

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

WI-LAN INC.,	§	
	§	
Plaintiff,	§	
v.	§	
	§	
ACER, INC., ACER AMERICA	§	Civil Action No. 2:07-CV-473 (TJW)
CORPORATION, APPLE, INC., DELL,	§	
INC., GATEWAY, INC.,	§	
HEWLETT-PACKARD COMPANY,	§	JURY TRIAL REQUESTED
LENOVO GROUP LTD., LENOVO	§	
(UNITED STATES) INC., SONY	§	
CORPORATION, SONY CORPORATION	§	
OF AMERICA, SONY ELECTRONICS,	§	
INC., SONY COMPUTER	§	
ENTERTAINMENT AMERICA, INC.,	§	
TOSHIBA CORPORATION, TOSHIBA	§	
AMERICA, INC., TOSHIBA AMERICA	§	
INFORMATION SYSTEMS, INC.,	§	
BROADCOM CORPORATION, INTEL	§	
CORPORATION, ATHEROS	§	
COMMUNICATIONS, INC, MARVELL	§	
SEMICONDUCTOR, INC., BEST BUY CO.,	§	
INC. and CIRCUIT CITY STORES, INC.,	§	
	§	
Defendants.	§	

**PLAINTIFF’S ANSWER TO DEFENDANTS SONY ELECTRONICS INC.  
AND SONY COMPUTER ENTERTAINMENT AMERICA INC.’S  
FIRST AMENDED COUNTERCLAIMS IN RESPONSE TO WI-LAN INC.’S  
SUPPLEMENTAL FIRST AMENDED COMPLAINT**

Plaintiff Wi-LAN Inc. (“Wi-LAN”) files this Answer to Defendants Sony Electronics Inc. and Sony Computer Entertainment America Inc.’s (“Defendant”) First Amended Counterclaims in response to Wi-LAN’s Supplemental First Amended Complaint, filed April 16, 2010.

**THE PARTIES**

1. Upon information and belief, Wi-LAN admits the allegations in Paragraph 1 of the Counterclaim.
2. Wi-LAN admits the allegations in Paragraph 2 of the Counterclaim.

**JURISDICTION AND VENUE**

3. Answering the allegations in Paragraph 3, Wi-LAN admits that this Court has subject matter jurisdiction over Defendant's First through Ninth Counterclaims. Wi-LAN is without sufficient knowledge or information regarding Defendant's Tenth through Seventeenth Counterclaims to determine the propriety of subject matter jurisdiction and therefore denies that subject matter jurisdiction is proper.
4. Wi-LAN admits the allegations in Paragraph 4 of the Counterclaim.

**FACTUAL BACKGROUND**

5. Wi-LAN admits the allegations in Paragraph 5 of the Counterclaim.
6. Wi-LAN denies the allegations in Paragraph 6 of the Counterclaim.
7. Wi-LAN admits that there is an actual case or controversy between the parties as to the infringement and validity of the '802, '222 and '759 patents. Wi-LAN denies that Defendant has adequately pleaded a case or controversy regarding unenforceability of the '802, '222 and '759 patents.

**COUNT ONE**

**Declaratory Judgment of Non-Infringement of U.S. Patent No. RE37,802**

8. Answering the allegations in Paragraph 8, Wi-LAN incorporates by reference paragraphs 1-7 as if fully set forth herein.
9. Wi-LAN admits the allegations in Paragraph 9 of the Counterclaim.

10. The allegations in Paragraph 10 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 10.

11. Wi-LAN denies the allegations in Paragraph 11 of the Counterclaim.

12. The allegations in Paragraph 12 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 12.

## COUNT TWO

### **Declaratory Judgment of Invalidity of U.S. Patent No. RE37,802**

13. Answering the allegations in Paragraph 13, Wi-LAN incorporates by reference paragraphs 1-12 as if fully set forth herein.

14. Wi-LAN admits the allegations in Paragraph 14 of the Counterclaim.

15. The allegations in Paragraph 15 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 15.

16. Wi-LAN denies the allegations in Paragraph 16 of the Counterclaim.

17. The allegations in Paragraph 17 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 17.

## COUNT THREE

### **Declaratory Judgment of Unenforceability of U.S. Patent No. Re 37,802**

18. Answering the allegations in Paragraph 18, Wi-LAN incorporates by reference paragraphs 1-17 as if fully set forth herein.

19. Answering the allegations in Paragraph 19, Wi-LAN admits that U.S. Patent No. RE 37,802 (“the ’802 patent”) is a reissue of U.S. Patent No. 5,555,268 (“the ’268 patent”). Wi-LAN further admits that the ’802 and ’268 patents share the same specification. Wi-LAN denies the remaining allegations in Paragraph 19.

20. Answering the allegations in Paragraph 20, Wi-LAN lacks sufficient information to form a belief as to the truth of the allegations set forth in Paragraph 20 and therefore denies such allegations.

