

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION**

MOSAID TECHNOLOGIES INC.,

Plaintiff,

v.

**FREESCALE SEMICONDUCTOR, INC.,
ET AL,**

Defendants.

CIVIL ACTION NO. 6:11-CV-173

JURY TRIAL DEMANDED

**FREESCALE SEMICONDUCTOR, INC.’S FIRST AMENDED
ANSWER TO PLAINTIFF’S FIRST AMENDED COMPLAINT**

Defendant Freescale Semiconductor, Inc. (“Freescale”) answers Plaintiff MOSAID Technologies Inc.’s (“MOSAID”) First Amended Complaint (“Amended Complaint”) as follows:¹

PARTIES

1. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 1, and therefore denies such allegations.

2. Freescale admits that it is incorporated under the laws of the State of Delaware and has a principal place of business in Austin, Texas.

3. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 3, and therefore denies such allegations.

¹ The Defendants have moved to dismiss MOSAID’s infringement claims as to five of the nine asserted patents. See Defendants’ Motion to Dismiss Under Fed. R. Civ. P. 12(B)(1) for Lack of Standing (Docket No. 37). Freescale incorporates that motion by reference.

4. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 4, and therefore denies such allegations.

JURISDICTION

5. Freescale admits that this Court has original jurisdiction over patent infringement actions under 28 U.S.C. §§ 1331 and 1338(a), but denies that MOSAID has standing.

6. Freescale admits that it has transacted business in this district and is subject to this Court's specific and general personal jurisdiction. Freescale denies all remaining allegations directed against Freescale in paragraph 6. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in this paragraph, and therefore denies them.

VENUE

7. Freescale admits that venue is proper in this judicial district under 28 U.S.C. §§ 1391(b) and 1400(b). Freescale denies that venue is convenient in this judicial district. Freescale denies all the remaining allegations directed against Freescale in paragraph 7. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in this paragraph, and therefore denies them.

ASSERTED PATENTS

8. Freescale admits that United States Patent No. 7,051,306 ("the '306 patent") entitled "Managing Power on Integrated Circuits Using Power Islands" was issued by the United States Patent and Trademark Office, and that the '306 patent states on its cover that it issued on May 23, 2006. Freescale admits that a copy of the '306 patent appears to be attached to the Complaint as Exhibit A. Freescale lacks knowledge or information sufficient to form a belief as

to the truth or falsity of all remaining allegations in paragraph 8, and therefore denies such allegations.

9. Freescale admits that United States Patent No. 7,415,680 (“the ‘680 patent”) entitled “Power Managers for an Integrated Circuit” was issued by the United States Patent and Trademark Office, and that the ‘680 patent states on its cover that it issued on August 19, 2008. Freescale admits that a copy of the ‘680 patent appears to be attached to the Complaint as Exhibit B. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 9, and therefore denies such allegations.

10. Freescale admits that United States Patent No. 7,945,885 (“the ‘885 Patent”) entitled “Power Managers for an Integrated Circuit” was issued by the United States Patent and Trademark Office, and that the ‘885 patent states on its cover that it issued on May 17, 2011. Freescale admits that a copy of the ‘885 patent appears to be attached to the Complaint as Exhibit C. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 10, and therefore denies such allegations.

11. Freescale admits that United States Patent No. 7,996,811 (“the ‘811 Patent”) entitled “Power Managers for an Integrated Circuit” was issued by the United States Patent and Trademark Office, and that the ‘811 patent states on its cover that it issued on August 9, 2011. Freescale admits that a copy of the ‘811 patent appears to be attached to the Complaint as Exhibit D. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 11, and therefore denies such allegations.

12. Freescale admits that United States Patent No. 5,577,230 (“the ‘230 patent”) entitled “Apparatus and Method for Computer Processing Using an Enhanced Harvard Architecture Utilizing Dual Memory Buses and the Arbitration for Data/Instruction Fetch” was

issued by the United States Patent and Trademark Office, and that the '230 patent states on its cover that it issued on November 19, 1996. Freescale admits that a copy of the '230 patent appears to be attached to the Complaint as Exhibit E. Freescale denies that MOSAID owns rights sufficient to enforce the '230 patent. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 12, and therefore denies such allegations.

13. Freescale admits that United States Patent No. 5,724,505 ("the '505 patent") entitled "Apparatus and Method for Real-Time Program Monitoring via a Serial Interface" was issued by the United States Patent and Trademark Office, and that the '505 patent states on its cover that it issued on March 3, 1998. Freescale admits that a copy of the '505 patent appears to be attached to the First Amended Complaint as Exhibit F. Freescale denies that MOSAID owns rights sufficient to enforce the '505 patent. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 13, and therefore denies such allegations.

14. Freescale admits that United States Patent No. 5,958,036 ("the '036 patent") entitled "Circuit for Arbitrating Interrupts with Programmable Priority Levels" was issued by the United States Patent and Trademark Office, and that the '036 patent states on its cover that it issued on September 28, 1999. Freescale admits that a copy of the '036 patent appears to be attached to the First Amended Complaint as Exhibit G. Freescale denies that MOSAID owns rights sufficient to enforce the '036 patent. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 14, and therefore denies such allegations.

