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

Parallel Networks, LLC,

Plaintiff,

v.

No. 6:10-cv-00491-LED

Jury Trial Demanded

Adidas America, Inc. et al.

Defendants

PLAINTIFF'S ANSWER TO THE COUNTERCLAIMS OF NEW BALANCE ATHLETIC SHOE, INC.

Plaintiff Parallel Networks, LLC ("Parallel Networks") hereby Answers the

Counterclaims [Dkt. No. 282] of Defendant New Balance Athletic Shoe, Inc. ("New Balance"),

by corresponding paragraph number as follows:

ANSWER TO COUNTERCLAIMS

NATURE OF THE LAWSUIT

1. Admitted that the counterclaim is an action for a declaration of patent non-

infringement, patent invalidity, and unenforceability, but denies that New Balance is entitled to such relief, or any further relief.

THE PARTIES

- 2. Admitted.
- 3. Admitted.

JURISDICTION AND VENUE

- 4. Admitted.
- 5. Admitted.
- 6. Admitted.

COUNT 1 – INVALIDITY – NON-INFRINGEMENT - UNENFORCEABILITY

7. Parallel Networks incorporates by reference its statements in and responses to the preceding paragraphs as if fully set forth herein.

8. Admits that New Balance seeks a declaration that the products and services made, used, imported, sold or offered for sale by New Balance have not and to [*sic*, do] not infringe, directly or indirectly, any valid and enforceable claim of the '111 patent and/or that the '111 patent is either invalid or otherwise unenforceable, but denies that New Balance is entitled to such relief, or any further relief.

9. Denied with respect to New Balance, but admitted with respect to Parallel Networks' allegation that this case is exceptional.

PRAYER FOR RELIEF

Parallel Networks denies that New Balance is entitled to any relief, including that requested in its Prayer for Relief.

JURY DEMAND

New Balance's Jury Demand is an averment to which no responsive pleading is required.

Dated: December 16, 2010

Respectfully submitted,

By: <u>/s/ Charles Craig Tadlock</u> Charles Craig Tadlock Texas State Bar No. 00791766 TADLOCK LAW FIRM 400 E. Royal Lane, Suite 290 Irving, Texas 75039 214-785-6014 (phone) craig@tadlocklawfirm.com and 315 N. Broadway, Suite 307 Tyler, Texas 75702

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903-283-2758 (phone)

George S. Bosy (*pro hac vice*) David R. Bennett (*pro hac vice*) Bosy & Bennett 300 N. La Salle St. 49th Floor Chicago, IL 60654 Telephone: (312) 803-0437 Email: gbosy@bosybennett.com dbennett@bosybennett.com

ATTORNEYS FOR PLAINTIFF PARALLEL NETWORKS, LLC

CERTIFICATE OF SERVICE

I hereby certify that counsel of record who are deemed to have consented to electronic service are being served this 16th day of December, 2010, with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3). Any other counsel of record will be served by electronic mail, facsimile transmission and/or first class mail on this same date.

/s/ Charles Craig Tadlock One of the Attorneys for Parallel Networks, LLC