21. Answering the allegations in Paragraph 21, Wi-LAN admits that Cimini was listed in an information disclosure statement submitted to the USPTO on August 10, 1992 during the prosecution of the ’222 patent. Wi-LAN further admits that the Examiner cited Yerbury during prosecution of the ’222 patent in December 1992. Wi-LAN further admits that the Hirosaki article was listed in an information disclosure statement submitted to the USPTO on August 10, 1992 during the prosecution of the ’222 patent. Wi-LAN further admits that Kromer was cited in an Office Action rejection during prosecution of U.S. Patent No. 5,127,024 (“the ’024 patent”). Wi-LAN further admits that the Christy abstract was listed in an information disclosure statement submitted to the USPTO during prosecution of U.S. Patent No. 5,890,068 (“the ’068 patent”). Wi-LAN further admits that Yokev was cited in an information disclosure statement submitted to the USPTO during prosecution of U.S. Patent No. 5,887,022 (“the ’022 patent”). Wi-LAN is without sufficient knowledge or information to form a belief regarding the remaining allegations in Paragraph 21 and therefore denies such allegations.

22. Answering the allegations in Paragraph 22, Wi-LAN admits that Figure 1(a) of Cimini, described in Part II.A, shows that a serial stream of data can be input to a serial-to-parallel converter to produce sets of “N serial data elements.” Wi-LAN further admits that Figure 1(a) and the description in Part II.A show that the “N serial data elements” are modulated by “N carrier frequencies” and that the “N serial data elements” are spaced by an interval equal to the inverse of the symbol rate frequency. Wi-LAN further admits that Figure 1(a) and the accompanying description in Part II.A of the Cimini article show parallel data streams are frequency division multiplexed to produce a single waveform for data transmission. Wi-LAN further admits that Figure 1(b) shows a receiver for receiving the modulated data symbols, and a means for operating on the sequence of modulated data symbols to generate an estimate of the second data stream and a parallel-to-serial converter to convert the parallel streams into a single output. Wi-LAN denies the remaining allegations in Paragraph 22.

23. Answering the allegations in Paragraph 23, Wi-LAN admits that the Cimini article was listed in an information disclosure statement submitted to the USPTO on August 10, 1992 during the prosecution of the '222 patent. Wi-LAN further admits that the specification for the '268 patent states that “[w]hen  $L=2$  with the first N-point transform being a DFT and the second being a RT, we have a system identical to the patent.” Wi-LAN further admits that the Cimini article was provided to the USPTO during prosecution of the '802 patent. Wi-LAN denies the remaining allegations in Paragraph 23.

24. Answering the allegations in Paragraph 24, Wi-LAN admits that Yerbury shows a transmission system whereby “pseudo-noise (PN) codes are used asynchronously

to direct-sequence modulate the channel carriers at a high rate relative to the data rate,” and that this allows a number of information bearing channels to share the same medium and “approximately the same frequency band.” Wi-LAN further admits that claim 10 of Yerbury describes the receiving means for the transmission system, which includes a “plurality of receiver channels,” and a “correlation means” for collapsing the spread-spectrum signal to a narrow bandwidth “corresponding to the transmission channel signal bandwidth.” Wi-LAN further admits that claim 10 of Yerbury describes a receiver means and a correlation means “provided for each receiver channel to cause the spread-spectrum signal received on a respective channel to be collapsed to a narrow bandwidth,” and claim 27 of Yerbury specifies that to produce an estimate of the data stream, the collapsed signal is passed through a narrowband filter. Wi-LAN denies the remaining allegations in Paragraph 24.

25. Answering the allegations in Paragraph 25, Wi-LAN admits that the Examiner cited Yerbury in a December 10, 1992 Office Action during prosecution of the '222 patent, and stated that Yerbury was “pertinent to applicant’s disclosure.” Wi-LAN further admits that the specification for the '268 patent states that “[w]hen  $L=2$  with the first  $N$ -point transform being a DFT and the second being a RT, we have a system identical to the patent.” Wi-LAN further admits that Yerbury was provided to the USPTO during prosecution of the '802 patent. Wi-LAN denies the remaining allegations in Paragraph 25.

26. Answering the allegations in Paragraph 26, Wi-LAN admits that Figure 1 of Bingham and the accompanying description in the Multiplexing section of the article show a multicarrier modulation scheme, whereby input data are grouped into blocks of  $M$

bits; the M bits are then used to modulate carriers spaced across a usable frequency band, and the modulated carriers are summed for transmission. Wi-LAN further admits that Bingham describes demodulating the received signal in the receiver by performing a Fast Fourier Transform. Wi-LAN admits that this is shown in Figure 7, and the accompanying description in the section Implementation, in which the receiver performs a serial-to-parallel conversion followed by a Fast Fourier Transform; the data is then sent through a decoder and a parallel-to-serial buffer. Wi-LAN denies the remaining allegations in Paragraph 26.

27. Answering the allegations in Paragraph 27, Wi-LAN admits that the Bingham article was provided to the USPTO during prosecution of the '802 patent, a reissue of the '268 patent. Wi-LAN denies the remaining allegations in Paragraph 27.

