

UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA

HONEYWELL INTERNATIONAL, INC.,

Plaintiff,

v.

NEST LABS, INC., BEST BUY CO.,  
INC., BEST BUY STORES, L.P., and  
BESTBUY.COM, LLC,

Defendants.

Civil Action No. 0:12-cv-00299 SRN-JSM

**DEFENDANTS BEST BUY CO., INC.,  
BEST BUY STORES, L.P. AND  
BESTBUY.COM, LLC'S ANSWER TO  
AMENDED COMPLAINT AND DEMAND  
FOR JURY TRIAL**

Defendants Best Buy Co., Inc. (“Best Buy Co.”), Best Buy Stores, L.P. (“Best Buy Stores”), and BestBuy.com, LLC (“BestBuy.com”), file this Answer to plaintiff Honeywell International, Inc.’s (“Honeywell”) Amended Complaint and respectfully answer Honeywell’s allegations as follows:

Best Buy Co., Best Buy Stores, and BestBuy.com deny each and every allegation contained in the Amended Complaint, except as hereinafter specifically admitted or explained. To the extent that the headings or any other non-numbered statements, or any figures, annotation of figures, or arrangements of figures in Honeywell’s Amended Complaint contain any allegations, Best Buy Co., Best Buy Stores, and BestBuy.com deny each and every allegation therein, except as hereinafter specifically admitted or explained.

1. Best Buy Co., Best Buy Stores, and BestBuy.com (collectively, the “Best Buy entities”) admit that Best Buy Stores promotes, sells, and/or offers to sell the Nest Learning Thermostat and that BestBuy.com previously promoted, sold, and/or offered to sell the Nest Learning Thermostat. The Best Buy entities deny that any of them have infringed or are infringing any valid claim of the seven patents Honeywell has asserted in this action. The Best

Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 1 of the Amended Complaint and therefore deny them.

## **PARTIES**

2. The Best Buy entities admit that Honeywell is a corporation that is organized and exists under the laws of the state of Delaware, with a principal place of business in Morristown, New Jersey. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 2 of the Amended Complaint and therefore deny them.

3. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 3 of the Amended Complaint and therefore deny them.

4. The Best Buy entities admit the allegations in paragraph 4 of the Amended Complaint.

5. The Best Buy entities admit the allegations in paragraph 5 of the Amended Complaint.

6. The Best Buy entities admit that BestBuy.com is a Virginia limited liability company with its principal executive office at 7601 Penn Avenue South, Richfield, MN 55423. Best Buy further admits that the website of the Virginia Secretary of State has listed the “principal office” of BestBuy.com as 7075 Flying Cloud Drive, Eden Prairie, MN 55344 and that it is in the process of updating its principal office to 7601 Penn Avenue South, Richfield, MN 55423.

7. The Best Buy entities admit that Best Buy Stores and BestBuy.com are indirect subsidiaries of Best Buy Co. The Best Buy entities further admit that the text “Customer

Service, Web Site, Store and General/Corporate Inquiries[,] Best Buy Corporate Customer Care[,] P.O. Box 9312[,] Minneapolis , MN55440” can be found on the BestBuy.com website at <http://www.bestbuy.com/site/olspage.jsp?id=cat12104&type=page>. The Best Buy entities further admit that they share common corporate services located in Minnesota. The Best Buy entities deny the remaining allegations contained in paragraph 7, if any.

8. The Best Buy entities admit that in *Ultra Products, Inc. v. Best Buy Co., Inc.*, CIV.A.09-1095MLC, 2009 WL 2843888 n.1 (D.N.J. Sept. 1, 2009), the Court cited a declaration by Lisa Beth Lentini, Corporate Counsel for Best Buy Enterprise Services, Inc., for the quote “Best Buy Stores, L.P. is a wholly owned, indirect subsidiary of Best Buy Co., Inc.” and for the proposition that “Best Buy Stores, L.P., manages and operates physical retail stores located in the United States and Best Buy Co., Inc., does not purchase or resell the products at issue.” The Best Buy entities deny that the Court’s decision mentioned BestBuy.com. *See id.* The Best Buy entities admit the second and third sentences of paragraph 8 of the Amended Complaint and deny the fourth sentence of paragraph 8 of the Amended Complaint. The Best Buy entities admit that installation of the Nest Learning Thermostat by the Geek Squad service has been offered at three Best Buy store locations and has been mentioned previously on [www.bestbuy.com](http://www.bestbuy.com). The Best Buy entities admit the sixth sentence of paragraph 8 of the Amended Complaint. The Best Buy entities deny that they, alone or in conjunction with others, infringe or have infringed any valid claim of the patents asserted in this action through joint promotion, use, sale, offer to sell, and/or importation of the Nest Learning Thermostat. The Best Buy entities deny the remaining allegations contained in paragraph 8, if any.

