IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

SIPCO, LLC and IP CO., LLC *d/b/a* INTUS IQ, Plaintiffs, v. STREETLINE, INC. and KAPSCH TRAFFICCOM HOLDING CORP., Defendants.	)	C.A. No. 16-830-RGA

DEFENDANTS' MEMORANDUM OF REASONS IN SUPPORT OF THEIR MOTION TO DISMISS UNDER RULE 12(b)(6)

ROSS ARONSTAM & MORITZ LLP
Benjamin J. Schladweiler (#4601)
100 S. West Street, Suite 400
Wilmington, DE 19801
(302) 576-1600
bschladweiler@ramllp.com

Counsel for Defendants Streetline, Inc. and Kapsch TrafficCom Holding Corp.

Of Counsel:

Pierre R. Yanney
Stephen E. Underwood
Wesley A. Horner
STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038
(212) 806-5400
pyanney@stroock.com
sunderwood@stroock.com
whorner@stroock.com

Dated: November 18, 2016

TABLE OF CONTENTS

TABLE OF AUTHORITIES

Page(s)

Cases

Other Authorities

Defendants Streetline, Inc. ("Streetline") and Kapsch TrafficCom Holding Corp. ("Kapsch") (collectively "Defendants") hereby submit this Memorandum of Reasons in support of their motion to dismiss the complaint of Plaintiffs SIPCO, LLC and IP CO., LLC (d/b/a/ INTUS IQ) (collectively "SIPCO") under Fed. R. Civ. P. 12(b)(6).

I. NATURE AND STAGE OF THE PROCEEDINGS

This is a patent infringement case. On September 19, 2016, SIPCO filed a Complaint against the Defendants, alleging infringement of ten different patents: U.S. Patent Nos. 8,908,842 ("the '842 patent"), 8,625,496 ("the '496 patent"), 8,233,471 ("the '471 patent"), 8,223,010 ("the '010 patent"), 7,697,492 ("the '492 patent"), 7,468,661 ("the '661 patent"), 7,103,511 ("the '511 patent"), 6,914,893 ("the '893 patent"), 6,437,692 ("the '692 patent") and 6,249,516 ("the '516 patent) (collectively, "the Patents-in-Suit"). The Complaint was served on September 20, 2016. On October 7, 2016, this Court granted Defendants an extension of time until November 18, 2016 to respond to the Complaint. *See* D.I. 6. This motion is timely pursuant to that extension.

II. SUMMARY OF THE ARGUMENT

1. SIPCO's Complaint fails to state a claim for direct patent infringement, because it does not allege sufficient factual content to show how Streetline's products and services allegedly infringe the asserted claims. At best, SIPCO's Complaint identifies the products and services that are alleged to be infringing, then makes the conclusory assertion that these products and services are "within the scope of the claims." *See, e.g.*, D.I. 1, ¶ 18. Under *Bell Atl. Corp. v. Twombly*, 550 U.S. 544 (2007) and *Ashcroft v. Iqbal*, 129 S.Ct. 1937 (2009), and in view of the Supreme Court's recent abrogation of the "Form 18" complaint for patent infringement,[1] such conclusory allegations are insufficient to state a claim for patent infringement.

[1] *See* Supreme Court of the United States, Order Regarding Amendments to the Federal Rules of

DOCKET ALARM

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.