15. Freescale admits that United States Patent No. 6,141,762 (“the ‘762 patent”) entitled “Power Reduction in a Multiprocessor Digital Signal Processor Based on Processor Load” was issued by the United States Patent and Trademark Office, and that the ‘762 patent states on its cover that it issued on October 31, 2000. Freescale admits that a copy of the ‘762 patent appears to be attached to the First Amended Complaint as Exhibit H. Freescale denies that MOSAID owns rights sufficient to enforce the ‘762 patent. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 15, and therefore denies such allegations.

16. Freescale admits that United States Patent No. 6,256,725 (“the ‘725 patent”) entitled “Shared Datapath Processor Utilizing Stack-Based and Register-Based Storage Spaces” was issued by the United States Patent and Trademark Office, and that the ‘725 patent states on its cover that it issued on July 3, 2001. Freescale admits that a copy of the ‘725 patent appears to be attached to the First Amended Complaint as Exhibit I. Freescale denies that MOSAID owns rights sufficient to enforce the ‘725 patent. Freescale admits that the complaint collectively refers to the ‘306 patent, the ‘680 patent, the ‘885 patent, the ‘811 patent, the ‘230 patent, the ‘505 patent, the ‘036 patent, the ‘762 patent, and the ‘725 patent as the “Asserted Patents.” Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 16, and therefore denies such allegations.

GENERAL ALLEGATIONS

17. Denied as to Freescale. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 17, and therefore denies such allegations.

18. Denied as to Freescale. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 18, and therefore denies such allegations.

19. Denied as to Freescale. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 19, and therefore denies such allegations.

20. Denied as to Freescale. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 20, and therefore denies such allegations.

21. Denied as to Freescale. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 21, and therefore denies such allegations.

22. Denied as to Freescale. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of all remaining allegations in paragraph 22, and therefore denies such allegations.

COUNT ONE

Freescale's Alleged Infringement of the '306 Patent

23. Freescale restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

24. Denied.

COUNT TWO

Freescall's Alleged Infringement of the '885 Patent

25. Freescall restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

26. Denied.

COUNT THREE

Freescall's Alleged Infringement of the '811 Patent

27. Freescall restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

28. Denied.

COUNT FOUR

Freescall's Alleged Infringement of the '230 Patent

29. Freescall restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

30. Denied.

COUNT FIVE

Freescall's Alleged Infringement of the '505 Patent

31. Freescall restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

32. Denied.

COUNT SIX

Freescall's Alleged Infringement of the '036 Patent

33. Freescall restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

34. Denied.

COUNT SEVEN

Freescall's Alleged Infringement of the '762 Patent

35. Freescall restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

36. Denied.

COUNT EIGHT

Freescall's Alleged Infringement of the '725 Patent

37. Freescall restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

38. Denied.

COUNT NINE

NVIDIA's Alleged Infringement of the '306 Patent

39. Freescall restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

40. Freescall lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 40, and therefore denies such allegations.

COUNT TEN

NVIDIA's Alleged Infringement of the '680 Patent

41. Freescale restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

42. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 42, and therefore denies such allegations.

COUNT ELEVEN

NVIDIA's Alleged Infringement of the '885 Patent

43. Freescale restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

44. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 44, and therefore denies such allegations.

COUNT TWELVE

NVIDIA's Alleged Infringement of the '811 Patent

45. Freescale restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

46. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 46, and therefore denies such allegations.

COUNT THIRTEEN

NVIDIA's Alleged Infringement of the '230 Patent

47. Freescale restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

48. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 48, and therefore denies such allegations.

COUNT FOURTEEN

NVIDIA's Alleged Infringement of the '505 Patent

49. Freescale restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

50. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 50, and therefore denies such allegations.

COUNT FIFTEEN

NVIDIA's Alleged Infringement of the '036 Patent

51. Freescale restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

52. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 52, and therefore denies such allegations.

COUNT SIXTEEN

NVIDIA's Alleged Infringement of the '762 Patent

53. Freescale restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

54. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 54, and therefore denies such allegations.

COUNT SEVENTEEN

NVIDIA's Alleged Infringement of the '725 Patent

55. Freescale restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

56. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 56, and therefore denies such allegations.

COUNT EIGHTEEN

Interphase's Alleged Infringement of the '036 Patent

57. Freescale restates and realleges its answers to each of the foregoing paragraphs as if fully set forth herein.

58. Freescale lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in paragraph 58, and therefore denies such allegations.

MOSAID'S REQUEST FOR RELIEF

Freescale denies that MOSAID is entitled to any of the relief requested.

