Document 13

Case 2:06-cv-01110-RLH-GWF

Respectfully submitted,

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Page 2 of 9

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Attorneys for Plaintiff 1st Technology LLC

MEMORANDUM OF POINTS AND AUTHORITIES

Defendant Rational Poker School Limited ("Rational Poker School") has moved this Court for an order pursuant to FED.R.CIV.P. 12(e) requiring 1st Technology LLC's ("1st Technology") to provide a more definite statement in its complaint. 1st Technology's complaint provides specificity beyond that required by notice pleading and satisfies all other applicable federal rules. This Court should deny Rational Poker School's motion.

I. 1ST TECHNOLOGY'S COMPLAINT SATISFIES THE REQUIREMENTS OF FEDERAL NOTICE PLEADING

1st Technology's complaint has adequate specificity for notice pleading. Under Rule 8(a)(2) of the Federal Rules of Civil Procedure, a complaint must contain nothing more than "a short and plain statement of the claim showing that the pleader is entitled to relief." FED. R. CIV. P. 8(a)(2). The appendix to the Federal Rules of Civil Procedure sets out the following form as a guideline for pleading patent infringement:

1. Allegation of jurisdiction.

- 2. On May 16, 1934, United States Letters Patent No. XX were duly and legally issued to plaintiff for an invention in an electric motor; and since that date plaintiff has been and still is the owner of those Letters Patent.
- 3. Defendant has for a long time past been and still is infringing those Letters Patent by making, selling, and using electric motors embodying the patented invention, and will continue to do so unless enjoined by this court.
- 4. Plaintiff has placed the required statutory notice on all electric motors manufactured and sold by him under said Letters Patent, and has given written notice to defendant of his said infringement. Wherefore plaintiff demands a preliminary and final injunction against continued infringement, an accounting for damages, and an assessment of interest and costs against defendant.

FED. R. CIV. P. Form 16. 1st Technology's complaint is at least as specific as Form 16, and comports entirely with the Federal Rules. In its complaint, 1st Technology alleges that Rational Poker School has previously made, used offered for sale and/or imported into the United States and is presently making, using, selling, offering for sale and/or importing into the United States software products that infringe 1st Technology's United States Patent No.

5,564,001 ("the '001 patent"). (Exhibit A, Complaint at ¶6). 1st Technology even alleges a specific claim of the '001 patent that Rational Poker School is infringing. (Exhibit A, Complaint at ¶16).

Rational Poker School apparently takes exception to the fact that 1st Technology's complaint does not identify Rational's infringing software by name. (Rational Poker School's Motion at p.2). As stated in 1st Technology's complaint, the inventions of the '001 patent are used in many online wagering systems. (Exhibit A, Complaint at ¶13). Rational Poker School owns and operates the online gaming website found at www.PokerStars.net. (Exhibit B, PokerStars.net End User License Agreement). The infringing software which Rational Poker School provides through the PokerStars.net website does not have a specific name – Rational Poker School merely identifies it as "the Software":

END USER LICENSE AGREEMENT

This agreement (the "Agreement") should be read by you (the "User" or "you") in its entirety. Please note that the Agreement constitutes a legally binding agreement between you and Rational Poker School Limited (referred to herein as "PokerStars") which owns and operates the Internet site found at www.pokerstars.net (the "Site")

Introduction

The software (the "Software") is being licensed to you by PokerStars for your private personal use solely on "AS IS" basis. Please note that the Software is not for use by (i) individuals under 18 years of age, (ii) individuals under the legal age of majority in their jurisdiction and (iii) individuals connecting to the Site from jurisdictions from which it is illegal to do so.

You shall use the Software together with your unique Player ID ("Player ID") and unique and secret password ("Password") known only to you, to access the PokerStar's servers (the "Servers") in order to play the PokerStars "play for free"/"play money" games (the "Games").

(Exhibit B, PokerStars.net End User License Agreement). It follows that the specific name of the infringing software which Rational Poker School provides through the PokerStars.net website (to the extent such a name even exists) is presently unknown to 1st Technology. Aside from Rational Poker School's operations in connection with its PokerStars.net website,

1st Technology is aware of no other software products (infringing or otherwise) which are presently offered by Rational Poker School.

Another defendant in the present case, Rational Enterprises LDTA, owns and operates the online gaming website found at www.PokerStars.com. (Exhibit C, PokerStars.com End User License Agreement). Prior to filing suit in this case, 1st Technology informed Rational Enterprises LDTA of its belief that the '001 patent covered the software being provided by Rational Enterprises LDTA through the PokerStars.com website. The infringing software which Rational Enterprises LDTA provides through the PokerStars.com website is the "play for real money" counterpart to the "play for free" software provided by Rational Poker School through the PokerStars.net website. Rational Enterprises LDTA likewise identifies its software with no greater specificity than "the Software":

END USER LICENSE AGREEMENT

This agreement (the "Agreement") should be read by you (the "User" or "you") in its entirety. Please note that the Agreement constitutes a legally binding agreement between you and Rational Enterprises LTDA. (referred to herein as "PokerStars") which owns and operates the Internet site found at www.pokerstars.com (the "Site"). In addition to the terms and conditions of this Agreement, please review our Privacy Policy, which is incorporated herein by reference.

