IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

| ROBERT BOSCH LLC, |) | |
|-----------------------------------|---|---|
| Plaintiff, |) | |
| v. |) | C.A. Nos. 12-574 (LPS)(CJB) (CONSOLIDATED) |
| ALBEREE PRODUCTS, INC., API KOREA |) | |
| CO., LTD., SAVER AUTOMOTIVE |) | |
| PRODUCTS, INC., and COSTCO |) | |
| WHOLESALE CORPORATION, |) | |
| |) | |
| Defendants |) | |

REPLY BRIEF IN SUPPORT OF COSTCO WHOLESALE CORPORATION'S MOTION TO DISMISS CLAIMS FOR ALLEGED PRE-NOTICE DAMAGES AND PRE-NOTICE INDIRECT INFRINGEMENT

MORRIS, NICHOLS, ARSHT & TUNNELL LLP Mary B. Graham (#2256) Thomas Curry (#5877) 1201 N. Market Street P.O. Box 1347 Wilmington, DE 19899-1347 (302) 658-9200 mgraham@mnat.com tcurry@mnat.com

Attorneys for Costco Wholesale Corporation

OF COUNSEL:

James W. Dabney
Diane E. Lifton
Walter M. Egbert, III
Richard M. Koehl
Stephen Kenny
HUGHES HUBBARD & REED LLP
One Battery Park Plaza
New York, NY 10004-1482
(212) 837-6000

January 20, 2015



TABLE OF CONTENTS

| | | <u>Page</u> |
|------|---|-------------|
| TAB | BLE OFAUTHORITIES | ii |
| ARG | GUMENT | 1 |
| I. | THE SECOND AMENDED COMPLAINT FAILS TO STATE ANY ACTIONABLE CLAIM FOR DAMAGES ARISING FROM ANY ALLEGED ACTS OF INFRINGEMENT COMMITTED PRIOR TO MAY 30, 2012 | 1 |
| II. | THE SECOND AMENDED COMPLAINT FAILS TO STATE ANY ACTIONABLE CLAIM FOR DAMAGES ARISING FROM ANY ALLEGED ACTS OF INFRINGEMENT COMMITTED PRIOR TO OCTOBER 10, 2014, AS TO AT LEAST FIVE ASSERTED PATENTS AND THE "HYBRID" PRODUCTS THAT WERE NOT IDENTIFIED IN BOSCH'S NOTICE LETTER TO COSTCO DATED MAY 30, 2012 | 6 |
| III. | THE SECOND AMENDED COMPLAINT FAILS TO STATE ANY ACTIONABLE CLAIM FOR DAMAGES ARISING FROM ANY ALLEGED ACTS OF INFRINGEMENT COMMITTED PRIOR TO OCTOBER 22, 2014, AS TO AT LEAST THE PATENT AND THE "HYBRID" PRODUCTS THAT WERE NOT IDENTIFIED IN BOSCH'S NOTICE LETTER TO COSTCO DATED MAY 30, 2012, OR IN ITS CAC | 7 |
| IV. | BOSCH HAS CONCEDED THAT THE SECOND AMENDED COMPLAINT FAILS TO STATE ANY ACTIONABLE CLAIM FOR DAMAGES ARISING FROM ANY ALLEGED ACTS OF INDIRECT INFRINGEMENT COMMITTED PRIOR TO WHEN COSTCO RECEIVED ACTUAL NOTICE OF THE ALLEGED INFRINGEMENT. | 9 |
| CON | JCI LICION | 0 |



