

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

GROUPON, INC.,

Plaintiff,

v.

MOBGOB, LLC,

Defendant.

Case No. 1:10-CV-07456

Hon. William J. Hibbler

**MOBGOB, LLC'S OPPOSITION TO PLAINTIFF'S MOTION TO DISMISS  
DEFENDANT'S SECOND COUNTERCLAIM**

**I. INTRODUCTION**

Like other districts that routinely handle patent litigation, the Northern District of Illinois has adopted Local Patent Rules. Among these rules is LPR 2.3(b), which requires a defendant asserting invalidity to: (1) identify prior art with particularity; (2) specify whether the prior art anticipates or renders obvious the patent-in-suit; (3) provide a claim chart; and (4) disclose “a detailed statement of any grounds of invalidity based on indefiniteness under 35 U.S.C. § 112(2) or enablement or written description under 35 U.S.C. § 112(1).”

Accordingly, there is a specific time and place for Defendant MobGob, LLC to provide a detailed disclosure of its invalidity contentions. Nevertheless, Plaintiff Groupon, Inc. has filed a motion to dismiss MobGob’s counterclaim for invalidity because Groupon wants MobGob to disclose the factual basis for its invalidity contentions at the pleading stage rather than in accordance with the Local Patent Rules. Granting Groupon’s Motion would undermine the Local Patent Rules. Accordingly, Groupon’s Motion to Dismiss should be denied.

**II. LEGAL STANDARDS**

Granting a motion to dismiss for failure to state a claim “is warranted only if it ‘appears beyond doubt that the plaintiff can prove no set of facts in support of his claim which would

entitle him to relief.” *Kluber Skahan & Assocs. v. Cordogan, Clark & Associates, Inc.* No. 08-cv-1529, 2009 U.S. Dist. LEXIS 14527, at \*4 (N.D. Ill. Feb. 25, 2009) (quoting *County of McHenry v. Ins. Co. of the West*, 438 F.3d 813, 817 (7th Cir. 2006)). In determining whether a complaint adequately pleads a claim, the “reviewing court [must] draw on its judicial experience and common sense.” *Franks v. MKM Oil, Inc.*, No. 10 C 13, 2010 U.S. Dist. LEXIS 93587, at \*4 (N.D. Ill. Sep. 8, 2010) (quoting *Ashcroft v. Iqbal*, 129 S.Ct. 1937, 1950 (2007)).

### **III. Groupon’s Motion Should Be Denied Because Dismissing MobGob’s Counterclaim Would Undermine the Local Patent Rules**

The Northern District of Illinois has adopted Local Patent Rules. Among these rules is LPR 2-3(b), which governs the disclosures required by any party asserting invalidity of a patent. As this Court recently held in *Pfizer Inc. v. Apotex Inc.*, 726 F. Supp. 2d 921 (N.D. Ill. 2010), given the timing of the disclosures required under the Local Patent Rules, it is improper to dismiss a counterclaim on the basis of Fed. R. Civ. Proc. 8(a).

In *Pfizer Inc. v. Apotex Inc.*, as MobGob has done here, the defendant’s counterclaim for invalidity asserted that three patents owned by the plaintiff were “invalid for failure to comply with one or more of the conditions of patentability set forth in Title 35 of the United States Code.” *Id.* at 937. In rejecting the plaintiff’s motion to dismiss, the Court stated that “[w]hile brief, those allegations are sufficient to put [plaintiff] on notice of what [defendant] is claiming – invalidity of the [patents] – and the grounds upon which this claim rests – failure to satisfy one or more of the conditions of patentability.” *Id.* at 937-38. The Court went on to state that dismissal of the plaintiff’s “counterclaims for failure to satisfy Rule 8(a) would undermine the Local Patent Rules, which require more detailed disclosures at a later stage.” *Id.* at 938. As granting the motion to dismiss would render the Local Patent Rules superfluous and “would be inconsistent with the Local Patent Rules,” the Court denied the motion. *Id.*

Tellingly, Groupon cites to several cases from other districts for the proposition that courts routinely dismiss counterclaims for invalidity for failure to provide factual support. However, with the exception of the District of Idaho, none of the cases cited by Groupon are

from districts with local patent rules. And while the District of Idaho currently has local patent rules, the case cited by Groupon from the District of Idaho – *Sun Valley Bronze, Inc. v. Nobilus, LLC*, 72 Fed. R. Serv. 3d 518 (D. Idaho 2008) – was decided *before* the District of Idaho adopted these local patent rules, which became effective on December 1, 2009. Hence, these cases are inapposite.

As MobGob has provided sufficient notice that it is claiming that the patent-in-suit is invalid for failure to comply with one or more of the conditions of patentability, and given the Local Patent Rules requirement of additional disclosures, Groupon’s Motion to Dismiss should be denied.

Dated: March 9, 2011

Respectfully submitted,

**RUSS AUGUST & KABAT**

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**CERTIFICATE OF SERVICE**

I hereby certify that the counsel of record who are deemed to have consented to electronic service are being served on March 9, 2011 with a copy of this document via the Court's CM/ECF system per Local Rule CV-5.2 and General Order 09-014. Any other counsel of record will be served by electronic mail, facsimile transmission and/or first class mail on this same date.

Dated: March 9, 2011

By: /s/ Alexander C.D. Giza  
Alexander C.D. Giza