

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

WI-LAN, INC.,	)	CASE NO.: 2:08-cv-247-TJW
	)	
<b>Plaintiff,</b>	)	
	)	<b>JUDGE WARD</b>
<b>v.</b>	)	
	)	<b>JURY TRIAL DEMANDED</b>
<b>RESEARCH IN MOTION CORPORATION,</b>	)	
<b>RESEARCH IN MOTION LTD.,</b>	)	
<b>MOTOROLA, INC., AND UTSTARCOM,</b>	)	
<b>INC.</b>	)	
	)	
<b>Defendants.</b>		

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**UTSTARCOM’S ORIGINAL ANSWER, DEFENSES, AND COUNTERCLAIMS  
TO THIRD AMENDED COMPLAINT**

Pursuant to Rule 7(a) of the Federal Rules of Civil Procedure, UTStarcom, Inc. (“UTStarcom”) submits the following Answer, Affirmative Defenses, and Counterclaims to Wi-LAN, Inc.’s (“Wi-LAN’s”) Third Amended Complaint and Demand for Jury Trial (“Complaint”):

**I. ANSWER**

**THE PARTIES**

1. UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 1 of the Complaint.
2. UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 2 of the Complaint and therefore denies them.
3. UTStarcom admits that is a Delaware Corporation with its principal place of business at 1275 Harbor Bay Parkway, Alameda, CA 94502. UTStarcom further admits that it may be served with process by serving its registered agent, CT Corporation System, 350 North St. Paul Street, Dallas, TX 75201. . As to the second sentence, UTStarcom denies that it sells

or manufactures handsets or other devices in the United States. Because the remaining allegations of the second sentence fail to set forth definitions for terms and alleged standards UTStarcom lacks information sufficient to form a belief as to the truth of the matters asserted and therefore denies the allegations. UTStarcom denies all remaining allegations.

4. UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 4 of the Complaint and therefore denies them.

5. UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 5 of the Complaint and therefore denies them.

#### **JURISDICTION AND VENUE**

6. UTStarcom admits that the Complaint purports to be an action for patent infringement under the Patent Laws of the United States, 35 U.S.C. § 271. UTStarcom denies any remaining allegations in Paragraph 6.

7. UTStarcom admits that the Complaint purports that this Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a). UTStarcom denies any remaining allegations in Paragraph 7.

8. UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 8 as stated. UTStarcom admits that the Court has personal jurisdiction over it. UTStarcom denies all remaining allegations directed to UTStarcom in Paragraph 8 of the Complaint. To the extent any remaining allegations in Paragraph 8 are directed to other entities, UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations and therefore denies them.

9. UTStarcom admits that the Complaint purports to state that venue is proper in this Court under 28 U.S.C. §§ 1391 and 1400(b) as it pertains to UTStarcom.

#### **ANSWER TO COUNT I: PATENT INFRINGEMENT**

10. With respect to the first sentence of Paragraph 10, UTStarcom admits that U.S. Reissued Patent No. RE 37,802 (the "'802 patent") is entitled "Multicode Direct Sequence Spread Spectrum," that the '802 patent bears a date of reissue of July 23, 2002, and that Wi-LAN is listed as the assignee of the '802 patent. UTStarcom is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of the first sentence of Paragraph 10 and therefore denies them. With respect to the second sentence of Paragraph 10, UTStarcom is without knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 10 and therefore denies them.

11. Denied.

12. With respect to the first sentence of Paragraph 12, UTStarcom admits that U.S. Patent No. 5,282,222 (the "'222 patent") is entitled "Method and Apparatus for Multiple Access Between Transceivers in Wireless Communications Using OFDM Spread Spectrum," and that the '222 patent bears a date of issue of January 25, 1994. UTStarcom is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of the first sentence of Paragraph 12 and therefore denies them. With respect to the second sentence of Paragraph 12, UTStarcom is without knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 12 and therefore denies them.

13. Denied.

14. UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 14 of the Complaint and therefore denies them.

15. UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 15 of the Complaint and therefore denies them.

16. Denied.

17. Denied.

18. UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 18 of the Complaint and therefore denies them.

19. UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 19 of the Complaint and therefore denies them.

20. UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 20 of the Complaint and therefore denies them.

21. UTStarcom lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 21 of the Complaint and therefore denies them.

22. Denied.

23. UTStarcom denies all allegations in Paragraph 23 as it pertains to UTStarcom. To the extent any remaining allegations in Paragraph 23 are directed to other entities, UTStarcom lacks sufficient information to admit or deny them and therefore denies them.

