted affirmative defense. At that time, Amazon

agreed to consider its position overnight. On April 15, 2010, counsel for Amazon indicated it would not withdraw the newly asserted affirmative defense.

I. Introduction and Procedural History

1. VPI initiated the instant action on March 3, 2009. Complaint [Doc. No. 1].
2. Amazon filed its Answer and Affirmative Defenses on May 15, 2009 [Doc. No. 13].
3. In its Answer and Affirmative Defenses, Amazon pled four affirmative defenses: (1) failure to state a claim for which relief may be granted; (2) nominative fair use; (3) First Amendment; and (4) laches, acquiescence, and/or estoppel. *Id.*
4. The deadline to add parties and amend pleadings expired on September 1, 2009. Courtroom Minutes/Minute Order, July 9, 2009 [Doc. No. 19].
5. Between October, 2009 and January, 2010, the Parties each filed and fully briefed opposing motions for summary judgment, which motions are pending.
6. Written discovery closed on September 1, 2009, and all other discovery closed on March 1, 2010.
7. A Final Pretrial Order was due to the Court on April 14, 2010.
8. A Final Pretrial Conference is scheduled for April 16, 2010, with the Final Trial Preparation Conference set for April 23, 2010.
9. A trial to the Court is to commence on April 26, 2010.
10. By Order dated March 8, 2010 [Doc. No. 52], the Court denied VPI's oral Motion for Additional Discovery, and provided, *inter alia*, that a claim for contributory infringement was not well pled and therefore was not at issue in the instant case.

11. On April 9, 2010, VPI provided Amazon with its initial draft of the proposed Final Pretrial Order, which draft expressly stated that VPI was not pursuing a claim for contributory infringement related to Amazon's sale of Professor Teaches products on its Web site.

12. On April 13, 2010, Amazon provided its initial draft inserts for the Final Pretrial Order, due on April 14, 2010.

13. In its inserts, Amazon listed an alleged fifth affirmative defense of *Jus Tertii*; however, gave the impression that the defense would only be raised in the event VPI argued, and Court considered, a contributory infringement claim. See Final Pretrial Order [Doc. No. 58], at pp. 17-19.

14. In a telephone call between counsel on April 14, 2010 regarding the draft Pretrial Order, Mr. Lasater asked Mr. Briant for a confirmation that Amazon would only attempt to argue a *Jus Tertii* defense if, and only if, VPI argued a claim for contributory infringement and the Court decided to entertain it. At that time, Mr. Briant stated that Amazon would use the defense for all the Lanham Act claims.

15. Following a conferral conducted through electronic mail and the telephone over two days regarding the alleged fifth affirmative defense, Amazon indicated on April 15, 2010 that it would not withdraw the defense.

II. The Asserted Defense is Bared as Untimely and was Waived

16. The deadline to amend pleadings expired on September 1, 2009, and, only 12 days before trial, Amazon cannot raise an entirely new affirmative defense. See

F.R.C.P. 8(c)(1); F.R.C.P. 15; *see also In re Cumberland Farms, Inc.*, 284 F.3d 216, 226-27 (1st Cir. 2002) (upholding bankruptcy court's decision to preclude defendant from raising statute of limitations defense on eve of trial under Rule 8(c)).

17. A failure to timely raise an affirmative defense is a waiver thereof, especially when a defendant attempts to raise it on the eve of trial. *See In re O'Brian*, 110 B.R. 27, 30 (Bankr. D. Colo. 1990) (denying motion at trial to amend pleadings to add additional affirmative defenses of laches and statute of limitation in violation of pretrial order and due to resulting prejudice) (collecting cases).

18. Further, Amazon has failed to move for leave from this Court to amend its Answer to assert the alleged affirmative defense, which would require, *inter alia*, a showing of good cause why Amazon could not timely move for leave. Instead of seeking leave, Amazon has improperly attempted to thrust the newly asserted defense into the Pretrial Order on the eve of trial.

19. Moreover, despite fully briefing two motions for summary judgment, Amazon failed to mention the alleged affirmative defense, further highlighting the lack of notice, resulting prejudice and potential ulterior motives.

20. Therefore—literally on the eve of trial—Amazon should be precluded from raising for the first time an affirmative defense which, by its very nature, would require considerable directed discovery by VPI and the development of legal argument.

III. The Asserted Defense Must be Barred to Avoid Injustice and Prejudice

21. To allow Amazon to raise at trial an affirmative defense which it had, theretofore, failed to raise would occasion extreme prejudice and injustice upon VPI.

Put simply, Amazon gave VPI no actual notice of the alleged affirmative defense until 12 days before trial.

22. To the extent Amazon believes the defense is relevant to the claims at issue and represents an affirmative defense thereto, Amazon was obligated to raise the defense at a time when the parties would have the ability to conduct discovery and consider its legal applicability. See F.R.C.P. 8(c).

23. Amazon has been at all times fully apprised of VPI's theory of this case, and, therefore, to the extent it believed the defense would be an affirmative defense to VPI's Lanham Act claims, or any one of them, Amazon was obligated to give notice of the defense in a timely manner, which it failed to do.

24. The fact that Amazon fully briefed two motions for summary judgment without mentioning the defense underscores the delay in raising the alleged affirmative defense and calls into question Amazon's timing and its very relevance.

25. Extreme and unwarranted prejudice will be occasioned upon VPI if Amazon is allowed to assert an entirely new affirmative defense at the eleventh hour.

CONCLUSION

26. Amazon's failure to move for leave to amend its Answer, its inexcusable failure to give timely notice of the alleged affirmative defense, as well as resulting prejudice if countenanced, all require the preclusion of the defense from the trial of this matter.

27. Therefore, and based upon the foregoing, VPI respectfully requests that the Court enter an Order excluding from trial any affirmative defense not timely pled in Amazon's Answer, including *Jus Tertii*.

28. A proposed order is submitted herewith.

WHEREFORE, based upon the foregoing, VPI respectfully requests that the Court enter an Order excluding from the trial of this matter all affirmative defenses not timely pled, including the alleged fifth affirmative defense of *Jus Tertii*.

Respectfully submitted this 16th day of April, 2010.

FAIRFIELD AND WOODS, P.C.

s/ Kieran A. Lasater

Gregory C. Smith

Kieran A. Lasater

1700 Lincoln Street, Suite 2400

Denver, CO 80203

Telephone: (303) 830-2400

Facsimile: (303) 830-1033

ATTORNEYS FOR PLAINTIFF

CERTIFICATE OF SERVICE

I hereby certify that on the 16th day of April, 2010, a true and correct copy of the foregoing was sent via CM/ECF as follows:

Marc C. Levy, Esq.
Faegre & Benson LLP
1700 Lincoln Street, Suite 3200
Denver, Colorado 80203
Email: mlevy@faegre.com

s/Julie Boling
Julie Boling