

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WISCONSIN

SPLIT PIVOT, INC.,

Plaintiff,

v.

TREK BICYCLE CORPORATION,

Defendant.

Civil Action No. 12-cv-639

---

**DEFENDANT’S ANSWER, AFFIRMATIVE DEFENSES AND COUNTERCLAIMS**

---

Defendant Trek Bicycle Corporation (“Trek”) hereby responds to the Complaint filed by plaintiff Split Pivot, Inc. (“Split Pivot”) as follows:

**JURISDICTION AND VENUE**

1. Trek admits that Split Pivot purports to bring an action for patent infringement under the patent laws of the United States of America, 35 U.S.C. § 1, *et seq.*
2. Trek admits the allegations of Paragraph 2.
3. Trek admits the allegations of Paragraph 3.
4. Trek admits the allegations of Paragraph 4.

**PARTIES**

5. Trek is without sufficient knowledge or information to form a belief as to the allegations set forth in Paragraph 5 and, therefore, denies those allegations.
6. Trek admits the allegations of Paragraph 6.

**FACTS**

7. Trek admits that United States Patent No. 7,717,212 (the “‘212 patent”) purports on its face to be assigned to Split Pivot. Trek denies all remaining allegations of Paragraph 7.

8. Trek admits that United States Patent No. 8,002,301 (the “‘301 patent”) purports on its face to be assigned to Split Pivot. Trek denies all remaining allegations of Paragraph 8.

9. Trek admits that during 2007 David Weagle, whose name appears as the inventor on the face of the ‘212 and ‘301 patents, initiated communications with Trek. Trek admits that Trek and Weagle entered into a non-disclosure agreement in or about March, 2007. Trek denies the remaining allegations of Paragraph 9.

10. Trek admits that David Weagle sent Trek a PowerPoint presentation via email that purported to describe Split Pivot’s patent-pending suspension design, including a diagram that appears to be the same as Figure 3 of the ‘212 and ‘301 patents. Trek denies the remaining allegations of Paragraph 10.

11. Trek admits that on April 16, 2007, Trek filed patent application serial no. 11/735,816, which later issued as United States Patent No. 7,837,213. Trek denies the remaining allegations of Paragraph 11.

12. Trek admits that it was aware of the prosecution of the ‘212 and ‘301 patents and admits that in February, 2010 Trek’s patent counsel sent an email to the prosecuting attorney on the Split Pivot patents and alleges that the contents of all attachments to that email speak for themselves. Trek denies the remaining allegations of Paragraph 12.

13. Trek admits that the Crestone Peak reference appears in the prosecution file histories for the ‘212 and ‘301 patents. Trek is without sufficient knowledge or information to

form a belief as to the remaining allegations set forth in Paragraph 13 and, therefore, denies those allegations.

14. Trek is without sufficient knowledge or information to form a belief as to the allegations set forth in Paragraph 14 and, therefore, denies those allegations.

**COUNT I: INFRINGEMENT OF THE '212 PATENT**

15. Trek re-alleges and incorporates by reference its answers to paragraphs 1 through 14 above as if fully set forth herein.

16. Trek admits that it manufactures, uses, imports, offers for sale and sells bikes incorporating Trek's Active Braking Pivot and Full Floater features, including, but not necessarily limited to, bikes within the Remedy, Scratch, Session 88 and Superfly product lines. Trek denies all remaining allegations in Paragraph 16.

17. Trek denies the allegations in Paragraph 17.

18. Trek denies the allegations in Paragraph 18.

19. Trek denies the allegations in Paragraph 19.

**COUNT II: INFRINGEMENT OF THE '301 PATENT**

20. Trek re-alleges and incorporates by reference its answers to paragraphs 1 through 19 above as if fully set forth herein.

21. Trek admits that it manufactures, uses, imports, offers for sale and sells bikes incorporating Trek's Active Braking Pivot and Full Floater features, including, but not necessarily limited to, bikes within the Remedy, Scratch, Session 88 and Superfly product lines. Trek denies all remaining allegations in Paragraph 21.

22. Trek denies the allegations in Paragraph 22.

23. Trek denies the allegations in Paragraph 23.

24. Trek denies the allegations in Paragraph 24.

### **AFFIRMATIVE DEFENSES**

In further response to the Amended Complaint and as affirmative defenses, Trek alleges as follows:

25. Trek re-alleges and incorporates by reference all preceding paragraphs as if fully set forth herein.

#### **First Affirmative Defense—Invalidity of United States Patent No. 7,717,212**

26. The '212 patent is invalid for failing to satisfy one or more conditions of patentability under 35 U.S.C. §§ 102, 103 and 112.

#### **Second Affirmative Defense—Invalidity of United States Patent No. 8,002,301**

27. The '301 patent is invalid for failing to satisfy one or more conditions of patentability under 35 U.S.C. §§ 102, 103 and 112.

#### **Third Affirmative Defense—No Willful Infringement**

28. The Complaint fails to state a proper claim for willful infringement and exceptional case.

#### **Fourth Affirmative Defense—Limitation on Damages**

29. On information and belief, Split Pivot's claims for damages, if any, are limited to the extent that Split Pivot has failed to meet the requirements of 35 U.S.C. § 287.

#### **Fifth Affirmative Defense—Equitable Estoppel**

30. Split Pivot's attempted enforcement of the '212 patent and the '301 patent is barred in whole or in part by the doctrine of equitable estoppel.