24. Paragraph 24 of the Complaint includes no allegations of fact, only conclusions of law which do not require a response from UTStarcom. Notwithstanding that no response is required, at the present time UTStarcom lacks knowledge or information sufficient to form a belief as to the allegation that Wi-LAN is in compliance with 35 U.S.C. § 287 in Paragraph 24 of the Complaint and on that basis denies it.

25. Denied.

**PRAYER FOR RELIEF**

These paragraphs set forth the statement of relief requested by Wi-LAN to which no response is required. UTStarcom denies that Wi-LAN is entitled to any of the requested relief and denies any allegations.

**DEMAND FOR JURY TRIAL**

This paragraph sets forth Wi-LAN's request for a jury trial to which no response is required. UTStarcom acknowledges that Plaintiff has requested a Jury Trial on all issues.

**II. DEFENSES AND AFFIRMATIVE DEFENSES**

1. Wi-LAN has failed to state a claim upon which relief can be granted.
2. UTStarcom does not infringe and has not infringed – not by direct infringement, contributory infringement, or inducement of infringement – any valid claim of U.S. Patent No. RE 37,802 (“the ’802 patent”) and U.S. Patent No. 5,282,222 (“the ’222 patent”), either literally or under the doctrine of equivalents.
3. One or more of the claims of the ’222 patent are invalid for failure to comply with the conditions and requirements for patentability set forth in one or more sections of Title 35 of the United States Code, including, but not limited to 35 U.S.C. §§ 101, 102, 103, 112, 132.
4. One or more of the claims of the ’802 patent are invalid for failure to comply with the conditions and requirements for patentability set forth in one or more sections of Title 35 of the United States Code, including, but not limited to 35 U.S.C. §§ 101, 102, 103, 112, 132, and 251.
5. By reason of the proceedings in the United States Patent and Trademark Office during prosecution of the applications that led to the ’222 and ’802 patents, Wi-LAN is estopped from construing the claims of the ’222 and ’802 patents to cover any products or actions by UTStarcom. Furthermore, Wi-LAN is barred from asserting the Doctrine of Equivalents.
6. Wi-LAN's claims are barred, in whole or in part, by laches, waiver, estoppel, equitable estoppel, acquiescence, and/or any other equitable defenses.

7. Defendant and its accused products are licensed, expressly or implicitly.
8. Wi-LAN's claim for damages are limited under 35 U.S.C. §§ 286 and/or 287.
9. One or more of the claims of the '802 patent are barred by intervening rights.
10. One or more of the claims of the '802 patent are invalid under the doctrine of recapture.
11. Wi-LAN is not entitled to injunctive relief at least because any alleged injury is not immediate or irreparable, and because Wi-LAN has an adequate remedy at law. Furthermore, Wi-LAN has waived any rights to equitable relief under the patents-in-suit due to its conduct before the IEEE.
12. UTStarcom reserves all defenses under the Federal Rules of Civil Procedure, the Patent Laws of the United States, and any other defenses, at law or equity that may now exist or in the future be available on discovery and further factual investigation in this case.

### **III. COUNTERCLAIMS:**

For its counterclaim against Wi-LAN, UTStarcom alleges as follows:

#### **THE PARTIES**

1. Counterclaimant UTStarcom is a Delaware Corporation with its principal place of business at 1275 Harbor Bay Parkway, Alameda, CA 94502.
2. On information and belief, Counterdefendant Wi-LAN is a corporation existing under the laws of Canada with its principal place of business at 11 Holland Ave., Suite 608, Ottawa, Ontario, Canada.

#### **JURISDICTION AND VENUE**

3. This Court has subject matter jurisdiction over these counterclaims under at least 28 U.S.C. §§ 1331, 1338(a), and 1367 and the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 *et seq.*

4. On information and belief, this Court has personal jurisdiction over Wi-LAN, at least by reason of filing its Complaint within this District.

**FIRST CLAIM FOR RELIEF:**

**DECLARATION OF NON-INFRINGEMENT OF THE '802 PATENT**

5. UTStarcom restates and incorporates by reference each of the allegations of Paragraphs 1-4 above of the Counterclaim above, as if fully set forth herein.

6. Based on Wi-LAN's filing of the Complaint and UTStarcom's Affirmative Defenses, an actual controversy has arisen and now exists between the parties as to whether UTStarcom infringes any valid claim of the '802 patent, either directly or indirectly—contributorily, by inducement, or otherwise.

7. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 *et seq.*, UTStarcom requests a declaration from the Court that UTStarcom does not infringe and has not infringed any valid claim of the '802 patent, either directly or indirectly—contributorily, by inducement, or otherwise.

