

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

AGIS SOFTWARE DEVELOPMENT LLC,

Plaintiff,

v.

SAMSUNG ELECTRONICS CO., LTD.,  
ET AL.,

Defendants.

§  
§  
§  
§  
§  
§  
§  
§  
§  
§  
§  
§

Case No. 2:22-cv-00263-JRG-RSP

**JURY TRIAL DEMANDED**

**PLAINTIFF AGIS SOFTWARE DEVELOPMENT LLC'S REPLY  
IN SUPPORT OF ITS MOTION TO DISMISS DEFENDANTS  
SAMSUNG ELECTRONICS CO., LTD. AND  
SAMSUNG ELECTRONICS AMERICA, INC.'S NINTH COUNTERCLAIM AND  
TO STRIKE DEFENDANTS' SIXTH AND  
SIXTEENTH AFFIRMATIVE DEFENSES (DKT. 89)**

**TABLE OF CONTENTS**

	<b><u>Page(s)</u></b>
I. AGIS’S MOTION IS TIMELY .....	1
II. DEFENDANTS’ HAVE FAILED TO SUFFICIENTLY PLEAD MATERIALITY OF THE LIFE360 LITIGATION .....	2
III. DEFENDANTS HAVE FAILED TO SUFFICIENTLY PLEAD UNCLEAN HANDS.....	4

Defendants have failed to establish the materiality of the “symbol generator” term from a patent that is not asserted in this case and have failed to show that AGIS’s litigation attorneys violated the protective order in the *AGIS I* Case. Defendants’ attempt to contend that AGIS had an obligation to disclose to the USPTO the litigation history of a different patent with different claims and a different claim term that is not found in the ’970 Patent is without merit. Defendants attempt to argue that AGIS’s litigation attorneys allegedly violated the protective order is belied by the very language of the protective order that Defendants cite to expressly permitting participation in USPTO proceedings, such as reexamination and *inter partes* review. In addition, AGIS’s Motion is timely, where AGIS has submitted its Motion within the twenty-one days of Defendants’ Answer, Defenses, and Counterclaims. *See* Dkt. 80. Accordingly, AGIS’s Motion to dismiss Defendants’ Ninth Counterclaim and Strike Defendants’ Sixth and Sixteenth Affirmative Defenses should be granted.

#### **I. AGIS’S MOTION IS TIMELY**

AGIS has timely filed its Motion to dismiss and strike Defendants’ inequitable conduct and unclean hands defenses and counterclaims. AGIS’s Motion was filed within twenty-one days of Defendants’ Answer to the Second Amended Complaint. *Compare* Dkt. 80 (filed June 30, 2023) *with* Dkt. 89 (filed July 21, 2023).

In addition, Defendants’ Answer to the First Amended Complaint was filed on May 31, 2023. *See* Dkt. 64. In order to be considered timely filed, AGIS’s Motion to dismiss the inequitable conduct defense and motion to strike would have been filed within twenty-one days of May 31, 2023—June 16, 2023. However, AGIS filed its Second Amended Complaint by June 16, 2023. AGIS did not file a motion to dismiss in response to Defendants’ Answer prior to this date, and accordingly, did not waive its right to file the instant Motion.

For example, in *Mullenix v. Univ. of Texas at Austin*, the defendant had *already* filed a motion to dismiss claims for lack of subject matter jurisdiction and the retaliation claim for failure to state a claim but did not move to dismiss the Equal Pay Act retaliation claim. No. 1:19-cv-1203-LY, 2021 WL 2172835, at \*2 (W.D. Tex. Mar. 30, 2021). The defendant then filed a *second* motion to dismiss in response to an amended complaint, seeking to dismiss the Equal Pay Act retaliation claim for failure to state a claim, despite the fact that it was ““then available to the [University]’ in its first motion to dismiss.” *Id.* The same applies to Defendants’ reliance on *Feitshans* and *Diem*. See *Feitshans v. Kahn*, No. 06 CIV. 2125, 2007 WL 998400, at \*2 (S.D.N.Y. Apr. 2, 2007) (citing to Fed. R. Civ. P. 12(f) which states that “[u]pon motion made by a party before responding to a pleading or, if no responsive pleading is permitted by these rules, upon motion made by a party within 20 days after the service of the pleading upon the party or upon the court’s own initiative at any time, the court may order stricken from any pleading any insufficient defense or any redundant, immaterial, impertinent, or scandalous matter.”); see also *Diem LLC v. BigCommerce, Inc*, No. 6:17-cv-186-JRG-JDL, 2017 WL 4693511, at \*3 (E.D. Tex. July 6, 2017) (“Further, BigCommerce had already proceeded to argue the merits of the case in bringing its *first Motion to Dismiss* under Rule 12(b)(6). As the Fifth Circuit has noted, ‘[i]f a defendant proceeds first on the merits, as by a motion to dismiss for failure to state a claim . . . and thereafter attempts to challenge jurisdiction over his person or improper venue, the challenge should fail.’”) (emphasis added). Accordingly, AGIS’s Motion was timely filed.

## **II. DEFENDANTS’ HAVE FAILED TO SUFFICIENTLY PLEAD MATERIALITY OF THE LIFE360 LITIGATION**

Defendants have failed to sufficiently plead the materiality of the Life360 Litigation. As Defendants concede, the ’728 Patent is not at issue in this case and the “symbol generator” term is not found in the ’970 Patent. See Dkt. 98 at 7-8.

Defendants have not shown that the “means for presenting a recipient symbol . . .” term in the ’970 Patent is analogous to the “symbol generator” term in the ’728 Patent, particularly where the function of “means for presenting a recipient symbol . . .” does not involve “generating a symbol.” Dkt. 89 at 7. While Defendants attempt to rely on statements made by AGIS during the Life360 Litigation, these arguments were rejected by the court who held the relevant function of “symbol generator” or “generating a symbol.” In addition, the Examiner in the reexamination of the ’970 Patent found the corresponding structure for “presenting a symbol on a geographic map” was the LCD display of the sender PDA/cell phone and the algorithm for displaying the symbol on the correct location on a geographic map. Dkt. 89 at 7.

Defendants rely on two cases to argue that “previous litigation can be material to patentability” even where a mere allegation of invalidity as to the related patents is pled. *See* Dkt. 98 at 8. However, in *Natera, Inc. v. Genosity Inc.*, while the Delaware District Court denied Archer’s 12(c) motion regarding the subject matter eligibility of “methods ‘closely related’” to the asserted patent, that the motion for judgment on the pleadings is not final and may be reviewed on appeal. No. 20-1352, 2022 WL 767602, at \*3 (D. Del. Mar. 14, 2022). With regard to the § 103 allegations, the Court found disclosure of individual references cited in the *Archer* documents does not preclude a finding that the *Archer* documents themselves are also material to patentability of the asserted patent. *Id.* at \*4. Similarly, in *Cutsforth, Inc. v. LEMM Liquidating Co., LLC*, the plaintiff was provided with invalidity charts regarding some of the patents-in-suit that the defendants alleged plaintiff failed to disclose in prosecution of additional patents-in-suit. No. 12-cv-1200, 2013 WL 2455979, at \*7 (D. Minn. June 6, 2013). However, it was pled that the same prior art references disclosed in the invalidity charts were disclosed to the PTO during prosecution, but plaintiff did not disclose the prior litigation nor the claim charts. *Id.* *Natera* and *Cutsforth* are

# 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.