## **JURISDICTION AND VENUE**

9. The Best Buy entities admit that paragraph 9 of the Amended Complaint purports to state a cause of action under the patent laws of the United States, 35 U.S.C. § 1, *et seq.* The Best Buy entities deny any and all remaining allegations of paragraph 9 of the Amended Complaint.

10. The Best Buy entities admit that paragraph 10 of the Amended Complaint purports to state a cause of action over which this Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a). The Best Buy entities deny any and all remaining allegations of paragraph 10 of the Amended Complaint.

11. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 11 of the Amended Complaint and therefore deny them.

12. The Best Buy entities do not dispute that this Court has general and specific personal jurisdiction over them. The Best Buy entities admit that Best Buy Co. and Best Buy Stores have principal places of business in Minnesota. The Best Buy entities admit that BestBuy.com has a principal executive office and a principal office in Minnesota. The Best Buy entities admit that they regularly transact business in Minnesota. The Best Buy entities deny any and all remaining allegations of paragraph 12 of the Amended Complaint.

13. In response to paragraph 13 of the Amended Complaint, the Best Buy entities admit, for the purpose of this action only, that venue is proper in this judicial district.

## **BACKGROUND TO THE ACTION**

14. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 14 of the Amended Complaint and therefore deny them.

15. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 15 of the Amended Complaint and therefore deny them.

16. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 16 of the Amended Complaint and therefore deny them.

17. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 17 of the Amended Complaint and therefore deny them.

## **THE ASSERTED PATENTS**

18. In response to paragraph 18 of the Amended Complaint, the Best Buy entities admit that the title page of United States Patent No. 7,634,504 (“the ’504 Patent”) states on its face that the patent was issued on December 15, 2009. The Best Buy entities admit that on its face the ’504 patent is entitled “Natural Language Installer Setup for Controller.” The Best Buy entities admit that on its face the ’504 patent lists “Honeywell International Inc.” as the assignee. The Best Buy entities admit that a copy of the ’504 patent was attached to Honeywell’s Amended Complaint as Exhibit 1. The Best Buy entities deny any and all remaining allegations of paragraph 18.

19. In response to paragraph 19 of the Amended Complaint, the Best Buy entities admit that the title page of United States Patent No. 7,142,948 (“the ’948 patent”) states on its face that the patent was issued on November 28, 2006. The Best Buy entities admit that on its face the ’948 patent is entitled “Controller Interface with Dynamic Schedule Display.” The Best Buy entities admit that on its face the ’948 patent lists “Honeywell International Inc.” as the assignee. The Best Buy entities admit that a copy of the ’948 patent was attached to Honeywell’s Amended Complaint as Exhibit 2. The Best Buy entities deny any and all remaining allegations of paragraph 19.

20. In response to paragraph 20 of the Amended Complaint, the Best Buy entities admit that the title page of United States Patent No. 6,975,958 (“the ’958 patent”) states on its face that the patent was issued on December 13, 2005. The Best Buy entities admit that on its face the ’958 Patent is entitled “Profile Based Method for Deriving a Temperature Setpoint Using a ‘Delta’ Based on Cross-Indexing a Received Price-Point Level Signal.” The Best Buy entities admit that on its face the ’958 patent lists “Honeywell International Inc.” as the assignee. The Best Buy entities admit that a copy of the ’958 patent was attached to Honeywell’s Amended Complaint as Exhibit 3. The Best Buy entities deny any and all remaining allegations of paragraph 20.