28. Answering the allegations in Paragraph 28, Wi-LAN admits that Part 2 of the Hirosaki article shows using the orthogonally multiplexed quadrature amplitude modulation technique, whereby the "entire transmission band is divided into a number of mutually spectrum overlapping subchannels." The subchannels can be discriminated from each other provided they are orthogonal. Wi-LAN further admits that Part 4 of the Hirosaki article shows a modem composed of five functional blocks: the transmitter, the receiver, the 8-channel time division multiplexer, the modem controller, and the timing pulse generator. A microprocessor at the transmitter encodes the original data into a block of bits to be transmitted over each channel. Part 4 further discloses applying the following processing to a received signal: low-pass filter, gain control, and then digital conversion. Wi-LAN denies the remaining allegations in Paragraph 28.

29. Answering the allegations in Paragraph 29, Wi-LAN admits that the Hirosaki article was listed in an information disclosure statement submitted to the USPTO on August 10, 1992 during the prosecution of the '222 patent. Wi-LAN further admits that the Hirosaki article was provided to the USPTO during prosecution of the '802 patent, a reissue of the '268 patent. Wi-LAN denies the remaining allegations in Paragraph 29.

30. Answering the allegations in Paragraph 30, Wi-LAN admits that claim 1 of Kromer recites a transmitter having (1) "a convolutional encoder for transforming each of a plurality of information bit sequences," and (2) a "modulated signal generating means, in response to each of said expanded bit sequences." Wi-LAN further admits that claim 1 of Kromer recites a receiver "having demodulation and slicer means for demodulating and detecting said modulated carrier signal to obtain a plurality of received expanded bit sequences." Wi-LAN denies the remaining allegations in Paragraph 30.

31. Answering the allegations in Paragraph 31, Wi-LAN admits that during the prosecution of U.S. Patent No. 5,127,024 ("the '024 patent") the examiner stated that "References Jager et al., Pommier, Gallager, Ryan, Kromer et al., and Qureshi are cited to show a data modulator for transmitting a sequence of data symbols at a symbol rate  $1/T$ , the modulator being characterized as having a carrier frequency and data symbols, the data symbol is real or complex and is the time index of the symbol." Wi-LAN further admits that the '024 patent lists Fattouche as an inventor. Wi-LAN denies the remaining allegations in Paragraph 31.

32. Answering the allegations in Paragraph 32, Wi-LAN admits that claim 1 of Christy recites a base station with "means for transmitting a spread spectrum signal,"

and claim 2 of Christy further specifies that the “means for transmitting comprises means for generating a pseudorandom noise code, means for generating a carrier signal, and means for modulating said carrier signal with said pseudorandom noise code.” Wi-LAN further admits that Christy shows using pseudorandom noise codes to generate modulated data. Wi-LAN further admits that dependent claim 4 of Christy recites a “detection means” for “duplicating said pseudorandom noise codes” and a “means for cross correlating said receiver spread spectrum signal with said duplicated pseudorandom noise code.” Wi-LAN denies the remaining allegations in Paragraph 32.

33. Answering the allegations in Paragraph 33, Wi-LAN admits that the Christy abstract was listed in an information disclosure statement submitted to the USPTO during prosecution of U.S. Patent No. 5,890,068 (“the ’068 patent”) which lists Fattouche and Zaghoul as inventors. Wi-LAN denies the remaining allegations in Paragraph 33.

34. Answering the allegations in Paragraph 34, Wi-LAN admits that dependent claim 7 of Yokev recites a carrier generator means for “producing a series frequencies for the frequency-hopped spread spectrum carrier, selected in response to the repeating pseudo-random code sequence;” claim 7 further recites a “modulation means” for “modulating the information onto the frequency-hopped spread spectrum carrier for transmission by the transmitter.” Also, claim 24 of Yokev recites that collisions between signals can be avoided “through the use of an orthogonal set of selected frequencies and patterns.” Wi-LAN denies the remaining allegations in Paragraph 34.

35. Answering the allegations in Paragraph 35, Wi-LAN admits that Yokev was cited in an information disclosure statement submitted to the USPTO during

prosecution of U.S. Patent No. 5,887,022 (“the ’022 patent”) which lists Fattouche as an inventor. Wi-LAN denies the remaining allegations in Paragraph 35.

36. Answering the allegations in Paragraph 36, Wi-LAN admits that Carlson states: “Spread spectrum communications systems employ special techniques designed to combat strong interference and/or to prevent message recovery by unauthorized receivers. As the name suggests, these techniques spread the transmitted signal spectrum over a frequency range much greater than the message bandwidth. The spectral spreading involves an auxiliary *pseudo-noise* (PN) process that looks random but can be replicated by authorized receivers.” Wi-LAN further admits that this section includes structure at the receiver to demodulate the spread spectrum signal. Wi-LAN denies the remaining allegations in Paragraph 36.