FREESCALE'S AFFIRMATIVE DEFENSES

Freescale hereby asserts, without assuming any burden of pleading or proof that would otherwise rest on MOSAID, the following affirmative and other defenses to the claims and allegations contained in the Complaint. Freescale reserves the right to seek leave to amend its Answer to plead additional defenses and counterclaims and/or to supplement its existing defenses and counterclaims.

1. Freescale does not, and did not, directly or indirectly infringe any valid and enforceable claim of any patent asserted against Freescale herein, either literally or under the doctrine of equivalents.

2. One or more of the claims of any patent asserted against Freescale herein are invalid for failure to comply with the requirements of Title 35 of the United States Code, including but not limited to 35 U.S.C. §§ 101, 102, 103, and/or 112.

3. MOSAID is estopped from construing any valid and enforceable claim of any patent asserted against Freescale herein to cover or include, either literally or by application of the doctrine of equivalents, devices manufactured, used, sold, offered for sale, or imported by Freescale, or methods used by Freescale, because of admissions, statements, and narrowing amendments made before the United States Patent and Trademark Office during prosecution of the applications leading to the issuance of such asserted patents, and/or because of the language in the specifications and/or limitations in the claims of such asserted patents.

4. To the extent that Plaintiff, or any predecessors in interest to any patent asserted against Freescale herein, failed to properly mark any of their relevant products as required by 35 U.S.C. § 287 or otherwise give proper notice that Freescale's action allegedly infringed such asserted patents, Freescale is not liable to Plaintiff for any acts alleged to have been performed before Freescale received actual notice that it was allegedly infringing such asserted patents.

5. MOSAID lacks standing to bring this action. Upon information and belief, MOSAID is neither the owner, assignee, nor licensee of all substantial rights of any patent asserted against Freescale herein and, as such, does not have authority or standing to bring an action for alleged infringement of such asserted patents. The Court therefore lacks subject matter jurisdiction to hear this case.

6. MOSAID has failed to join all indispensable and/or required parties pursuant to Rule 19 of the Federal Rules of Civil Procedure. As a result, MOSAID lacks standing to pursue this lawsuit.

7. On information and belief, MOSAID is barred in whole or in part by the doctrines of estoppel, acquiescence, and/or waiver from enforcing the patents asserted against Freescale herein.

8. On information and belief, MOSAID is barred from enforcing the '885 and '811 patents due to inequitable conduct during the prosecution of the '885 and '811 patents. The facts relating to MOSAID's inequitable conduct are described with particularity in paragraphs 57- 105 of Freescale's Counterclaims, which are hereby incorporated by reference.

9. On information and belief, Freescale has a license, either express or implied, to one or more of the patents asserted against Freescale herein.

10. Freescale reserves all affirmative defenses under Rule 8(c) of the Federal Rules of Civil Procedure, the Patent Laws of the United States, and any other defenses, at law or in equity, that may now exist or in the future be available based on discovery or further factual investigation in this case.

FREESCALE'S COUNTERCLAIM

Freescale Semiconductor, Inc. ("Freescale") counterclaims against Plaintiff MOSAID Technologies Inc. ("MOSAID") as follows:

PARTIES

1. Counterclaim-Plaintiff Freescale is a corporation organized and existing under the laws of the state of Delaware, with a principal place of business in Austin, Texas.

2. On information and belief, Counterclaim-Defendant MOSAID is a Canadian limited liability corporation, with a principal place of business in Ottawa, Ontario, Canada.

JURISDICTION AND VENUE

3. Assuming this Court has subject matter jurisdiction to preside over MOSAID's claims, this Court has subject matter jurisdiction over these counterclaims pursuant to 28 U.S.C. §§ 1331, 1338, 2201, and 2202 as they arise under an Act of Congress relating to patents and the Declaratory Judgment Act.

4. By filing its Original Complaint, MOSAID has consented to personal jurisdiction in this District.

5. Venue is proper in this District under 28 U.S.C. §§ 1391(b)-(c) and 1400(b).

6. MOSAID has alleged that MOSAID owns United States Patent Nos. 7,051,306 ("the '306 patent"); 7,945,885 ("the '885 patent"); and 7,996,811 ("the '811 patent").

7. MOSAID has alleged that MOSAID is the exclusive licensee of United States Patent Nos. 5,577,230 ("the '230 patent"); 5,724,505 ("the '505 patent"); 5,958,036 ("the '036 patent"); 6,141,762 ("the '762 patent"); and 6,256,725 ("the '725 patent").

8. MOSAID has alleged that Freescale has infringed the '306 patent, the '855 patent, the '811 patent, the '230 patent, the '505 patent, the '036 patent, the '762 patent and the '725 patent.

**DECLARATORY JUDGMENT COUNTERCLAIMS
OF INVALIDITY AND NON-INFRINGEMENT OF THE '885 PATENT**

9. Freescale incorporates by reference the allegations in paragraphs 1-8 of its counterclaim.

10. Freescale does not, and did not, directly or indirectly infringe any valid and enforceable claim of the '885 patent literally or under the doctrine of equivalents.