21. In response to paragraph 21 of the Amended Complaint, the Best Buy entities admit that the title page of United States Patent No. 7,584,899 (“the ’899 patent”) states on its face that the patent was issued on September 8, 2009. The Best Buy entities admit that on its face the ’899 Patent is entitled “HVAC Controller.” The Best Buy entities admit that on its face the ’899 patent lists “Honeywell International Inc.” as the assignee. The Best Buy entities admit

that a copy of the '899 patent was attached to Honeywell's Amended Complaint as Exhibit 4. The Best Buy entities deny any and all remaining allegations of paragraph 21.

22. In response to paragraph 22 of the Amended Complaint, the Best Buy entities admit that the title page of United States Patent No. 7,159,789 ("the '789 patent") states on its face that the patent was issued on January 9, 2007. The Best Buy entities admit admits that on its face the '789 Patent is entitled "Thermostat with Mechanical User Interface." The Best Buy entities admit that on its face the '789 patent lists "Honeywell International Inc." as the assignee. The Best Buy entities admit that a copy of the '789 patent was attached to Honeywell's Amended Complaint as Exhibit 5. The Best Buy entities deny any and all remaining allegations of paragraph 22.

23. In response to paragraph 23 of the Amended Complaint, the Best Buy entities admit that the title page of United States Patent No. 7,159,790 ("the '790 patent") states on its face that the patent was issued on January 9, 2007. The Best Buy entities admit that on its face the '790 Patent is entitled "Thermostat with Offset Drive." The Best Buy entities admit that on its face the '790 patent lists "Honeywell International Inc." as the assignee. The Best Buy entities admit that a copy of the '790 patent was attached to Honeywell's Amended Complaint as Exhibit 6. The Best Buy entities deny any and all remaining allegations of paragraph 23.

24. In response to paragraph 24 of the Amended Complaint, the Best Buy entities admit that the title page of United States Patent No. 7,476,988 ("the '988 patent") states on its face that the patent was issued on January 13, 2009. The Best Buy entities admit that on its face the '988 Patent is entitled "Power Stealing Control Devices." The Best Buy entities admit that on its face the '988 patent lists "Honeywell International Inc." as the assignee. The Best Buy

entities admit that a copy of the '988 patent was attached to Honeywell's Amended Complaint as Exhibit 7. The Best Buy entities deny any and all remaining allegations of paragraph 24.

25. Paragraph 25 of the Amended Complaint does not contain any factual allegations.

**ACTS GIVING RISE TO THE ACTION**

26. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in the first sentence of paragraph 26 of the Amended Complaint and therefore deny them. The Best Buy entities admit that pre-sales of the Nest Learning Thermostat occurred on www.bestbuy.com on or about October 25, 2011. The Best Buy entities admit that comments regarding the Nest Learning Thermostat have been posted to the www.bestbuy.com website by persons who reported their locations as Rochester and Minneapolis, MN. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 26 of the Amended Complaint and therefore deny them.

27. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 27 of the Amended Complaint and therefore deny them.

28. In response to paragraph 28 of the Amended Complaint, the Best Buy entities admit that the Nest Learning Thermostat has been sold on-line through the BestBuy.com website. The Best Buy entities admit that the Nest Learning Thermostat has been featured in the Home Energy Management section of one Best Buy Store in San Carlos, California, one in Chicago, Illinois, and one in Houston/Willowbrook, Texas. The Best Buy entities admit that these three stores had display materials for the Nest Learning Thermostat, including a thermostat,



written materials, and a video. The Best Buy entities deny the remaining allegations in paragraph 28 of the Amended Complaint.

29. The Best Buy entities admit the first sentence of paragraph 29 of the Amended Complaint. The Best Buy entities admit that installation of the Nest Learning Thermostat through the Geek Squad service has been offered in the San Carlos, California, Chicago, Illinois, and Houston/Willowbrook, Texas Best Buy Store locations. The Best Buy entities deny the remaining allegations in paragraph 29 of the Amended Complaint.

30. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 30 of the Amended Complaint and therefore deny them.