Introduction

The software that you are about to download (the "Software") is being licensed to you by PokerStars for your private personal use solely on "AS IS" basis. Please note that the Software is not for use by (i) individuals under 18 years of age, (ii) individuals under the legal age of majority in their jurisdiction and (iii) individuals connecting to the Site from jurisdictions from which it is illegal to do so.

You shall use the Software together with your unique Player ID ("Player ID") and unique and secret password ("Password") chosen by and known only to you, to access the PokerStars' servers (the "Servers") in order to play the PokerStars "play for real money" or "play for demo money" games (the "Games").

(Exhibit C, PokerStars.com End User License Agreement). As such, the specific name of the infringing software which Rational Enterprises LDTA provides through the PokerStars.com

website is unknown to 1st Technology. Aside from Rational Enterprises LDTA's operations in connection with its PokerStars.com website, 1st Technology is aware of no other software products (infringing or otherwise) which are presently offered by Rational Enterprises LDTA.

Notably, Rational Poker School and Rational Enterprises LDTA both simply refer to themselves as "PokerStars" with respect to their business operations. The software screenshots depicting the interactive display of the online gaming system offered through the Pokerstars.net and PokerStars.com websites are identical. (Exhibit D, website screenshots from PokerStars.net and PokerStars.com). Upon information and belief, the core structure, function and operation of the software provided through the PokerStars.net website and the counterpart PokerStars.com website is for all practical purposes the same. The extent of any formal corporate relationship which may exist between Rational Poker School and Rational Enterprises LDTA is unknown to 1st Technology at the present time, but will certainly be explored during discovery in this case. Regardless of the existence of any such corporate relationship, the nature and scope of Rational Poker School's business in combination with the allegations of 1st Technology's complaint make clear that the software being offered through Rational Poker School's PokerStars.net website is that which 1st Technology is accusing of infringing the '001 patent.

The cases which Rational Poker School relies upon in support of its motion are distinguishable. In the present case, there is not a laundry list of 503 patent claims from 20 asserted patents to be applied to several hundred possibly infringing products, as in one of the cases cited by Rational Poker School. See, *In re Pabst Licensing GmbH Patent Litigation*, 2001 U.S. Dist. LEXIS 2255, *3-4 (E.D. La., Feb. 22, 2001). Nor is the present case one in which Rational Poker School would be required to "compare its approximately 40 products to at least 20 claims." See, *Bay Indus., Inc. v. Tru-Arx Mfg, LLC*, 2006 U.S. Dist. LEXIS 86757, * (E.D. Wis., Nov. 29, 2006). In another case cited by Rational Poker School, the court held that "dismissal for failure to comply with the requirements of Rule 8 is usually reserved for those cases in which the complaint is so confused, ambiguous, vague, or otherwise unintelligible that its true substance, if any, is well disguised." *Agilent Technologies, Inc. v.*

Micromuse, Inc., 2004 U.S. Dist. LEXIS 20723, *3 (S.D.N.Y., Oct. 19, 2004) (internal citations omitted). While the court in Agilent ultimately required a more detailed pleading from the plaintiff, the court distinguished itself from a decision where (as is the case presently before the Court) there "was a finite set of potentially infringing products under identified patents." Id. at *15 (distinguishing Symbol Techs., Inc. v. Hand Held Prods., 2003 U.S. Dist. LEXIS 21002 (D. Del., Nov. 14, 2003).

1st Technology has alleged infringement of a single patent, and has further identified a specific claim of said patent which Rational Poker School is infringing. (Exhibit A, Complaint at ¶ 6, 16). The software which Rational Poker School provides through its PokerStars.net website (for which Rational provides no specific name) infringes 1st Technology's '001 patent, and 1st Technology is aware of no other software products (infringing or otherwise) which are offered by Rational Poker School. 1st Technology will, as part of ordinary discovery, provide Rational Poker School with claim charts showing the application of specific claims of the '001 patent to Rational Poker School's infringing software. There is no necessity for additional pleading. See 2 James Wm. Moore, et al., Moore's Federal Practice § 8.04[1] (3d ed. 1999) ("[A] more extensive pleading of fact is not required because the Federal Rules of Procedure provide other devices besides pleadings that will serve to define the facts and issues and to dispose of unmeritous claims.").

Moreover, to qualify for a Rule 12(e) motion, the complaint "must be so vague or ambiguous that the opposing party cannot respond to it, even with a simple denial as permitted by Rule 8(b), with a pleading that can be interposed in good faith or without prejudice to himself." Wright & Miller, Federal Practice & Procedure § 1376 at 311 (3d ed. 2004). 1st Technology's complaint fulfills the requirements of Rule 8 and is not so vague that it cannot be responded to by Rational Poker School in good faith. The Court should deny Rational Poker School's Rule 12(e) motion and allow any confusion on the part of Rational Poker School to be resolved with prompt discovery.

II. CONCLUSION

For the foregoing reasons, 1st Technology respectfully requests that the Court deny Rational Poker School's motion for a more definite statement.

DATED this 29 day of December, 2006

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I hereby certify that, on the day of December, 2006, I deposited for mailing in the U.S. Mail a true and correct copy of the foregoing 1ST TECHNOLOGY LLC'S OPPOSITION TO RATIONAL POKER SCHOOL LIMITED'S MOTION FOR A MORE DEFINITE STATEMENT PURSUANT TO FED. R. CIV. P. 12(e) to the following counsel of record:

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An Employee of Hutchinson & Steffen, LLC