37. Answering the allegations in Paragraph 37, Wi-LAN admits that Fattouche authored a paper entitled, “An Adaptive Minimum Redundancy Array for Digital Communications.” Wi-LAN is without sufficient information to form a belief about the remaining allegations in Paragraph 37 and on that basis denies such allegations.

38. Answering the allegations in Paragraph 38, Wi-LAN admits that Zhu shows two methods for increasing frequency utilization in spread spectrum communications. Zhu shows a method whereby “different spread sequences” are assigned “to each bit state equal in numbers to the number of transmission data points involved,” and Figure 2 of Zhu and the accompanying description shows an implementation of a parallel combinatory spread spectrum system, including a serial to parallel converter for data, a combiner to combine the data prior to transmission, and a modulator for modulating the data with a carrier. Wi-LAN further admits that Figure 2

and the accompanying description shows the receiving means, including a demodulator, “reverse spreading using N spread sequences,” and a parallel to serial converter to convert the data into a final output. Wi-LAN denies the remaining allegations in Paragraph 38.

39. Wi-LAN denies the allegations in Paragraph 39 of the Counterclaim.

40. Answering the allegations in Paragraph 40, Wi-LAN admits that during the prosecution of the '268 patent, Applicants stated that “[t]his is believed to be the first proposal for the use of spread spectrum for mobile transceivers.” '268 Prosecution History, Aug. 23, 1995 Response to Office Action at 16. Wi-LAN further admits that in 1992, during the prosecution of the '222 patent, the PTO provided U.S. Patent No. 5,063,560 to Applicants in the course of an office action. Wi-LAN lacks sufficient information to form a belief as to the truth of the remaining allegations set forth in Paragraph 40 and therefore denies such allegations.

41. Wi-LAN denies the allegations in Paragraph 41 of the Counterclaim.

42. Wi-LAN denies the allegations in Paragraph 42 of the Counterclaim.

43. Wi-LAN denies the allegations in Paragraph 43 of the Counterclaim.

44. The allegations in Paragraph 44 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 44.

45. The allegations in Paragraph 45 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 45.

46. The allegations in Paragraph 46 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 46.

#### **COUNT FOUR**

##### **Declaratory Judgment of Non-Infringement of U.S. Patent No. 5,282,222**

47. Answering the allegations in Paragraph 47, Wi-LAN incorporates by reference paragraphs 1-46 as if fully set forth herein.

48. Wi-LAN admits the allegations in Paragraph 48 of the Counterclaim.

49. The allegations in Paragraph 49 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 49.

50. Wi-LAN denies the allegations in Paragraph 50 of the Counterclaim.

51. The allegations in Paragraph 51 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 51.

#### **COUNT FIVE**

##### **Declaratory Judgment of Invalidity of U.S. Patent No. 5,282,222**

52. Answering the allegations in Paragraph 52, Wi-LAN incorporates by reference paragraphs 1-51 as if fully set forth herein.

53. Wi-LAN admits the allegations in Paragraph 53 of the Counterclaim.

54. The allegations in Paragraph 54 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 54.

55. Wi-LAN denies the allegations in Paragraph 55 of the Counterclaim.

56. The allegations in Paragraph 56 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 56.

## COUNT SIX

### **Declaratory Judgment of Unenforceability of U.S. Patent No. 5,282,222**

57. Answering the allegations in Paragraph 57, Wi-LAN incorporates by reference paragraphs 1-56 as if fully set forth herein.

58. Wi-LAN denies the allegations in Paragraph 58 of the Counterclaim.

59. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 59 and on that basis denies such allegations.

60. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 60 and on that basis denies such allegations.

61. Answering the allegations in Paragraph 61, Wi-LAN admits that the Bingham article was provided to the USPTO during prosecution of the '802 patent. Wi-LAN denies the remaining allegations in Paragraph 61.

62. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 62 and on that basis denies such allegations.

63. Answering the allegations in Paragraph 63, Wi-LAN admits that Proakis is referenced in the '268 patent specification concerning commonly used spread spectrum techniques. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the remaining allegations set forth in Paragraph 63 and on that basis denies such allegations.

64. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 64 and on that basis denies such allegations.

65. Answering the allegations in Paragraph 65, Wi-LAN admits that Fattouche published a 1989 paper, “An Adaptive Minimum Redundancy Array for Digital Communications.” Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 65 and on that basis denies such allegations.

66. Wi-LAN denies the allegations in Paragraph 66 of the Counterclaim.

67. Wi-LAN denies the allegations in Paragraph 67 of the Counterclaim.

68. The allegations in Paragraph 68 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 68.

69. The allegations in Paragraph 69 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 69.

70. The allegations in Paragraph 70 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 70.

## COUNT SEVEN

### **Declaratory Judgment of Non-Infringement of U.S. Patent No. 6,549,759**

71. Answering the allegations in Paragraph 71, Wi-LAN incorporates by reference paragraphs 1-70 as if fully set forth herein.