31. The Best Buy entities admit that marketing materials made available by Nest Labs have referred to features of the Nest Learning Thermostat. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 31 of the Amended Complaint and therefore deny them.

32. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 32 of the Amended Complaint and therefore deny them.

33. The Best Buy entities admit that marketing materials made available by Nest Labs have referred to features of the Nest Learning Thermostat. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 33 of the Amended Complaint and therefore deny them.

34. The Best Buy entities admit that marketing materials made available by Nest Labs have referred to features of the Nest Learning Thermostat. The Best Buy entities lack sufficient

knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 34 of the Amended Complaint and therefore deny them.

35. The Best Buy entities admit that marketing materials made available by Nest Labs have referred to features of the Nest Learning Thermostat. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 35 of the Amended Complaint and therefore deny them.

36. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 36 of the Amended Complaint and therefore deny them.

37. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 37 of the Amended Complaint and therefore deny them.

38. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 38 of the Amended Complaint and therefore deny them.

39. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 39 of the Amended Complaint and therefore deny them.

40. The Best Buy entities deny the allegations in paragraph 40 of the Amended Complaint.

41. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 41 of the Amended Complaint and therefore deny them.

42. The Best Buy entities admit that on April 6, 2012, a webpage on the reviews.bestbuy.com website contained the partial quote that Honeywell quoted in paragraph 42 of the Amended Complaint. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 42 of the Amended Complaint and therefore deny them.

43. The Best Buy entities deny the allegations in paragraph 43 of the Amended Complaint.

44. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the allegations in paragraph 44 of the Amended Complaint and therefore deny them.

45. The Best Buy entities deny that the Nest Labs Thermostat infringes the '958 Patent. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 45 of the Amended Complaint and therefore deny them.

46. The Best Buy entities admit that on March 29, 2012, the text that Honeywell attributes to www.bestbuy.com in paragraph 46 of the Amended Complaint could be found on the website reviews.bestbuy.com. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 46 of the Amended Complaint and therefore deny them.

47. In response to paragraph 47 of the Amended Complaint, the Best Buy entities deny that the Nest Learning Thermostat infringes any valid claim of the '899, '789, or '790 patents. The Best Buy entities lack sufficient knowledge and information to form a belief as to

the truth of the remaining allegations in paragraph 47 of the Amended Complaint and therefore deny them.

48. The Best Buy entities deny that the Nest Learning Thermostat infringes any valid claim of the '988 patent. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 48 of the Amended Complaint and therefore deny them.

49. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 49 of the Amended Complaint and therefore deny them.

50. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 50 of the Amended Complaint and therefore deny them.

51. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 51 of the Amended Complaint and therefore deny them.

52. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 52 of the Amended Complaint and therefore deny them.

53. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 53 of the Amended Complaint and therefore deny them.

54. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of the remaining allegations in paragraph 54 of the Amended Complaint and therefore deny them.

55. The Best Buy entities admit that Best Buy Stores and BestBuy.com have sold and/or offered to sell Honeywell programmable thermostats. The Best Buy entities admit that they learned of the patents in suit when served with notice of this action. The Best Buy entities deny the remaining allegations in paragraph 55 of the Amended Complaint.

**COUNT I: INFRINGEMENT OF THE '504 PATENT**  
**(NEST LABS)**

56. In response to paragraph 56 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 55 as though fully set forth in this paragraph.

57. The allegations of paragraph 57 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

58. The allegations of paragraph 58 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

59. The allegations of paragraph 59 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

60. The allegations of paragraph 60 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

**COUNT II: INFRINGEMENT OF THE '948 PATENT**  
**(NEST LABS)**

61. In response to paragraph 61 of the Amended Complaint, the Best Buy entities reallege their responses as set forth above in paragraphs 1 through 60 above as though fully set forth in this paragraph.

62. The allegations of paragraph 62 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

63. The allegations of paragraph 63 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

64. The allegations of paragraph 64 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

65. The allegations of paragraph 65 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

**COUNT III: INFRINGEMENT OF THE '958 PATENT**  
**(NEST LABS)**

66. In response to paragraph 66 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 65 as though fully set forth in this paragraph.