11. One or more claims of the '885 patent are invalid for failing to satisfy one or more of the conditions for patentability set forth in Title 35, United States Code, including §§ 101, 102, 103 and/or 112.

12. An actual controversy exists between Freescale and MOSAID regarding the alleged infringement and validity of the '885 patent by virtue of Counterclaim-Defendant's allegation of infringement.

13. A judicial declaration is necessary and appropriate so that Freescale may ascertain its rights with respect to the '885 Patent.

14. Pursuant to Federal Rule of Civil Procedure 57 and 28 U.S.C. § 2201 *et seq.*, Freescale is entitled to judgment from this Court that no claim of the '885 patent was ever infringed by Freescale and that one or more claims of the '885 patent are invalid.

**DECLARATORY JUDGMENT COUNTERCLAIMS
OF INVALIDITY AND NON-INFRINGEMENT OF THE '811 PATENT**

15. Freescale incorporates by reference the allegations in paragraphs 1-8 of its counterclaim.

16. Freescale does not, and did not, directly or indirectly infringe any valid and enforceable claim of the '811 patent literally or under the doctrine of equivalents.

17. One or more claims of the '811 patent are invalid for failing to satisfy one or more of the conditions for patentability set forth in Title 35, United States Code, including §§ 101, 102, 103 and/or 112.

18. An actual controversy exists between Freescale and MOSAID regarding the alleged infringement and validity of the '811 patent by virtue of Counterclaim-Defendant's allegation of infringement.

19. A judicial declaration is necessary and appropriate so that Freescale may ascertain its rights with respect to the '811 Patent.

20. Pursuant to Federal Rule of Civil Procedure 57 and 28 U.S.C. § 2201 *et seq.*, Freescale is entitled to judgment from this Court that no claim of the '811 patent was ever infringed by Freescale and that one or more claims of the '811 patent are invalid.

**DECLARATORY JUDGMENT COUNTERCLAIMS
OF INVALIDITY AND NON-INFRINGEMENT OF THE '306 PATENT**

21. Freescale incorporates by reference the allegations in paragraphs 1-8 of its counterclaim.

22. Freescale does not, and did not, directly or indirectly infringe any valid and enforceable claim of the '306 patent literally or under the doctrine of equivalents.

23. One or more claims of the '306 patent are invalid for failing to satisfy one or more of the conditions for patentability set forth in Title 35, United States Code, including §§ 101, 102, 103 and/or 112.

24. An actual controversy exists between Freescale and MOSAID regarding the alleged infringement and validity of the '306 patent by virtue of Counterclaim-Defendant's allegation of infringement.

25. A judicial declaration is necessary and appropriate so that Freescale may ascertain its rights with respect to the '306 Patent.

26. Pursuant to Federal Rule of Civil Procedure 57 and 28 U.S.C. § 2201 *et seq.*, Freescale is entitled to judgment from this Court that no claim of the '306 patent was ever infringed by Freescale and that one or more claims of the '306 patent are invalid.

**DECLARATORY JUDGMENT COUNTERCLAIMS
OF INVALIDITY AND NON-INFRINGEMENT OF THE '230 PATENT**

27. Freescale incorporates by reference the allegations in paragraphs 1-8 of its counterclaim.

28. Freescale does not, and did not, directly or indirectly infringe any valid and enforceable claim of the '230 patent literally or under the doctrine of equivalents.

29. One or more claims of the '230 patent are invalid for failing to satisfy one or more of the conditions for patentability set forth in Title 35, United States Code, including §§ 101, 102, 103 and/or 112.

30. An actual controversy exists between Freescale and MOSAID regarding the alleged infringement and validity of the '230 patent by virtue of Counterclaim-Defendant's allegation of infringement.

31. A judicial declaration is necessary and appropriate so that Freescale may ascertain its rights with respect to the '230 Patent.

32. Pursuant to Federal Rule of Civil Procedure 57 and 28 U.S.C. § 2201 *et seq.*, Freescale is entitled to judgment from this Court that no claim of the '230 patent was ever infringed by Freescale and that one or more claims of the '230 patent are invalid.

**DECLARATORY JUDGMENT COUNTERCLAIMS
OF INVALIDITY AND NON-INFRINGEMENT OF THE '505 PATENT**

33. Freescale incorporates by reference the allegations in paragraphs 1-8 of its counterclaim.

34. Freescale does not, and did not, directly or indirectly infringe any valid and enforceable claim of the '505 patent literally or under the doctrine of equivalents.

35. One or more claims of the '505 patent are invalid for failing to satisfy one or more of the conditions for patentability set forth in Title 35, United States Code, including §§ 101, 102, 103 and/or 112.

36. An actual controversy exists between Freescale and MOSAID regarding the alleged infringement and validity of the '505 patent by virtue of Counterclaim-Defendant's allegation of infringement.

37. A judicial declaration is necessary and appropriate so that Freescale may ascertain its rights with respect to the '505 Patent.