72. Wi-LAN admits the allegations in Paragraph 72 of the Counterclaim.

73. The allegations in Paragraph 73 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 73.

74. Wi-LAN denies the allegations in Paragraph 74 of the Counterclaim.

75. The allegations in Paragraph 75 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 75.

### **COUNT EIGHT**

#### **Declaratory Judgment of Invalidity of U.S. Patent No. 6,549,759**

76. Answering the allegations in Paragraph 76, Wi-LAN incorporates by reference paragraphs 1-75 as if fully set forth herein.

77. Wi-LAN admits the allegations in Paragraph 77 of the Counterclaim.

78. The allegations in Paragraph 78 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 78.

79. Wi-LAN denies the allegations in Paragraph 79 of the Counterclaim.

80. The allegations in Paragraph 80 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 80.

### **COUNT NINE**

#### **Declaratory Judgment of Unenforceability of U.S. Patent No. 6,549,759**

81. Answering the allegations in Paragraph 81, Wi-LAN incorporates by reference paragraphs 1-80 as if fully set forth herein.

82. Wi-LAN admits the allegations in Paragraph 82 of the Counterclaim.

83. Wi-LAN denies the allegations in Paragraph 83 of the Counterclaim.

84. Wi-LAN denies the allegations in Paragraph 84 of the Counterclaim.

85. Answering the allegations in Paragraph 85, Wi-LAN denies that Applicants intentionally withheld material information. With regard to the remaining allegations, Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations and on that basis denies such allegations.

86. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 86 and on that basis denies such allegations.

87. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 87 and on that basis denies such allegations.

88. Wi-LAN denies the allegations in Paragraph 88 of the Counterclaim.

89. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 89 and on that basis denies such allegations.

90. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 90 and on that basis denies such allegations.

91. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 91 and on that basis denies such allegations.

92. Wi-LAN denies that Applicants deliberately failed to disclose the Stanwood reference with an intent to deceive. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the remaining allegations set forth in Paragraph 92 and on that basis denies such allegations.

93. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 93 and on that basis denies such allegations.

94. Wi-LAN denies the allegations in Paragraph 94 of the Counterclaim.

95. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 95 and on that basis denies such allegations.

96. Wi-LAN denies that Applicants deliberately failed to disclose the Klein reference with an intent to deceive. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the remaining allegations set forth in Paragraph 96 and on that basis denies such allegations.

97. Wi-LAN denies the allegations in Paragraph 97 of the Counterclaim.

98. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 98 and on that basis denies such allegations.

99. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 99 and on that basis denies such allegations.

100. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 100 and on that basis denies such allegations.

101. Wi-LAN denies the allegations in Paragraph 101 of the Counterclaim.

102. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the allegations set forth in Paragraph 102 and on that basis denies such allegations.

103. Wi-LAN denies that Applicants failed to disclose Gardner to the USPTO with an intent to deceive. Wi-LAN lacks sufficient knowledge to form a belief about the truth of the remaining allegations set forth in Paragraph 103 and on that basis denies such allegations.

104. Wi-LAN denies the allegations in Paragraph 104 of the Counterclaim.

105. The allegations in Paragraph 105 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 105.

106. The allegations in Paragraph 106 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 106.

107. The allegations in Paragraph 107 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 107.

## **COUNT TEN**

### **Fraud**

108. Answering the allegations in Paragraph 108, Wi-LAN incorporates by reference paragraphs 1-107 as if fully set forth herein.

109. Wi-LAN admits the allegations in Paragraph 109 of the Counterclaim.

110. Answering the allegations in Paragraph 110, Wi-LAN admits that the IEEE is a professional association and leading developer of technical standards. Wi-LAN admits that IEEE members include engineers, scientists and allied professionals whose technical interests relate to electrical and computer sciences, engineering and related disciplines. Wi-LAN is without sufficient knowledge or information to form a belief regarding the remaining allegations in Paragraph 110 and therefore denies such allegations.

111. Wi-LAN is without sufficient knowledge or information to form a belief regarding the allegations in Paragraph 111 and therefore denies such allegations.

112. Answering the allegations in Paragraph 112, Wi-LAN denies that the current version of the IEEE's Standards Board Bylaws include the provisions quoted in Paragraph 112 of the Counterclaim. Wi-LAN is without sufficient knowledge or information to form a belief regarding the remaining allegations in Paragraph 112 and therefore denies such allegations.

113. Answering the allegations in Paragraph 113, Wi-LAN admits that the IEEE formed the 802.11 working group in 1990. Wi-LAN admits that the IEEE 802.11 standard is entitled "Wireless LAN Medium Access Control (MAC) and Physical Layer (PHY) Specifications" and concerns wireless local area networking ("wireless LAN"). Wi-LAN denies the remaining allegations in Paragraph 113.

114. Answering the allegations in Paragraph 114, Wi-LAN is without sufficient knowledge or information to form a belief regarding the time of formation of the 802.11a and 802.11b task groups and therefore denies such allegations. Wi-LAN admits the remaining allegations in Paragraph 114 of the Counterclaim.