67. The allegations of paragraph 67 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

68. The allegations of paragraph 68 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

69. The allegations of paragraph 69 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

**COUNT IV: INFRINGEMENT OF THE '899 PATENT**  
**(NEST LABS)**

70. In response to paragraph 70 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 69 as though fully set forth in this paragraph.

71. The allegations of paragraph 71 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

72. The allegations of paragraph 72 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

73. The allegations of paragraph 73 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

74. The allegations of paragraph 74 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

**COUNT V: INFRINGEMENT OF THE '789 PATENT**  
**(NEST LABS)**

75. In response to paragraph 75 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 74 as though fully set forth in this paragraph.

76. The allegations of paragraph 76 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

77. The allegations of paragraph 77 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

78. The allegations of paragraph 78 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

79. The allegations of paragraph 79 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

80. The allegations of paragraph 80 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.



**COUNT VI: INFRINGEMENT OF THE '790 PATENT**  
**(NEST LABS)**

81. In response to paragraph 81 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 80 as though fully set forth in this paragraph.

82. The allegations of paragraph 82 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

83. The allegations of paragraph 83 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

84. The allegations of paragraph 84 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

85. The allegations of paragraph 85 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

86. The allegations of paragraph 86 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

**COUNT VII: INFRINGEMENT OF THE '988 PATENT**  
**(NEST LABS)**

87. In response to paragraph 87 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 86 as though fully set forth in this paragraph.

88. The allegations of paragraph 88 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

89. The allegations of paragraph 89 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

90. The allegations of paragraph 90 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

91. The allegations of paragraph 91 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

92. The allegations of paragraph 92 are not directed to the Best Buy entities, and therefore no answer is required. The Best Buy entities are without knowledge or information sufficient to form a belief as to the truth of these allegations and therefore deny them.

**COUNT VIII: INFRINGEMENT OF THE '504 PATENT**  
**(BEST BUY DEFENDANTS)**

93. In response to paragraph 93 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 92 as though fully set forth in this paragraph.

94. The Best Buy entities deny any and all allegations in paragraph 94 of the Amended Complaint.

95. The Best Buy entities deny any and all allegations in paragraph 95 of the Amended Complaint.

96. The Best Buy entities deny any and all allegations in paragraph 96 of the Amended Complaint.

97. The Best Buy entities deny any and all allegations in paragraph 97 of the Amended Complaint.

**COUNT IX: INFRINGEMENT OF THE '948 PATENT**  
**(BEST BUY DEFENDANTS)**

98. In response to paragraph 98 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 97 as though fully set forth in this paragraph.

99. The Best Buy entities deny any and all allegations in paragraph 99 of the Amended Complaint.

100. The Best Buy entities deny any and all allegations in paragraph 100 of the Amended Complaint

101. The Best Buy entities deny any and all allegations in paragraph 101 of the Amended Complaint.

102. The Best Buy entities deny any and all allegations in paragraph 102 of the Amended Complaint.

**COUNT X: INFRINGEMENT OF THE '899 PATENT**  
**(BEST BUY DEFENDANTS)**

103. In response to paragraph 103 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 102 as though fully set forth in this paragraph.

104. The Best Buy entities deny any and all allegations in paragraph 104 of the Amended Complaint.

105. The Best Buy entities deny any and all allegations in paragraph 105 of the Amended Complaint.

106. The Best Buy entities deny any and all allegations in paragraph 106 of the Amended Complaint.

107. The Best Buy entities deny any and all allegations in paragraph 107 of the Amended Complaint.

**COUNT XI: INFRINGEMENT OF THE '789 PATENT**  
**(BEST BUY DEFENDANTS)**

108. In response to paragraph 108 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 107 as though fully set forth in this paragraph.

109. The Best Buy entities deny any and all allegations in paragraph 109 of the Amended Complaint.

110. The Best Buy entities deny any and all allegations in paragraph 110 of the Amended Complaint.

111. The Best Buy entities deny any and all allegations in paragraph 111 of the Amended Complaint.

112. The Best Buy entities deny any and all allegations in paragraph 112 of the Amended Complaint.

113. The Best Buy entities lack sufficient knowledge and information to form a belief to the truth of any and all allegations in paragraph 113 of the Amended Complaint and therefore deny them.