38. Pursuant to Federal Rule of Civil Procedure 57 and 28 U.S.C. § 2201 *et seq.*, Freescale is entitled to judgment from this Court that no claim of the '505 patent was ever infringed by Freescale and that one or more claims of the '505 patent are invalid.

**DECLARATORY JUDGMENT COUNTERCLAIMS
OF INVALIDITY AND NON-INFRINGEMENT OF THE '036 PATENT**

39. Freescale incorporates by reference the allegations in paragraphs 1-8 of its counterclaim.

40. Freescale does not, and did not, directly or indirectly infringe any valid and enforceable claim of the '036 patent literally or under the doctrine of equivalents.

41. One or more claims of the '036 patent are invalid for failing to satisfy one or more of the conditions for patentability set forth in Title 35, United States Code, including §§ 101, 102, 103 and/or 112.

42. An actual controversy exists between Freescale and MOSAID regarding the alleged infringement and validity of the '036 patent by virtue of Counterclaim-Defendant's allegation of infringement.

43. A judicial declaration is necessary and appropriate so that Freescale may ascertain its rights with respect to the '036 Patent.

44. Pursuant to Federal Rule of Civil Procedure 57 and 28 U.S.C. § 2201 *et seq.*, Freescale is entitled to judgment from this Court that no claim of the '036 patent was ever infringed by Freescale and that one or more claims of the '036 patent are invalid.

**DECLARATORY JUDGMENT COUNTERCLAIMS
OF INVALIDITY AND NON-INFRINGEMENT OF THE '762 PATENT**

45. Freescale incorporates by reference the allegations in paragraphs 1-8 of its counterclaim.

46. Freescale does not, and did not, directly or indirectly infringe any valid and enforceable claim of the '762 patent literally or under the doctrine of equivalents.

47. One or more claims of the '762 patent are invalid for failing to satisfy one or more of the conditions for patentability set forth in Title 35, United States Code, including §§ 101, 102, 103 and/or 112.

48. An actual controversy exists between Freescale and MOSAID regarding the alleged infringement and validity of the '762 patent by virtue of Counterclaim-Defendant's allegation of infringement.

49. A judicial declaration is necessary and appropriate so that Freescale may ascertain its rights with respect to the '762 Patent.

50. Pursuant to Federal Rule of Civil Procedure 57 and 28 U.S.C. § 2201 *et seq.*, Freescale is entitled to judgment from this Court that no claim of the '762 patent was ever infringed by Freescale and that one or more claims of the '762 patent are invalid.

**DECLARATORY JUDGMENT COUNTERCLAIMS
OF INVALIDITY AND NON-INFRINGEMENT OF THE '725 PATENT**

51. Freescale incorporates by reference the allegations in paragraphs 1-8 of its counterclaim.

52. Freescale does not, and did not, directly or indirectly infringe any valid and enforceable claim of the '725 patent literally or under the doctrine of equivalents.

53. One or more claims of the '725 patent are invalid for failing to satisfy one or more of the conditions for patentability set forth in Title 35, United States Code, including §§ 101, 102, 103 and/or 112.

54. An actual controversy exists between Freescale and MOSAID regarding the alleged infringement and validity of the '725 patent by virtue of Counterclaim-Defendant's allegation of infringement.

55. A judicial declaration is necessary and appropriate so that Freescale may ascertain its rights with respect to the '725 Patent.

56. Pursuant to Federal Rule of Civil Procedure 57 and 28 U.S.C. § 2201 *et seq.*, Freescale is entitled to judgment from this Court that no claim of the '725 patent was ever infringed by Freescale and that one or more claims of the '725 patent are invalid.

**DECLARATORY JUDGMENT COUNTERCLAIM
OF UNENFORCEABILITY DUE TO INEQUITABLE CONDUCT**

57. The '885 and '811 patents are unenforceable due to MOSAID's inequitable conduct during their prosecution.

58. On information and belief, MOSAID and the individuals involved in prosecuting the applications that issued as the '885 and '811 patents, including Phillip Shaer, the Vice President, General Counsel, and Corporate Secretary of MOSAID and/or James M. Smith, an attorney at Hamilton, Brook, Smith & Reynolds, P.C. (PTO Reg. No. 28,043), were aware during the prosecution of those patents that NVIDIA products incorporating the PowerMizer feature accused by MOSAID of infringing the '306 patent were sold to consumers more than one year prior to the filing of provisional application No. 60/468,742 on May 7, 2003 ("the '742 application").

59. On information and belief, Phillip Shaer is responsible for MOSAID's legal strategy, as well as disclosure and corporate governance obligations.

60. On information and belief, on February 11, 2009, as part of the prosecution of the application that issued as the '885 patent, Phillip Shaer signed a Revocation of Power of Attorney with New Power of Attorney and Change of Correspondence Address Form in his capacity as Secretary of MOSAID. This document was filed with the PTO on February 24, 2009 and appointed James M. Smith and other practitioners at Hamilton, Brook, Smith & Reynolds, P.C. as MOSAID's attorneys for prosecution of the application that issued as the '885 patent.

