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September 1, 2010

VIA UPS OVERNIGHT

Ryan M. Fountain
Attorney
420 Lincoln Way W
Mishawaka, IN 46544

Re: *Forest River, Inc. vs. Heartland Recreational Vehicles, LLC*
U.S. District Court, Northern District of Indiana, case No. 3:08-cv-490

Dear Ryan:

Thank you for your July 22, 2010 email, which outlined in writing your concerns about Heartland Recreational Vehicles, LLC's ("Heartland") compliance with the Court's Order on Forest River's Second Motion to Compel (the "Court Order"). This letter will serve as Heartland's response to each of your requests for additional documents.

- (1) *"Invoices for August 2008 (we have Sept. 1 to Feb. 1, but Production Request No. 19 specified August as well)."*

The Court Order specifies that "this Court agrees with Forest River that a time period spanning the two months prior to Forest River's trade show until Heartland's own trade show in December of the same year is reasonable in scope to show the likely effects of Heartland's advertisements on its sales activity." (Order, DE #112, p. 3.) In accordance with the Court's Order, Heartland produced invoices for all orders that were placed from August 22, 2008 to December 2, 2008, the first day of the 2008 Louisville RVIA show. Because invoices are often sent much later than the date that the orders are actually placed, it is likely that there are no invoices with August dates. It is our belief that an invoice has been provided for every relevant order placed within the time period specified above.

- (2) *"The purchase orders received from the dealers, to the extent that they exist, for the invoices from August 1, 2008 to Feb. 1, 2008 (Mr. Donat's spread sheet shows that least some invoices were a result of documentary purchase orders rather than oral orders)"*

As we've mentioned before, it is very atypical for Heartland to receive a physical purchase order from dealers. Heartland has produced the documents it has in its possession with respect to this request.

- (3) *"The dealer correspondence and agreements from October 22, 2008 to at least December 17, (as per Production Request No. 15)."*

As discussed above, the relevant time period specified by the Court spans from August 22, 2008 to December 2, 2008. Heartland has produced the relevant correspondence and agreements from these time periods. Furthermore, the spreadsheet tab titled "Orders Oct22-Dec3_08" specifies if a particular order was placed by a dealer that: (1) signed with Heartland during the relevant time period; and (2) was included on the list of dealers attending Forest River's open house event. Only one such dealer, Loveall RV, placed an order with Heartland during the relevant time period. Heartland has already produced a copy of its dealer agreement with Loveall RV, which is labeled with the Bates Numbers Heartland/FR 0000441-0000442.

- (4) *"The documents which show the actual expense details upon which Mr. Donat's spread sheet percentages were based (as per Production Request No. 26). To the extent all of the expenses of the spread sheet are claimed as allowable under 15 U.S.C. § 1117, then for all of those expenses, but to the extent deduction is more limited, then only for the expenses claimed as allowable."*

Enclosed with this letter are the financial statements upon which Heartland relied in compiling its financial information spreadsheet. These statements are labeled with the Bates Numbers Heartland/FR 0005115- Heartland/FR 0005187. We believe that these documents should be sufficient to satisfy this request.

- (5) *"To the extent any of the expenses claimed as allowable under Item #4 include payments to related parties (as per Production Request No. 28) then the documents which show items the amount, reason, and beneficiary percentage."*

Heartland does not agree that this request is reasonably calculated to lead to the discovery of admissible evidence.

- (6) *"Missing emails in whole or part as follows:"*

a. All responses to Mr. Brady's emails about the Forest River event (none at all were provided)

Heartland's search of its records did not locate any documents responsive to this particular request.

b. The actual emails Mr. Brady sent or the list of recipients (all we got was the form of Doc # HR-F0001284)

The text of the emails was not sent by Mr. Brady in an email. Instead, Mr. Brady generated a text document, which was then circulated to dealers by email by a Heartland IT employee. Because Mr. Brady's emails are not the basis of Forest River's claims, the list of recipients does not seem reasonably calculated to lead to the discovery of admissible evidence.

c. The attachment to HR-F0001309

The attachment to HR-F0001309 is located at the next page, HR-F0001310.

d. The content of the 10/24/08 email shown on HR-f001365

The email at HR-F0001365 appears just as it does in Heartland's records.

e. Brian Walczak's response to the email of Jack Plummer to him on 10/6/08 at 2:46 PM – HR-F0001422

Our review of Heartland's records did not reveal a response from Mr. Walczak to Mr. Plummer.

f. The content of the 11/6/08 3:07 PM email of Ryan Elliot on HR-f0001454

It appears that this email had the sole purpose of forwarding another email, and that no accompanying text was provided by Mr. Elliot.

g. The attachment to Mike Creech's email of 11/10/08 4:43 PM – HR-F000164

The attachment appears to be the contact information for the particular dealer referenced in the email, which is located at HR-F0001464. Heartland has located this attachment and now produces it to Forest River with the Bates Number Heartland/FR 0005188.

If you have issues with any of Heartland's explanations with respect to your additional questions and requests, please do not hesitate to contact me.

Very truly yours,

BAKER & DANIELS LLP


David P. Irmscher

DPI:mj

Enclosures