**COUNT XII: INFRINGEMENT OF THE '790 PATENT**  
**(BEST BUY DEFENDANTS)**

114. In response to paragraph 114 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 113 as though fully set forth in this paragraph.

115. The Best Buy entities deny any and all allegations in paragraph 115 of the Amended Complaint.

116. The Best Buy entities deny any and all allegations in paragraph 116 of the Amended Complaint.

117. The Best Buy entities deny any and all allegations in paragraph 117 of the Amended Complaint.

118. The Best Buy entities deny any and all allegations in paragraph 118 of the Amended Complaint.

119. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of any and all allegations in paragraph 119 of the Amended Complaint and therefore deny them.

**COUNT XIII: INFRINGEMENT OF THE '988 PATENT**  
**(BEST BUY DEFENDANTS)**

120. In response to paragraph 120 of the Amended Complaint, the Best Buy entities reallege their responses set forth above in paragraphs 1 through 119 as though fully set forth in this paragraph.

121. The Best Buy entities deny any and all allegations in paragraph 121 of the Amended Complaint.

122. The Best Buy entities deny any and all allegations in paragraph 122 of the Amended Complaint.

123. The Best Buy entities deny any and all allegations in paragraph 123 of the Amended Complaint.

124. The Best Buy entities deny any and all allegations in paragraph 124 of the Amended Complaint.

125. The Best Buy entities lack sufficient knowledge and information to form a belief as to the truth of any and all allegations in paragraph 125 of the Amended Complaint and therefore deny them.

**RESPONSE TO PRAYER FOR RELIEF**

The Best Buy entities deny that Honeywell is entitled to any form of relief, and respectfully request that the Court deny Honeywell any and all of the relief it seeks from the Court in each of the paragraphs of its Prayer for Relief.

**AFFIRMATIVE DEFENSES**

Further Answering the Amended Complaint, the Best Buy entities assert the following defenses. In addition to the affirmative defenses described below, the Best Buy entities each

specifically reserve the right to amend their Answer to allege any additional affirmative defenses as they become known through the course of discovery.

**First Affirmative Defense: Failure to State a Claim**

126. Honeywell's Amended Complaint fails to state any claim upon which relief can be granted.

**Second Affirmative Defense: Non-Infringement**

127. The Best Buy entities have not infringed and do not infringe, directly, contributorily or by inducement, willfully or otherwise, any valid claim of the '504 patent, the '948 patent, the '899 patent, the '789 patent, the '790 patent, or the '988 patent, and are not liable for infringement thereof.

**Third Affirmative Defense: Invalidity of the Asserted Patents**

128. At least one claim of each of the '504 patent, the '948 patent, the '899 patent, the '789 patent, the '790 patent, and the '988 patent is invalid for failing to comply with one or more provisions of the Patent Act (35 U.S.C §§ 101 *et seq.*, including §§ 101, 102, 103, and 112) and/or under the doctrine of obviousness-type double patenting.

**Fourth Affirmative Defense: Prosecution History Estoppel / Disclaimer**

129. Honeywell is estopped, based on statements, representations and admissions made during the prosecution of the patent applications resulting in the patents-in-suit, from asserting any construction of any of the claims of the patents-in-suit that contradicts or is inconsistent with arguments made during the prosecution of the '504 patent, the '948 patent, the '899 patent, the '789 patent, the '790 patent, and the '988 patent and/or any related patents.

**Fifth Affirmative Defense: Unclean Hands**

130. Honeywell's claims for relief are barred and unenforceable, in whole or in part, on the ground that Honeywell has unclean hands with respect to the matters alleged therein.

**Sixth Affirmative Defense: Unenforceability**

131. Honeywell's claims for relief are barred and unenforceable, in whole or in part, due to patent misuse and/or bad faith enforcement of any or all of the patents asserted in this action.

Dated: April 13, 2012

FISH & RICHARDSON P.C.

By: s/ Michael E. Florey

Michael E. Florey (No. 214322)

Phillip W. Goter (No. 392209)

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