61. On information and belief, on February 11, 2009, as part of the prosecution of the application that issued as the '811 patent, Phillip Shaer signed a Revocation of Power of Attorney with New Power of Attorney and Change of Correspondence Address Form in his capacity as Secretary of MOSAID. This document was filed with the PTO on February 24, 2009

and appointed James M. Smith and other practitioners at Hamilton, Brook, Smith & Reynolds, P.C. as MOSAID's attorneys for prosecution of the application that issued as the '811 patent.

62. On information and belief, on February 18, 2009, as part of the prosecution of the application that issued as the '885 patent, James M. Smith signed a Request for Change of Docket Number on behalf of MOSAID. This document was filed with the PTO on February 24, 2009.

63. On information and belief, on February 18, 2009, as part of the prosecution of the application that issued as the '811 patent, James M. Smith signed a Request for Change of Docket Number on behalf of MOSAID. This document was filed with the PTO on February 24, 2009.

64. On information and belief, in at least September of 2009, representatives of MOSAID met with representatives of NVIDIA and asserted that all NVIDIA products implementing or compatible with the PowerMizer Intelligent Power Management Technology, including the NVIDIA GeForce 9400M, infringed the '306 patent.

65. The '885 and '811 patents are continuations of application No. 10/840,893, which issued as the '306 patent. On information and belief, MOSAID and the individuals involved in prosecuting the applications that issued as the '885 and '811 patents were aware during the prosecution of those patents that NVIDIA products incorporating the PowerMizer feature accused by MOSAID of infringing the '306 patent were sold to consumers more than one year prior to the filing of provisional application No. 60/468,742 on May 7, 2003 ("the '742 application"), to which the '306, '885, and '811 patents claim priority.

66. On information and belief, on February 24, 2010, representatives of NVIDIA informed representatives of MOSAID that the claims of the '306 patent were invalidated by U.S. Patent Nos. 5,996,084 and 6,307,281 ("the '084 and '281 patents").

67. On information and belief, on July 13, 2010, representatives of NVIDIA informed representatives of MOSAID that the claims of the '306 patent (as asserted by MOSAID) were invalidated by the NVIDIA GeForce2Go product, which included the PowerMizer feature and was sold in 2001.

68. On information and belief, on July 13, 2010, representatives of NVIDIA showed representatives of MOSAID excerpts of product documentation for the NVIDIA GeForce2Go product establishing that it was available in 2001 and included the PowerMizer feature.

69. On information and belief, on July 13, 2010, representatives of NVIDIA informed representatives of MOSAID that the ability to change local clock frequencies to functionally distinct units based on activity was conceived and reduced to practice by NVIDIA no later than August 2000.

70. On information and belief, Phillip Shaer was involved in the negotiations between NVIDIA and MOSAID and attended one or more meetings between the two companies.

71. On information and belief, the information NVIDIA disclosed to MOSAID in February and July of 2010 was shared with individuals involved in the prosecution of the applications that issued as the '885 and '811 patents, including Phillip Shaer and/or James M. Smith

72. On information and belief, based at least on the information provided to MOSAID by NVIDIA in February and July of 2010, MOSAID and its prosecuting attorneys, including Phillip Shaer and/or James M. Smith, knew that the NVIDIA GeForce2Go product, the

PowerMizer feature, and/or related documentation were material to the subject matter and/or claims of the '885 and '811 patents.

73. On information and belief, January 5, 2011, as part of the prosecution of the applications that issued as the '885 and '811 patents, James M. Smith filed Supplemental Information Disclosure Statements to the United States Patent and Trademark Office ("PTO") on behalf of MOSAID. Those Supplemental Information Disclosure Statements each disclosed only two references: the '084 and '281 patents.

74. On information and belief, MOSAID and its prosecuting attorneys, including Phillip Shaer and/or James M. Smith, did not disclose the NVIDIA GeForce2Go or any related documentation to the PTO during the prosecution of the '885 and '811 patents.

75. On information and belief, MOSAID and/or its prosecuting attorneys, including Phillip Shaer and/or James M. Smith, made a deliberate decision to deceive the PTO by not submitting the NVIDIA GeForce2Go, the PowerMizer feature, and/or any related documentation to the PTO.

76. MOSAID and the individuals involved in the prosecution of the '885 and '811 patents, including, on information and belief, Phillip Shaer and/or James M. Smith, had a duty of candor, good faith, and honesty before the PTO.

77. On information and belief, MOSAID and/or the individuals involved in the prosecution of the '885 and '811 patents, including Phillip Shaer and/or James M. Smith, breached this duty of candor, good faith, and honesty during prosecution of the '885 and '811 patents and thereby committed inequitable conduct before the PTO.

78. On information and belief, during the prosecution of the '885 and '811 patents and with the intent to deceive the PTO, MOSAID and/or individuals involved in the prosecution

of the '885 and '811 patents, including Phillip Shaer and/or James M. Smith, made a deliberate decision to not disclose prior art known to MOSAID to be material, including the NVIDIA GeForce2Go product as well as material relating to the same.