**SECOND CLAIM FOR RELIEF:**

**DECLARATION OF INVALIDITY OF THE '802 PATENT**

8. UTStarcom restates and incorporates by reference each of the allegations of Paragraphs 1-7 above of the Counterclaim above, as if fully set forth herein.

9. Based on Wi-LAN's filing of the Complaint and UTStarcom's Affirmative Defenses, an actual controversy has arisen and now exists between the parties as to the invalidity of the claims of the '802 patent.

10. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 *et seq.*, UTStarcom requests a declaration from the Court that the claims of the '802 patent are invalid

because they fail to comply with the provisions of the patent laws, 35 U.S.C. §§ 100 *et seq.*, including sections 101, 102, 103, 112 and/or 251.

**THIRD CLAIM FOR RELIEF:**

**DECLARATION OF NON-INFRINGEMENT OF THE '222 PATENT**

11. UTStarcom restates and incorporates by reference each of the allegations of Paragraphs 1-10 above of the Counterclaim above, as if fully set forth herein.

12. Based on Wi-LAN's filing of the Complaint and UTStarcom's Affirmative Defenses, an actual controversy has arisen and now exists between the parties as to whether UTStarcom infringes any valid claim of the '222 patent, either directly or indirectly—contributorily, by inducement, or otherwise.

13. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 *et seq.*, UTStarcom requests a declaration from the Court that UTStarcom does not infringe and has not infringed any valid claim of the '222 patent, either directly or indirectly—contributorily, by inducement, or otherwise.

**FOURTH CLAIM FOR RELIEF:**

**DECLARATION OF INVALIDITY OF THE '222 PATENT**

14. UTStarcom restates and incorporates by reference each of the allegations of Paragraphs 1-13 above of the Counterclaim above, as if fully set forth herein.

15. Based on Wi-LAN's filing of the Complaint and UTStarcom's Affirmative Defenses, an actual controversy has arisen and now exists between the parties as to the invalidity of the claims of the '222 patent.

16. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 *et seq.*, UTStarcom requests a declaration from the Court that the claims of the '222 patent are invalid

because they fail to comply with the provisions of the patent laws, 35 U.S.C. §§ 100 *et seq.*, including sections 101, 102, 103, and/or 112.

**DEMAND FOR JURY TRIAL**

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, UTStarcom demands a trial by jury of this action.

**PRAYER FOR RELIEF**

**WHEREFORE**, Defendant and Counterclaimant, UTStarcom, prays that this Court enter judgment in its favor and grant the following relief:

A. Dismissal of the suit with prejudice based on one or more of UTStarcom's affirmative defenses;

B. An order that Plaintiff takes nothing by its complaint, and that the same be dismissed with prejudice;

C. A declaration that UTStarcom has not infringed, contributed to the infringement of, or induced others to infringe, either directly or indirectly, any valid claims of the '222 and '802 patents;

D. A declaration that the '222 and '802 patents are invalid;

E. A judgment in favor of UTStarcom on all Counterclaims;

F. An order finding that this case is exceptional pursuant to 35 U.S.C. § 285 and awarding UTStarcom its reasonable attorneys' fees and other expenses incurred in connection with this action under applicable law;

G. An order awarding UTStarcom pre-judgment and post-judgment interest on all awards made;

H. A judgment limiting or barring Wi-LAN's ability to enforce the '802 and '222 patents in equity; and

I. An award to UTStarcom of such further relief as the Court may deem appropriate and just under the circumstance.

**DEMAND FOR JURY TRIAL**

In accordance with Rule 38 of the Federal Rules of Civil Procedure and Local Rule CV-38, Defendant UTStarcom, Inc. respectfully demands a jury trial of all issues triable to a jury in this action.

Dated: September 18, 2009

Respectfully submitted,

WILSON SONSINI GOODRICH & ROSATI  
Professional Corporation

By: /s/Jose C. Villarreal

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ATTORNEYS FOR DEFENDANT  
UTSTARCOM, INC.

**CERTIFICATE OF SERVICE**

The undersigned certifies that the foregoing document was filed electronically in compliance with Local Rule CV-5(a). As such, this document was served on all counsel who are deemed to have consented to electronic service. Local Rule CV-5(a)(3)(A). Pursuant to Fed. R. Civ. P. 5(d) and Local Rule CV-5(e), all other counsel of record not deemed to have consented to electronic service were served with a true and correct copy of the foregoing by certified mail, return receipt requested, on this the 18<sup>th</sup> day of September, 2009.

/S/Jose C. Villarreal  
Jose C. Villarreal