**Sixth Affirmative Defense—Laches**

31. Split Pivot’s attempted enforcement of the ‘212 patent and the ‘301 patent is barred in whole or in part by the doctrine of laches.

**Additional Affirmative Defenses**

32. Trek reserves the right to assert additional defenses that may be disclosed during discovery.

**COUNTERCLAIMS**

For its counterclaims, Trek states as follows:

33. This is an action for declaratory judgment. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1332, 1338, 2201, and 2202.

**FIRST COUNTERCLAIM**

**Declaratory Judgment of Non-Infringement of United States Patent No. 7,717,212**

34. Trek re-alleges and incorporates by reference all preceding paragraphs as if fully set forth herein.

35. A definite and concrete, real and substantial, justiciable controversy of sufficient immediacy and reality exists between Trek and Split Pivot regarding, *inter alia*, non-infringement of the ‘212 patent.

36. Trek’s manufacture, use, importation, offers for sale and sales of bikes incorporating Trek’s Active Braking Pivot and Full Floater features, including, but not necessarily limited to, bikes within the Remedy, Scratch, Session 88 and Superfly product lines (the “Accrued Products”) have not infringed, will not infringe, and do not infringe any valid or enforceable claim of the ‘212 patent.

37. Trek is entitled to a judicial declaration that the manufacture, use, importation, offers for sale and sales of the Accrued Products have not infringed, do not infringe, and will not infringe any valid and/or enforceable claim of the '212 patent.

### **SECOND COUNTERCLAIM**

#### **Declaratory Judgment of Non-Infringement of United States Patent No. 8,002,301**

38. Trek re-alleges and incorporates by reference all preceding paragraphs as if fully set forth herein.

39. A definite and concrete, real and substantial, justiciable controversy of sufficient immediacy and reality exists between Trek and Split Pivot regarding, *inter alia*, non-infringement of the '301 patent.

40. Trek's manufacture, use, importation, offers for sale and sales of the Accrued Products have not infringed, will not infringe, and do not infringe any valid or enforceable claim of the '301 patent.

41. Trek is entitled to a judicial declaration that the manufacture, use, importation, offers for sale and sales of the Accrued Products have not infringed, do not infringe, and will not infringe any valid and/or enforceable claim of the '301 patent.

### **THIRD COUNTERCLAIM**

#### **Declaratory Judgment of Invalidity of United States Patent No. 7,717,212**

42. Trek re-alleges and incorporates by reference all preceding paragraphs as if fully set forth herein.

43. A definite and concrete, real and substantial, justiciable controversy of sufficient immediacy and reality exists between Trek and Split Pivot regarding, *inter alia*, the invalidity of the '212 patent.

44. The '212 patent is invalid for failing to satisfy one or more conditions of patentability under 35 U.S.C. §§ 102, 103 and 112.

45. Trek is entitled to a judicial declaration that the claims of the '212 patent are invalid.

#### **FOURTH COUNTERCLAIM**

##### **Declaratory Judgment of Invalidity of United States Patent No. 8,002,301**

46. Trek re-alleges and incorporates by reference all preceding paragraphs as if fully set forth herein.

47. A definite and concrete, real and substantial, justiciable controversy of sufficient immediacy and reality exists between Trek and Split Pivot regarding, *inter alia*, the invalidity of the '301 patent.

48. The '301 patent is invalid for failing to satisfy one or more conditions of patentability under 35 U.S.C. §§ 102, 103 and 112.

49. Trek is entitled to a judicial declaration that the claims of the '301 patent are invalid.

#### **PRAYER FOR RELIEF**

a. dismissing the Complaint with prejudice and denying each and every prayer for relief contained therein;

b. declaring that Trek's manufacture, use, sale, offer for sale and importation of the Accrued Products have not infringed, will not infringe and do not infringe any valid claim of the '212 or '301 patent;

c. declaring that the '212 and '301 patents are invalid;

d. awarding Trek its costs;

- e. declaring that this case is exceptional pursuant to 35 U.S.C. § 285 and awarding Trek its attorneys' fees;
- f. awarding to Trek such further relief as this Court may deem necessary, just and proper.

### **JURY DEMAND**

Trek requests a trial by jury.

Dated this 10th day of October, 2012.

Respectfully submitted,

*s/David J. Harth*

---

John S. Skilton  
[JSkilton@perkinscoie.com](mailto:JSkilton@perkinscoie.com)  
David J. Harth  
[DHarth@perkinscoie.com](mailto:DHarth@perkinscoie.com)  
Lissa R. Koop  
[LKoop@perkinscoie.com](mailto:LKoop@perkinscoie.com)  
Truscenialyn Brooks  
[TBrooks@perkinscoie.com](mailto:TBrooks@perkinscoie.com)  
Anne M. Readel  
[ARadel@perkinscoie.com](mailto:ARadel@perkinscoie.com)  
**Perkins Coie LLP**  
One East Main Street  
Suite 201  
Madison, WI 53703-5118  
Telephone: 608.663.7460  
Facsimile: 608.663.7499

David W. Laub (*Pro Hac Vice Pending*)  
[DLaub@perkinscoie.com](mailto:DLaub@perkinscoie.com)  
**Perkins Coie LLP**  
700 Thirteen Street N.W.  
Suite 600  
Washington, DC 20005-3960  
Telephone: 202.654.6200  
Facsimile: 202.654.6211

*Attorneys for Defendant*  
**TREK BICYCLE CORPORATION**