79. On information and belief, but for the deliberate decision by MOSAID and/or people involved in the prosecution of the '885 and '811 patents, including Phillip Shaer and/or James M. Smith, to not disclose the NVIDIA GeForce2Go, the PowerMizer feature, and/or any related documentation to the PTO, the claims of the '885 and '811 patents either would not have issued at all or would not have issued in their current form.

80. On information and belief, in its infringement contentions served on August 15, 2011, MOSAID accused NVIDIA products of infringement of the '885 patent based on the PowerMizer feature that was not disclosed to the PTO. MOSAID accused NVIDIA products of infringing claims 1, 5, 6, 7, 8, 9, 13, 14, 15, 16, 20, 21, 22, 23, 24, 28, 29, 30, 31, 35, 36, 38, 39, 40, 44, 45, 47, 48, 52, 53, 55, 56, 57, 61, 62, 64 of the '885 patent based on their use of the PowerMizer feature.

81. On information and belief, based on these contentions, MOSAID believes and believed at the time that it withheld notice of the GeForce2Go product and the PowerMizer feature from the PTO, that the PowerMizer feature practiced every limitation of the pending claims that would issue as asserted claims 1, 5, 6, 7, 8, 9, 13, 14, 15, 16, 20, 21, 22, 23, 24, 28, 29, 30, 31, 35, 36, 38, 39, 40, 44, 45, 47, 48, 52, 53, 55, 56, 57, 61, 62, 64 of the '885 patent.

82. Accordingly, on information and belief, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, purposefully withheld from the PTO a product and feature which they believed practiced every limitation of claims 1, 5, 6, 7, 8, 9, 13, 14, 15,

16, 20, 21, 22, 23, 24, 28, 29, 30, 31, 35, 36, 38, 39, 40, 44, 45, 47, 48, 52, 53, 55, 56, 57, 61, 62, 64 of the '885 patent.

83. If MOSAID's infringement assertions of the '885 patent are correct, but for the purposeful decision by MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, to withhold identification of the GeForce2Go product and the PowerMizer features from the PTO, one or more of claims 1, 5, 6, 7, 8, 9, 13, 14, 15, 16, 20, 21, 22, 23, 24, 28, 29, 30, 31, 35, 36, 38, 39, 40, 44, 45, 47, 48, 52, 53, 55, 56, 57, 61, 62, 64 of the '885 patent would not have issued.

84. On information and belief, on December 23, 2010, during the prosecution of the '885 patent, the PTO issued a double patenting rejection against numerous claims that would eventually issue in the '885 patent. In this rejection, the PTO rejected then pending claims 76-131 (which eventually issued as claims 1-55) as being "not patentably distinct" from the claims of the '306 patent.

85. On information and belief, on information and belief, on January 25, 2011, Mr. James M. Smith filed a terminal disclaimer with the PTO to address the double patenting rejection and "to expedite issuance" of '885 patent.

86. On information and belief, on January 25, 2011, Mr. James M. Smith cancelled claims 1-75 leaving only those claims that were subject to the double patenting rejection. In the same filing, James M. Smith also added new dependent claims to the existing rejected claims, raising the number of pending claims to 64.

87. On information and belief, in view of the double patenting rejection and the terminal disclaimer, MOSAID and its representatives, including Phillip Shaer and/or James M.

Smith, had knowledge that the PTO considered the claims 1-64 of the '885 patent to not be patentably distinct over the claims of the '306 patent.

88. Accordingly, on information and belief, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, had knowledge that the PTO would not consider claims 1-64 of the '885 patent patentable over a prior art reference that practiced the claims of the '306 patent.

89. On information and belief, as set forth in the paragraphs above, at least by December 23, 2010, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, believed that NVIDIA products that included the PowerMizer feature, including the NVIDIA GeForce9400M, infringed one or more claims of the '306 patent.

90. On information and belief, as set forth in the paragraphs above, at least by December 23, 2010, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, had knowledge that the PowerMizer feature was conceived and reduced to practice by NVIDIA no later than August 2000 – more than one year prior to the filing of the original application for the '885 patent.

91. On information and belief, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, purposefully withheld from the PTO that they were aware of prior art product that MOSAID considered to practice the claims of the '306 patent, which the PTO considered to not be patentably distinct from claims 1-64 of the '885 patent.

92. On information and belief, accordingly, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, knew that the prior art NVIDIA GeForce2 Go and PowerMizer feature were material to the prosecution of claims 1-64 of the '885 patent.

93. On information and belief, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, intentionally withheld from the PTO that they were aware of a prior art product that – if MOSAID’s assertions of infringement are correct – would make at least claims 1-64 of the ’885 patent invalid.

94. If MOSAID’s infringement assertions against the ’306 patent are correct, but for MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, decision to withhold its knowledge of NVIDIA’s prior art PowerMizer products, including the GeForce2 Go, the PTO would not have issued claims 1-64 of the ’885 patent.