TABLE OF AUTHORITIES

| | Page(s) |
|---|-----------|
| Cases | |
| Am. Med. Sys., Inc. v. Med. Eng'g Corp., 6 F.3d 1523 (Fed. Cir. 1993) | 2, 6 |
| Amsted Indus. Inc. v. Buckeye Steel Castings Co., 24 F.3d 178 (Fed. Cir. 1994) | 7, 8 |
| Ashcroft v. Iqbal, 556 U.S. 662 (2009) | . 1, 2, 4 |
| AVID Identification Sys., Inc. v. Philips Elecs. N. Am. Corp., No. 2:04-CV-183, 2006 WL 1408318 (E.D. Tex. May 18, 2006) | 4 |
| Bell Atl. Corp. v. Twombly, 550 U.S. 544 (2007) | 5 |
| Blue Chip Stamps v. Manor Drug Stores, 421 U.S. 723 (1975) | 5 |
| Cordance Corp. v. Amazon.com, Inc., 631 F. Supp. 2d 484 (D. Del. 2009) (Thynge, U.S. Mag. J.) | 4 |
| Courtesy Prods., L.L.C. v. Hamilton Beach Brands, Inc., No. 13-2102-SLR, 2014 WL 5780877 (D. Del. Nov. 5, 2014) (Robinson, J.) | 4 |
| Dunlap v. Schofield, 152 U.S. 244 (1894) | 3, 5 |
| Dura Pharm., Inc. v. Broudo, 544 U.S. 336 (2005) | 5 |
| E. Coast Sheet Metal Fabricating Corp. v. Autodesk, Inc., No. 12-cv-517-LM, 2014 WL 4979853 (D.N.H. Oct. 6, 2014) | |
| Inzer v. Frantz, No. 03 C 0552, 2003 WL 21877645 (N.D. Ill. Aug. 7, 2003) | 4 |
| MONEC Holding AG v. Motorola Mobility, Inc., 897 F. Supp. 2d 225 (D. Del. 2012) (Stark, J.) | 4 |
| Neology, Inc. v. Kapsch Trafficcom IVHS, Inc., No. 13-2052-LPS, 2014 WL 4675316 (D. Del. Sept. 19, 2014) (Burke, U.S. Mag. J.) | |



| ReefEdge Networks, LLC v. Juniper Networks, Inc., No. 13-412-LPS, 2014 WL 1217263 (D. Del. Mar. 21, 2014) (Stark, J.) | 1, 4 |
|--|------------|
| Sentry Prot. Prods., Inc. v. Eagle Mfg. Co., 400 F.3d 910 (Fed. Cir. 2005) | 2, 3 |
| Siemens v. Seagate Tech., No. SACV 06-788-JVS (ANx), 2008 WL 9028522 (C.D. Cal. Sept. 23, 2008) | 4 |
| Statutes and Rules | |
| 35 U.S.C. § 287 | passim |
| Fed. R. Civ. P. 8(a)(2) | 3, 4, 5, 6 |
| Fed R Civ P 11 | 8 |

This is Costco Wholesale Corporation's reply brief in further support of its motion to dismiss Robert Bosch LLC's claims for pre-notice damages and pre-notice indirect infringement.

ARGUMENT

I. THE SECOND AMENDED COMPLAINT FAILS TO STATE ANY ACTIONABLE CLAIM FOR DAMAGES ARISING FROM ANY ALLEGED ACTS OF INFRINGEMENT COMMITTED PRIOR TO MAY 30, 2012.

In its opposition filed January 9, 2015 (D.I. 114), Robert Bosch LLC ("Bosch") does not dispute that its Second Amended Complaint (D.I. 95) ("SAC") is devoid of allegations that, at all relevant times prior to May 30, 2012, Bosch and its licensees consistently molded, stamped, embossed, or otherwise "fix[ed]" statutory patent notices on substantially all Bosch wiper blade apparatus that were sold in the United States in accordance with 35 U.S.C. § 287(a). Bosch asserts, however, that such allegations can purportedly be *inferred* from paragraph 438 of the SAC, which alleges in conclusory fashion:

The acts of infringement set forth above have occurred with full knowledge of the '218, '111, '607, '988, '434, '926, '905, '698, '588, '321, '520, '264, '823, '974, '419, '891,'136, and '096 patents. The infringement has occurred despite an objectively high likelihood that the acts constituted infringement. The risk of infringement was either known to Defendants, or so obvious it should have been known to them. Thus, the acts of infringement have been willful and deliberate, making this case exceptional within the meaning of the United States patent laws.

Bosch's argument fails for at least three reasons. First, the above-quoted allegation is wholly "conclusory" and, as such, is "not entitled to be assumed true." *Ashcroft v. Iqbal*, 556 U.S. 662, 681 (2009). Second, as to times prior to May 30, 2012, the SAC does not allege any "factual circumstances in which the patents-in-suit [we]re called to the attention of the defendant" at those times. *Neology, Inc. v. Kapsch Trafficcom IVHS, Inc.*, No. 13-2052-LPS, 2014 WL 4675316, at *8 (D. Del. Sept. 19, 2014) (Burke, U.S. Mag. J.); *accord ReefEdge Networks, LLC v. Juniper Networks, Inc.*, No. 13-412-LPS, 2014 WL 1217263, at *2–3 (D. Del. Mar. 21, 2014) (Stark, J.) (dismissing willfulness claim for failure adequately to allege pre-suit



DOCKET

Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.

