From: Brian Ferrall
Sent: Tuesday, January 03, 2012 11:08 AM
To: 'George Summerfield'; Tim Franks; PMaholtra@kvn.com
Cc: Rolf Stadheim; Joe Grear; Keith Vogt; Steve Pedersen
Subject: RE: STC v. Intel - Draft Motion to Strike

George,

In November, Intel promptly notified STC of new facts we discovered that the '998 patent is, and always has been, unenforceable by the plain language of the terminal disclaimer that UNM filed to obtain the patent. In response, your partner, Rolf, told me on December 12 that STC refused to dismiss this case, suggesting instead that STC could somehow "cure" this fatal defect in the lawsuit. That same day Rolf also requested an extension until after the holidays to respond to Intel's Amended Counterclaims, which we gave to STC as a professional courtesy. Your email of last Thursday, threatening that STC will move to strike defenses that have not changed since Intel's January 2011 pleadings, and that were not addressed in either of STC's two prior motions to dismiss or strike, seems simply an attempt to avoid facing the reality that STC has no Rule 11 basis for maintaining this litigation.

More immediately, STC's latest proposed motion to strike is frivolous. Contrary to the two cursory, unreported district court cases from other judicial districts, the District of New Mexico does not require detailed factual support for affirmative defenses. Lane v. Page, 272 F.R.D. 581 (D. N.M. 2011). To our knowledge, no Court in New Mexico has applied Iqbal/Twombley to affirmative defenses, or otherwise held that affirmative defenses must be pleaded with detailed factual support beyond the requirements of Rule 8. Even if there were authority supporting an objection to these defenses, STC waived that objection by taking discovery about them already, rather than attempting to dismiss them. Federal Rule 12(g)(2) prohibits a belated attempt at dismissal now when no similar objection had been raised in prior motions. Moreover, STC has had the detail from Intel requested in your Thursday email since Intel's April 1, 2011 detailed responses to STC's contention interrogatories. Therefore STC cannot seriously argue that it does not understand the factual basis for Intel's affirmative defenses.

STC's behavior in forcing Intel to defend since November 2010 an action on an unenforceable patent makes this an "exceptional case" pursuant to 35 U.S.C. Section 285. STC's latest strategy of threatening to force Intel to incur additional cost and expense opposing a frivolous motion to dismiss, all the while refusing to answer the central question raised in November -- why is STC maintaining this litigation when the patent is unenforceable? -- simply compounds the prejudice to Intel. Therefore, we look forward to STC's substantive response to the new allegations on the agreed January 4, 2012 date.

Brian.

From: George Summerfield [mailto:summerfield@stadheimgrear.com]
Sent: Thursday, December 29, 2011 3:07 PM
To: Tim Franks; Brian Ferrall; PMaholtra@kvn.com
Cc: Rolf Stadheim; Joe Grear; Keith Vogt; Steve Pedersen
Subject: STC v. Intel - Draft Motion to Strike

All -

EXHIBIT J

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Recent caselaw suggests that a defendant can no longer plead a laundry list of affirmative defenses/counterclaims with no specificity attendant thereto. Attached is a draft motion directed to those defenses and counterclaims asserted by Intel that run afoul of this prohibition. We would like to avoid bothering the Court with this motion, if possible. We also see this is a good opportunity for eliminating the defenses and counterclaims that Intel does not intend to pursue seriously. To that end, please let us know by January 3rd whether Intel will re-file its latest amended answer and counterclaims to provide the requisite specificity to the defenses and counterclaims that it intends to pursue, and to remove those defenses and counterclaims for which Intel cannot provide the requisite specificity.

If we have not heard from you by close of business on January 3, we will assume that you will not be amending your answer and counterclaim, and will file the attached motion.

Regards,

George

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