95. On information and belief, on February 14, 2011, during the prosecution of the ’811 patent, the PTO issued a double patenting rejection against numerous claims that would eventually issue in the ’811 patent. In this rejection, the PTO rejected claims then pending claims 21-94 (now claims 1-74) as being “not patentably distinct” from the claims of the ’306 patent.

96. On information and belief, on March 29, 2011, James M. Smith filed a terminal disclaimer with the PTO to address the double patenting rejection and “to expedite issuance” of ’811 patent.

97. On information and belief, in view of the double patenting rejection and the terminal disclaimer, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, had knowledge that the PTO considered the claims 1-74 of the ’811 patent to not be patentable distinct over the claims of the ’306 patent.

98. On information and belief, accordingly, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, had knowledge that the PTO would not consider

claims 1-74 of the '811 patent patentable over a prior art reference that practiced the claims of the '306 patent.

99. On information and belief, as set forth in the paragraphs above, at least by February 14, 2011, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, believed that NVIDIA products that included the PowerMizer feature, including the NVIDIA GoForce9400M, infringed one or more claims of the '306 patent.

100. On information and belief, as set forth in the paragraphs above, at least by February 14, 2011, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, had knowledge that the PowerMizer feature was conceived and reduced to practice by NVIDIA more than one year prior to the filing of the original application for the '811 patent.

101. On information and belief, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, purposefully withheld from the PTO that they were aware of prior art product that MOSAID considered to practice the claims of the '306 patent, which the PTO considered to not be patentably distinct from claims 1-74 of the '811 patent.

102. On information and belief, accordingly, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, knew that the prior art NVIDIA GeForce2 Go and PowerMizer feature were material to the prosecution of claims 1-74 of the '811 patent.

103. On information and belief, MOSAID and its representatives, including Phillip Shaer and/or James M. Smith, intentionally withheld from the PTO that they were aware of a prior art product that – if MOSAID's infringement assertions are correct – would make at least claims 1-74 of the '811 patent invalid.

104. If MOSAID's infringement assertions against the '306 patent are correct, but for the purposeful decision by MOSAID and its representatives, including Phillip Shaer and/or

James M. Smith, to withhold its knowledge of NVIDIA's prior art PowerMizer products, including the GeForce2 Go, the PTO would not have issued claims 1-74 of the '811 patent.

105. On information and belief, the intentional violation by MOSAID and/or individuals involved in the prosecution of the '885 and '811 patents including Phillip Shaer and/or James M. Smith, of their duty of candor, good faith, and honesty render the '885 and '811 patents unenforceable.

PRAYER FOR RELIEF

WHEREFORE Freescale prays that:

- (a) the Court dismiss the Original Complaint against Freescale with prejudice;
- (b) the Court declare that Freescale has not infringed any claim of United States Patent No. 7,051,306;
- (c) the Court declare that one or more claims of United States Patent No. 7,051,306 are invalid;
- (d) the Court declare that Freescale has not infringed any claim of United States Patent No. 5,577,230;
- (e) the Court declare that one or more claims of United States Patent No. 5,577,230 are invalid;
- (f) the Court declare that Freescale has not infringed any claim of United States Patent No. 5,724,505;
- (g) the Court declare that one or more claims of United States Patent No. 5,724,505 are invalid;
- (h) the Court declare that Freescale has not infringed any claim of United States Patent No. 5,958,036;

(i) the Court declare that one or more claims of United States Patent No. 5,958,036 are invalid;

(j) the Court declare that Freescale has not infringed any claim of United States Patent No. 6,141,762;

(k) the Court declare that one or more claims of United States Patent No. 6,141,762 are invalid;

(l) the Court declare that Freescale has not infringed any claim of United States Patent No. 6,256,725;

(m) the Court declare that one or more claims of United States Patent No. 6,256,725 are invalid;

(n) the Court declare that Freescale has not infringed any claim of United States Patent No. 7,945,885;

(o) the Court declare that one or more claims of United States Patent No. 7,945,885 are invalid;

(p) the Court declare that Freescale has not infringed any claim of United States Patent No. 7,996,811;

(q) the Court declare that one or more claims of United States Patent No. 7,996,811 are invalid;

(r) the Court declare that neither MOSAID is not entitled to any remedy or relief;

(s) the Court award Freescale reasonable costs and attorneys' fees pursuant to 35 U.S.C. § 285; and

(t) the Court award Freescale such other relief as this Court may deem just and proper.

DEMAND FOR JURY

In accordance with Rule 38 of the Federal Rules of Civil Procedure, Freescale respectfully demands a jury trial of all issues triable to a jury in this action.

Dated: October 13, 2011

Respectfully submitted,

/s/ David L. Witcoff

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ATTORNEYS FOR DEFENDANT
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CERTIFICATE OF SERVICE

The undersigned certifies that all counsel of record who have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) on this the 13th day of October, 2011.

/s/ David L. Witcoff

CHI-1821249v3