

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

J.T. COLBY & COMPANY, INC., D/B/A
BRICK TOWER PRESS, J. BOYLSTON &
COMPANY PUBLISHERS LLC AND
IPICTUREBOOKS LLC,

Plaintiffs,

-against-

APPLE, INC.

Defendant.

Civil Case No.: 11-civ-4060 (KBF)

ECF CASE

**REPLY DECLARATION RE MOTION
TO WITHDRAW AS COUNSEL OF RECORD**

Thomas C. Morrison, under penalty of perjury, hereby declares as follows:

1. I am a member of Manatt, Phelps & Phillips, LLP, and submit this Reply Declaration in connection with my firm's pending motion to withdraw as counsel of record for plaintiffs.

The Motion is Moot

2. This motion is now moot. Plaintiffs are in the process of finalizing a retainer agreement with the firms Quinn Emanuel Urquhart & Sullivan, LLP and Allegaert Berger & Vogel LLP; these firms will jointly represent plaintiffs up to and including trial. We expect that Substitution of Counsel papers will be filed within a few days and that the two firms will quickly assume responsibility for prosecution of this case. While incoming counsel believe they can meet the October 22nd trial date, they will obviously need to negotiate a modification of the discovery dates with Apple and, failing an agreement, bring the issue before the Court.

Apple's Opposition Papers

3. While this is not the time to fully respond to Apple's statement that plaintiffs' iBooks mark "simply does not exist" and that Mr. Colby is pursuing "trumped up claims", it must be said that Apple's counsel either (i) did not bother to review the 2600 pages of documents we produced on March 7th or (ii) are being less than candid about what they received.

4. Our March 7th document production included:

(1) Sample "iBooks" printed books showing the "iBooks" name and light bulb logo on the spine; thousands more of these books are available for inspection in Mr. Colby's basement, which now serves as a "warehouse" for many of the iBooks print books.

(2) Eighteen iBooks promotional catalogues that were disseminated between 2001 and 2010, each catalogue displaying hundreds of iBooks titles that were available.

(3) Monthly Google searches for "iBooks" from April through December 2009, when Apple was preparing to launch its iPad and iBooks products; these searches show that plaintiffs' "iBooks" books appear as the second or third listing from the top for each month; in contrast, once Apple's iPad began receiving publicity in January 2010, Apple's iBooks overwhelmed plaintiffs' iBooks on all Google searches.

(4) Nine multi-page listings from various book distributors and retailers showing the hundreds of "iBooks" currently available from each of them; these distributors include Amazon, Barnes & Noble, Bowker Books, Gazelle Books, Abe Books, Powells Books and Books by ISBN.

(5) Similar multi-page listings from these and other distributors showing the hundreds of "iBooks" that were being sold by these distributors and retailers

in the year prior to Apple's launch of its own iBooks; these listings could easily have been found by the in-house and outside trademark attorneys who cleared Apple's use of the iBooks mark.

5. On March 23rd we also turned over Mr. Colby's hard drive to Apple's counsel. As the Court will recall, at the February 27th status conference we were directed to either (1) notify Apple's counsel by March 23rd that we had placed the hard drive in the hands of an e-vendor who would unload the relevant data for production to Apple or (2) turn the hard drive over to Apple which could then undertake the "burden" of extracting the relevant information. Because we did not have funds in place to retain an e-vendor by March 23rd, we turned the drive over to Apple's counsel.

6. This drive contains the records for all of Mr. Colby's publishing companies, and provides the vast majority of the information Apple has demanded in its document requests. It is inconceivable that Apple – one of the world's greatest information technology companies – cannot readily review and sort the information on this drive. Apple's attempt to force Mr. Colby to pay it for working with this hard drive is unconscionable. Apple's counsel sought the information on this drive and plaintiffs produced it as ordered by the Court. I do not believe the Court's direction that we turn over the drive included a condition that we reimburse Apple for the time and cost it incurs in reviewing and extracting information from the drive.

The Amended and Supplemental Complaint

7. In early March we sent Apple's counsel a copy of an Amended and Supplemental Complaint and solicited their consent to its filing. This pleading added two significant events that post-dated the events alleged in the original Complaint:

(1) Apple's January 2012 launch of "iBooks 2", a digital bookstore for the delivery of electronic textbooks designed for use in school classrooms – a market directly competitive with many of plaintiffs ipicturebooks and ibooks imprints; and

(2) Apple's year-long attempt to secure a new iBooks trademark registration covering, *inter alia*, "books".

8. Apple initially refused to consent to the filing of this pleading, then offered to consent but only if we would commit to not seeking any changes to the scheduling order. Because we could not make such a commitment on behalf of successor counsel, we could not agree to the proposed stipulation. We have now renewed our attempt to secure Apple's consent to this filing; if Apple refuses to consent, this will be the subject of an early motion by successor counsel. I personally drafted this amended pleading in the hope that it could be placed in the record before successor counsel appears, and thereby allow our successors to focus on discovery and expert reports rather than having to spend time drafting a new pleading and securing an order that it may be filed.

Signed this ^{12th} day of April, 2012.

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