115. Wi-LAN denies the allegations in Paragraph 115 of the Counterclaim.

116. Wi-LAN denies the allegations in Paragraph 116 of the Counterclaim.

117. Wi-LAN admits the allegations in Paragraph 117 of the Counterclaim.

118. Wi-LAN admits the allegations in Paragraph 118 of the Counterclaim.

119. Wi-LAN is without sufficient knowledge or information to form a belief regarding the allegations in Paragraph 119 and therefore denies such allegations.

120. Wi-LAN is without sufficient knowledge or information to form a belief regarding the allegations in Paragraph 120 and therefore denies such allegations.

121. Wi-LAN is without sufficient knowledge or information to form a belief regarding the allegations in Paragraph 121 and therefore denies such allegations.

122. Answering the allegations in Paragraph 122, Wi-LAN admits that on July 7, 1998, Wi-LAN submitted a letter to Mr. Victor Hayes, Chair of the IEEE 802.11 committee, referencing “Standards Recommendation Relating to Technology Being Proposed by Lucent Technologies and Harris Semiconductor for Inclusion in the IEEE P802.11b (Multicode) Standards Project” in the subject line. The letter stated that “it is prepared to license its existing patents directed to and necessary for the practice of the referenced Multicode Technology, if Lucent and Harris’ proposals are adopted by the IEEE, on fair, reasonable and non-discriminatory terms and conditions to qualified applicants in accordance with the IEEE Patent Policy.” Wi-LAN denies all remaining allegations set forth in Paragraph 122.

123. Wi-LAN is without sufficient knowledge or information to form a belief regarding the allegations in Paragraph 123 and therefore denies such allegations.

124. Wi-LAN is without sufficient knowledge or information to form a belief regarding the allegations in Paragraph 124 and therefore denies such allegations.

125. Wi-LAN admits the allegations in Paragraph 125 of the Counterclaim.

126. Answering the allegations in Paragraph 126, Wi-LAN admits that on September 10, 1998, Wi-LAN filed an application to reissue U.S. Patent No. 5,555,268. Wi-LAN admits that this patent application later issued as the ‘802 patent. Wi-LAN admits that it alleges that certain claims of the ‘802 patent are infringed by certain

products having wireless capability compliant with the IEEE 802.11 standards. Wi-LAN denies all remaining allegations set forth in Paragraph 126.

127. Answering the allegations in Paragraph 127, Wi-LAN admits that on September 14, 1998, Wi-LAN submitted a letter to Mr. Victor Hayes, Chair of the IEEE 802.11 committee, stating in part that “Wi-LAN Inc. hereby withdraws its previous IP statement dated July 9, 1998 to the extent that it implied that Wi-LAN existing US patent on multicode technology, US patent # 5,555,268, or another pending patent are necessary for the implementation of devices incorporating the IEEE 802.11b draft standard.” Wi-LAN denies all remaining allegations set forth in Paragraph 127.

128. Answering the allegations in Paragraph 128, Wi-LAN admits that the IEEE 802.11 working group met in November 1998 in Albuquerque, New Mexico. Wi-LAN admits that Mr. Zaghoul and Mr. Knudsen attended the meeting of the working group. Wi-LAN admits that the meeting minutes for the 802.11b task group state “270-r1 WLAN IP statement (They no longer feel that they have any IP related to standard).” Wi-LAN denies all remaining allegations set forth in Paragraph 128.

129. Wi-LAN denies the allegations in Paragraph 129 of the Counterclaim.

130. Wi-LAN denies the allegations in Paragraph 130 of the Counterclaim.

131. Answering the allegations in Paragraph 131, Wi-LAN admits that on July 7, 1998, Wi-LAN submitted a letter to Mr. Victor Hayes, Chair of the IEEE 802.11 committee, referencing “Standards Recommendation Relating to Technology Being Proposed by Lucent Technologies and NTT for Inclusion in the IEEE P802.11a (OFDM) Standards Project” in the subject line. The letter stated that “it is prepared to license its existing patents directed to and necessary for the practice of the referenced OFDM

Technology, if Lucent and NTT's proposal is adopted by the IEEE, on fair, reasonable and non-discriminatory terms and conditions to qualified applicants in accordance with the IEEE Patent Policy." Wi-LAN is without sufficient knowledge or information to form a belief regarding the remaining allegations in Paragraph 131 and therefore denies such allegations.

132. Answering the allegations in Paragraph 132, Wi-LAN admits that on November 9, 1998, Wi-LAN submitted a letter to Mr. Victor Hayes, Chair of the IEEE 802.11 committee, referencing "Standards Recommendation Relating to the IEEE P802.11a (OFDM) Draft Standards" in the subject line. The letter stated that "Wi-LAN Inc. hereby declares that it is prepared to license its existing and future patents directed to and necessary for the practice of the referenced OFDM Technology, if the IEEE 802.11a Draft Standard is adopted by the IEEE, on fair, reasonable and non-discriminatory terms and conditions to qualified applicants in accordance with the IEEE Patent Policy." Wi-LAN is without sufficient knowledge or information to form a belief regarding the remaining allegations in Paragraph 132 and therefore denies such allegations.

