UNITED STATES DISTRICT COURT WESTERN DISTRICT OF TENNESSEE WESTERN DIVISION

B.E. TECHNOLOGY, L.L.C.,)
Plaintiff,)
vs.) Civil Action No. 2:12-cv-02781-JPM
GROUPON, INC.) JURY DEMAND
Defendant.)
)

GROUPON, INC.'S OPPOSITION TO PLAINTIFF'S MOTION TO DISMISS COUNTERCLAIMS AND TO STRIKE CERTAIN AFFIRMATIVE DEFENSES



TABLE OF CONTENTS

I.	INTRO	ODUCTION	5
II.	RELI	EVANT BACKGROUND	5
II.	ARG	UMENT	6
	A.	Groupon's Counterclaims of Non-Infringement and Invalidity Satisfy the Notice Pleading Standard of Rule 8(a).	6
	В.	Groupon's Counterclaims of Non-Infringement and Invalidity Satisfy the "Plausibility" Test Set Forth in <i>Twombly</i> and <i>Iqbal</i>	
	C.	Groupon's Affirmative Defenses are Adequately Stated Under Rules 8(b) and 8(c) and Applicable Case Precedent	
		1. Non-Infringement	
		2. Invalidity	14
		3. Prosecution History Estoppel	
		4. Ensnarement	
		5. Failure to State a Claim.	16
		6. No Injunctive Relief and Other Defenses Based on Later Discovered Evidence	16
	D.	B.E. Will Not Be Unfairly Prejudiced If Groupon's Affirmative Defenses	10
	Д.	Are Not Stricken	16
Ш	CON	ICLUSION	17



TABLE OF AUTHORITIES

CASES

Ashcroft v. Iqbal, 556 U.S. 662 (2009)
Avocent Redmond Corp. v. United States, 85 Fed. Cl. 724 (Fed. Cl. 2009)
Barry Fiala, Inc. v. Arthur Blank & Co., Inc., No. 2:02-cv-2282, 2003 U.S. Dist. LEXIS 2609 (W.D. Tenn. Feb. 19, 2003)
Bayer Cropscience AG v. Dow Agrosciences LLC, No. 10-CV-1045, 2011 U.S. Dist. LEXIS 149636 (D. Del. Dec. 30, 2011)10, 11, 13
Bell Atl. Corp. v. Twombly, 550 U.S. 544 (2007)
Damron v. ATM Central LLC, No. 1:10-cv-01210, 2010 U.S. Dist. LEXIS 142812 (W.D. Tenn. Oct. 29, 2010)12
Elan Pharma Int'l Ltd. v. Lupin Ltd., No. 09-1008, 2010 U.S. Dist. LEXIS 32306 (D.N.J. Mar. 31, 2010)
Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 493 F.3d 1368 (Fed. Cir. 2007)15
Graphic Packaging Int'l, Inc. v. C.W. Zumbiel Co., No. 1:10-cv-3008, 2011 U.S. Dist. LEXIS 135675 (N.D. Ga. Aug. 1, 2011)
In re Bill of Lading Transmission & Processing Sys. Patent Litig., 681 F.3d 1323 (Fed. Cir. 2012)
InvestmentSignals, LLC v. Irrisoft, Inc., No. 10-cv-600, 2011 U.S. Dist. LEXIS 85646 (D.N.H. Aug. 1, 2011)
Kilgore-Wilson v. Home Depot U.S.A., No. 2:11-cv-02601, 2012 U.S. Dist. LEXIS 131166 (W.D. Tenn. Sept. 14, 2012)12
Mark IV Indus. Corp. v. Transcore, L.P., No. 09-418, 2009 U.S. Dist. LEXIS 112069 (D. Del. Dec. 2, 2009)
<i>Pfizer Inc. v. Apotex Inc.</i> , 726 F. Supp. 2d 921 (N.D. III. 2010)
Teirstein v. AGA Med. Corp., No. 6:08cv14, 2000 U.S. Diet, LEYIS 20850 (F.D. Tev. Mar. 16, 2000).



OTHER AUTHORITIES

Fed. R. Civ. P. 8	Passim
Fed. R. Civ. P. 11	11
Fed. R. Civ. P. 12	7, 11
Fed. R. Civ. P. 84	6
Form 18, Fed. R. Civ. P.	7
Form 30 Fed R Civ P	7

I. INTRODUCTION

The notice pleading requirement of Fed. R. Civ. P. 8 applies equally to plaintiffs and defendants in patent cases. Plaintiff B.E. Technology, LLC ("B.E.") filed nineteen patent lawsuits with non-specific allegations of infringement. Many defendants, including Defendant Groupon, Inc. ("Groupon"), filed answers asserting affirmative defenses and counterclaims of non-infringement and invalidity. Groupon pled the same level of specificity as B.E. had in the complaint. Neither the federal rules nor established case law support B.E.'s position that in patent cases a defendant should be held to a higher pleading standard when asserting counterclaims or defenses than a plaintiff is held to when filing an initial complaint.

Groupon's counterclaims satisfy both the notice pleading standard of Rule 8(a) and the "plausibility" test set forth in *Twombly* and *Iqbal*. Similarly, Groupon's affirmative defenses are adequately stated under Rules 8(b) and 8(c), including the applicable Fed. R. Civ. P. Forms and case precedent. B.E.'s claims of unfair prejudice also ring hollow as the local rules and scheduling order require Groupon to provide B.E. detailed non-infringement and invalidity contentions.

Alternatively, and to the extent the Court grants B.E.'s Motion, Groupon requests leave to amend its Answer to amend any counterclaims or affirmative defenses found to be insufficiently pled.

II. RELEVANT BACKGROUND

B.E. sued Groupon on September 10, 2012, accusing Groupon of infringing U.S. Patent No. 6,628,314 ("314 patent"). B.E. filed similar lawsuits against eighteen other defendants as well. In its Complaint, B.E. alleged that "Groupon has infringed the '314 patent by using a method of providing demographically targeted advertising that directly infringes at least Claim 11 of the '314 patent either literally or under the doctrine of equivalents." (D.E. 1, ¶11.) The



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.

