

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION**

**BEDROCK COMPUTER
TECHNOLOGIES LLC,**

Plaintiff,

v.

**SOFTLAYER TECHNOLOGIES, INC.,
et al.**

Defendants.

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CASE NO. 6:09-cv-269

Jury Trial Demanded

**PLAINTIFF’S REPLY TO DEFENDANT PAYPAL, INC.’S ANSWER,
AFFIRMATIVE DEFENSES AND COUNTERCLAIMS TO
BEDROCK’S FIRST AMENDED COMPLAINT**

Plaintiff Bedrock Computer Technologies LLC (“Bedrock”) files this Reply to Defendant PayPal, Inc.’s (“PayPal”) Answer, Affirmative Defenses, and Counterclaims to Bedrock’s First Amended Complaint, served on November 13, 2009 (Dkt. No. 111). All allegations not expressly admitted are denied. The first set of paragraphs marked 1-22 of PayPal’s Answer do not require a response. Bedrock incorporates by reference the allegations in its First Amended Complaint for Patent Infringement (Dkt. No. 102) in response to each and every of PayPal’s Affirmative Defenses.

AFFIRMATIVE DEFENSES

23. Paragraph 23 does not require a response.

FIRST AFFIRMATIVE DEFENSE

24. Bedrock denies all allegations contained in Paragraph 24 of PayPal’s First Affirmative Defense.

SECOND AFFIRMATIVE DEFENSE

25. Bedrock denies all allegations contained in Paragraph 25 of PayPal's Second Affirmative Defense.

THIRD AFFIRMATIVE DEFENSE

26. Bedrock denies all allegations contained in Paragraph 26 of PayPal's Third Affirmative Defense.

FOURTH AFFIRMATIVE DEFENSE

27. Bedrock denies all allegations contained in Paragraph 27 of PayPal's Fourth Affirmative Defense.

FIFTH AFFIRMATIVE DEFENSE

28. Bedrock denies all allegations contained in Paragraph 28 of PayPal's Fifth Affirmative Defense.

SIXTH AFFIRMATIVE DEFENSE

29. Bedrock denies all allegations contained in Paragraph 29 of PayPal's Sixth Affirmative Defense.

SEVENTH AFFIRMATIVE DEFENSE

30. Bedrock denies all allegations contained in Paragraph 30 of PayPal's Seventh Affirmative Defense.

EIGHTH AFFIRMATIVE DEFENSE

31. Bedrock denies all allegations contained in Paragraph 31 of PayPal's Eighth Affirmative Defense.

NINTH AFFIRMATIVE DEFENSE

32. Bedrock denies all allegations contained in Paragraph 32 of PayPal's Ninth Affirmative Defense.

TENTH AFFIRMATIVE DEFENSE

33. Bedrock denies all allegations contained in Paragraph 33 of PayPal's Tenth Affirmative Defense.

ELEVENTH AFFIRMATIVE DEFENSE

34. Bedrock denies all allegations contained in Paragraph 34 of PayPal's Eleventh Affirmative Defense.

TWELFTH AFFIRMATIVE DEFENSE

35. Bedrock denies all allegations contained in Paragraph 35 of PayPal's Twelfth Affirmative Defense.

RESPONSE TO COUNTERCLAIMS

PARTIES

1. Bedrock admits the allegations contained in Paragraph 1 of PayPal's Counterclaims.

2. Bedrock admits the allegations contained in Paragraph 2 of PayPal's Counterclaims.

JURISDICTION AND VENUE

3. Bedrock admits that this Court has subject matter jurisdiction as alleged in Paragraph 3 of PayPal's Counterclaims. Bedrock admits that an actual and justiciable controversy exists between Bedrock and PayPal with respect to the validity and infringement of the '120 patent, but denies that PayPal is entitled to any relief requested.

4. Bedrock admits the allegations of Paragraph 4 of PayPal's Counterclaims.
5. Bedrock admits the allegations of Paragraph 5 of PayPal's Counterclaims.

DECLARATORY RELIEF CLAIM

6. Bedrock repeats and realleges each of the allegations contained in Paragraphs 1-5 as if fully set forth herein.

7. Bedrock admits the allegations of Paragraph 7 of PayPal's Declaratory Relief Claim.

8. Bedrock denies the allegations of Paragraph 8 of PayPal's Declaratory Relief Claim.

9. Bedrock denies the allegations of Paragraph 9 of PayPal's Declaratory Relief Claim.

PRAYER FOR RELIEF

Bedrock incorporates by reference the Prayer for Relief set forth in Bedrock's First Amended Complaint for Patent Infringement. Bedrock denies that PayPal is entitled to any relief.

DEMAND FOR JURY TRIAL

Bedrock hereby demands that all issues be determined by jury.

DATED: December 2, 2009

Respectfully submitted,

McKOOL SMITH, P.C.

/s/ Douglas A. Cawley
Sam F. Baxter
Texas Bar No. 01938000
McKOOL SMITH, P.C.
sbaxter@mckoolsmith.com
104 E. Houston Street, Suite 300
P.O. Box 0
Marshall, Texas 75670
Telephone: (903) 923-9000
Facsimile: (903) 923-9099

Douglas A. Cawley, Lead Attorney
Texas Bar No. 04035500
dcawley@mckoolsmith.com
Theodore Stevenson, III
Texas Bar No. 19196650
tstevenson@mckoolsmith.com
J. Austin Curry
Texas Bar No. 24059636
acurry@mckoolsmith.com
McKOOL SMITH, P.C.
300 Crescent Court, Suite 1500
Dallas, Texas 75201
Telephone: 214-978-4000
Facsimile: 214-978-4044

Robert M. Parker
Texas Bar No. 15498000
Robert Christopher Bunt
Texas Bar No. 00787165
PARKER, BUNT & AINSWORTH, P.C.
100 E. Ferguson, Suite 1114
Tyler, Texas 75702
Telephone: 903-531-3535
Facsimile: 903-533-9687
E-mail: rmparker@pbatyler.com
E-mail: rcbunt@pbatyler.com

**ATTORNEYS FOR PLAINTIFF
BEDROCK COMPUTER
TECHNOLOGIES LLC**

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing document was filed electronically in compliance with Local Rule CV-5(a). As such, this document was served on all counsel who have consented to electronic service on this, the 2nd day of December, 2009. Local Rule CV-53(a)(3)(A).

/s/ J. Austin Curry
J. Austin Curry