133. Answering the allegations in Paragraph 133, Wi-LAN admits that on November 29, 2000, Wi-LAN submitted a letter to Mr. Stuart Kerry, Chair of the IEEE 802.11 committee, referencing "Standards Recommendation Relating to the IEEE P802.11b Task Group G (OFDM) Draft Standards" in the subject line. The letter stated that "Wi-LAN Inc. hereby declares that it is prepared to license its existing and future patents directed to and necessary for the practice of the referenced OFDM Technology, if the IEEE 802.11b Task Group G Draft Standard is adopted by the IEEE, on fair, reasonable and non-discriminatory terms and conditions to qualified applicants in

accordance with the IEEE Patent Policy.” Wi-LAN is without sufficient knowledge or information to form a belief regarding the remaining allegations in Paragraph 133 and therefore denies such allegations.

134. Wi-LAN denies the allegations in Paragraph 134 of the Counterclaim.

135. Wi-LAN denies the allegations in Paragraph 135 of the Counterclaim.

136. Wi-LAN denies the allegations in Paragraph 136 of the Counterclaim.

137. Wi-LAN denies the allegations in Paragraph 137 of the Counterclaim.

138. Wi-LAN denies the allegations in Paragraph 138 of the Counterclaim.

#### **COUNT ELEVEN**

##### **Constructive Fraud**

139. Answering the allegations in Paragraph 139, Wi-LAN incorporates by reference paragraphs 1-138 as if fully set forth herein.

140. Wi-LAN denies the allegations in Paragraph 140 of the Counterclaim.

141. Wi-LAN denies the allegations in Paragraph 141 of the Counterclaim.

142. Wi-LAN denies the allegations in Paragraph 142 of the Counterclaim.

143. Wi-LAN denies the allegations in Paragraph 143 of the Counterclaim.

#### **COUNT TWELVE**

##### **Negligent Misrepresentation**

144. Answering the allegations in Paragraph 144, Wi-LAN incorporates by reference paragraphs 1-143 as if fully set forth herein.

145. Wi-LAN denies the allegations in Paragraph 145 of the Counterclaim.

146. Wi-LAN denies the allegations in Paragraph 146 of the Counterclaim.

147. Wi-LAN denies the allegations in Paragraph 147 of the Counterclaim.

148. Wi-LAN denies the allegations in Paragraph 148 of the Counterclaim.

### **COUNT THIRTEEN**

#### **Promissory Estoppel**

149. Answering the allegations in Paragraph 149, Wi-LAN incorporates by reference paragraphs 1-148 as if fully set forth herein.

150. Answering the allegations in Paragraph 150, Wi-LAN admits that on September 14, 1998, Wi-LAN submitted a letter to Mr. Victor Hayes, the Chair of the IEEE 802.11 committee, stating that “Wi-LAN Inc. hereby withdraws its previous IP statement dated July 9, 1998 to the extent that it implied that Wi-LAN existing US patent on multicode technology, US patent # 5,555,268, or another pending patent are necessary for the implementation of devices incorporating the IEEE 802.11b draft standard.” Wi-LAN admits that on November 9, 1998, Wi-LAN submitted a letter to Mr. Victor Hayes, the Chair of the IEEE 802.11 committee, referencing “Standards Recommendation Relating to the IEEE P802.11a (OFDM) Draft Standards” in the subject line. The letter stated that “Wi-LAN Inc. hereby declares that it is prepared to license its existing and future patents directed to and necessary for the practice of the referenced OFDM Technology, if the IEEE 802.11a Draft Standard is adopted by the IEEE, on fair, reasonable and non-discriminatory terms and conditions to qualified applicants in accordance with the IEEE Patent Policy.” Wi-LAN admits that on November 29, 2000, Wi-LAN submitted a letter to Mr. Stuart Kerry, the Chair of the IEEE 802.11 committee, referencing “Standards Recommendation Relating to the IEEE P802.11b Task Group G (OFDM) Draft Standards” in the subject line. The letter stated that “Wi-LAN Inc. hereby declares that it is prepared to license its existing and future patents directed to and

necessary for the practice of the referenced OFDM Technology, if the IEEE 802.11b Task Group G Draft Standard is adopted by the IEEE, on fair, reasonable and non-discriminatory terms and conditions to qualified applicants in accordance with the IEEE Patent Policy.” Wi-LAN denies all remaining allegations set forth in Paragraph 150.

151. Wi-LAN denies the allegations in Paragraph 151 of the Counterclaim.

152. Wi-LAN denies the allegations in Paragraph 152 of the Counterclaim.

153. Wi-LAN denies the allegations in Paragraph 153 of the Counterclaim.

#### **COUNT FOURTEEN**

##### **Breach Of Contract**

154. Answering the allegations in Paragraph 154, Wi-LAN incorporates by reference paragraphs 1-153 as if fully set forth herein.

155. Wi-LAN denies the allegations in Paragraph 155 of the Counterclaim.

156. Wi-LAN denies the allegations in Paragraph 156 of the Counterclaim.

157. Wi-LAN denies the allegations in Paragraph 157 of the Counterclaim.

158. Wi-LAN denies the allegations in Paragraph 158 of the Counterclaim.

159. Wi-LAN denies the allegations in Paragraph 159 of the Counterclaim.

#### **COUNT FIFTEEN**

##### **Unclean Hands**

160. Answering the allegations in Paragraph 160, Wi-LAN incorporates by reference paragraphs 1-159 as if fully set forth herein.

161. Wi-LAN denies the allegations in Paragraph 161 of the Counterclaim.

162. Wi-LAN denies the allegations in Paragraph 162 of the Counterclaim.

163. Wi-LAN denies the allegations in Paragraph 163 of the Counterclaim.

164. Wi-LAN denies the allegations in Paragraph 164 of the Counterclaim.

165. Wi-LAN denies the allegations in Paragraph 165 of the Counterclaim.

166. Wi-LAN admits that Telus made various allegations. Wi-LAN denies the remaining allegations in Paragraph 166.

167. Wi-LAN denies the allegations in Paragraph 167 of the Counterclaim.

168. The allegations in Paragraph 168 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 168.

169. The allegations in Paragraph 169 of the Counterclaim contain conclusions of law to which no response is required. To the extent a response is required, Wi-LAN denies the allegations in Paragraph 169.

## COUNT SIXTEEN

### **Unfair Business Practices Under Cal. Bus. & Prof. Code § 17200**

170. Answering the allegations in Paragraph 170, Wi-LAN incorporates by reference paragraphs 1-169 as if fully set forth herein.

171. Wi-LAN denies the allegations in Paragraph 171 of the Counterclaim.

172. Wi-LAN admits that Defendant conducts business in California. Wi-LAN denies the remaining allegations of Paragraph 172.

173. Wi-LAN denies the allegations in Paragraph 173 of the Counterclaim.

174. Wi-LAN denies the allegations in Paragraph 174 of the Counterclaim.

## **COUNT SEVENTEEN**

### **Waiver, Equitable Estoppel, and Estoppel**

175. Answering the allegations in Paragraph 175, Wi-LAN incorporates by reference paragraphs 1-174 as if fully set forth herein.

176. Answering the allegations in Paragraph 176, Wi-LAN admits that Defendant has denied that the claims of the Patents-in-Suit are enforceable and that Defendant purports to assert that such patent claims are unenforceable pursuant to the doctrines of waiver, equitable estoppel, and estoppel. Wi-LAN denies that Defendant has adequately pleaded a case or controversy regarding unenforceability of the '802, '222 and '759 patents.

177. Wi-LAN denies the allegations in Paragraph 177 of the Counterclaim.

### **PRAYER FOR RELIEF**

Wi-LAN denies that Defendant is entitled to the relief requested in subparagraphs (a)-(l) of the Counterclaim or any other relief.

### **DEMAND FOR JURY TRIAL**

In accordance with Federal Rule of Civil Procedure 38 and Local Rule CV-38, Wi-LAN respectfully demands a jury trial of all issues triable to a jury in this action.

### **DEFENSES**

#### **FIRST AFFIRMATIVE DEFENSE**

178. Each cause of action set forth in Defendant's counterclaim fails to state a claim upon which relief can be granted.

**SECOND AFFIRMATIVE DEFENSE**

179. Each cause of action set forth in Defendant's counterclaim is barred, in whole or in part, by the Defendant's lack of standing and lack of privity.

**THIRD AFFIRMATIVE DEFENSE**

180. Defendant's counterclaims are barred, in whole or in part, by the equitable defenses of estoppel, waiver, laches and/or unclean hands.

**FOURTH AFFIRMATIVE DEFENSE**

181. Defendant has failed to make reasonable efforts to mitigate its damages, if any.

**FIFTH AFFIRMATIVE DEFENSE**

182. Defendant's claims are subject to a set off based upon Defendant's and/or other parties' acts and wrongdoing.

**SIXTH AFFIRMATIVE DEFENSE**

183. Defendant's claim for constructive fraud is barred by the lack of a fiduciary duty between the Plaintiff and the Defendant.

**SEVENTH AFFIRMATIVE DEFENSE**

184. Defendant's claim for breach of contract fails for lack of occurrence of a condition precedent.

**EIGHTH AFFIRMATIVE DEFENSE**

185. Defendant's claim for breach of contract fails due to the occurrence of a condition subsequent.

**NINTH AFFIRMATIVE DEFENSE**

186. Each cause of action set forth in Defendant's counterclaim is barred by the applicable statute of limitations.

**TENTH AFFIRMATIVE DEFENSE**

187. Each cause of action set forth in Defendant's counterclaim which sounds in state law is preempted by federal patent law.

DATED: May 14, 2010.

Respectfully submitted,

**McKool Smith, P.C.**

/s/ Sam Baxter

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