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11 UNITED STATES DISTRICT COURT  
12 NORTHERN DISTRICT OF CALIFORNIA  
13

14 UniRAM TECHNOLOGY, INC., a California  
corporation,

15 Plaintiff,

16 v.

17 MONOLITHIC SYSTEM TECHNOLOGY,  
18 INC., a Delaware corporation,

19 Defendant.  
20

No. C04-01268 (VRW)

**MONOLITHIC SYSTEM  
TECHNOLOGY, INC.'S ANSWER  
TO AMENDED COMPLAINT,  
AFFIRMATIVE DEFENSES, AND  
COUNTERCLAIMS AND DEMAND  
FOR JURY TRIAL**

21 Defendant Monolithic System Technology, Inc. ("MoSys") submits this Answer,  
22 including its Affirmative Defenses and Counterclaims, in response to the Amended Complaint  
23 ("Amended Complaint") of Plaintiff UniRAM Technology, Inc. ("UniRAM").

24 **ANSWER**

25 For its answer, MoSys states as follows:

26 **Parties**

27 1. Admitted.

28 2. Admitted.

3. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 3, and therefore denies them.

4. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 4, and therefore denies them.

5. Admitted.

## Jurisdiction and Venue

6. MoSys admits that paragraph 6 of the Amended Complaint characterizes the claims set forth therein as arising under Title 35 of the United States Code, under California Civil Code § 3426, upon alleged interference with contract, and upon alleged violations of California unfair competition law.

7. Admitted.

8. MoSys admits that this Court has jurisdiction over MoSys. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations regarding TSMC contained in paragraph 8, and therefore denies them. MoSys denies the remaining allegations in paragraph 8.

## Patents-in-Suit

9. MoSys admits that U.S. Patent No. 6,108,229 (“the ‘229 Patent”), entitled “High Performance Embedded Semiconductor Memory Device With Multiple Dimension First-Level Bit-Lines,” was issued to Jeng-Jye Shau (“Shau”) on August 22, 2000, and that a copy of the ‘229 Patent is attached to the Amended Complaint. MoSys is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 9, and therefore denies them.

10. MoSys admits that U.S. Patent No. 6,687,148 B2 (“the ‘148 Patent”), entitled “High Performance Embedded Semiconductor Memory Devices With Multiple Dimension First-Level Bit-Lines,” was issued to Chau on February 3, 2004, that the ‘148 Patent lists UniRAM as Assignee, and that a copy of the ‘148 Patent is attached to the Amended Complaint. MoSys is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 10, and therefore denies them.

## UniRAM's Allegations

11. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 11, and therefore denies them.

12. In response to paragraph 12, in the early to mid 1990s, MoSys developed high speed DRAM products with speed comparable to SRAM devices, such as MDRAM (Multibank DRAM) and MCache (SRAM Cache replacement) devices. In the MDRAM devices developed by MoSys, information retrieval from a DRAM circuit can occur simultaneously during the DRAM refresh (topping off) operation by utilizing multiple, small banks configuration so there is no need for the processor to wait. Further, the DRAM refresh period (charge leakage rate) in devices such as the MDRAM does not need to meet any specific fixed value, as it does in commodity DRAMs. To the extent paragraph 12 sets forth any allegations inconsistent with the foregoing, MoSys denies them.

13. Admitted.

14. In response to paragraph 14, in the early to mid 1990s, it was already desirable to combine logic and memory onto a single chip. Memory and logic were already being integrated together in commercial products using either memory-optimized processes or logic-optimized processes, depending on the application requirements, and without the need to use additional optimizing steps in the respective processes. To the extent paragraph 14 sets forth any allegations inconsistent with the foregoing, MoSys denies them.

15. In response to paragraph 15, in the early to mid 1990s, semiconductor companies were already working on adding additional process steps to optimize the memory circuits, logic circuits, or both. Most of the new memory products, such as MDRAM, RDRAM and SDRAM, incorporated substantial logic circuits on the same chip. Similarly, most microprocessors and embedded processors started to add memory blocks on the same chip, while using the same process. To the extent paragraph 15 sets forth allegations inconsistent with the foregoing, MoSys denies them. MoSys is without knowledge or information regarding any "solution" by Dr. Shau sufficient to form a belief as to the truth of the remaining allegations of paragraph 15, and therefore denies them.

1                   16.     MoSys is without knowledge or information sufficient to form a belief as  
2 to the truth of the allegations in paragraph 16, and therefore denies them.

3                   17.     MoSys is without knowledge or information sufficient to form a belief as  
4 to the truth of the allegations in paragraph 17, and therefore denies them.

5                   18.     MoSys admits that Taiwan Semiconductor Manufacturing Co., Ltd.  
6 (“TSMC”) is a semiconductor chip manufacturer. MoSys is without knowledge or information  
7 sufficient to form a belief as to the truth of the remaining allegations in paragraph 18, and  
8 therefore denies them.

9                   19.     MoSys is without knowledge or information sufficient to form a belief as  
10 to the truth of the allegations in paragraph 19, and therefore denies them.

11                  20.     MoSys is without knowledge or information sufficient to form a belief as  
12 to the truth of the remaining allegations in paragraph 20, and therefore denies them.

13                  21.     MoSys is without knowledge or information sufficient to form a belief as  
14 to the truth of the allegations in paragraph 21, and therefore denies them.

15                  22.     MoSys is without knowledge or information sufficient to form a belief as  
16 to the truth of the allegations in paragraph 22, and therefore denies them.

17                  23.     MoSys is without knowledge or information sufficient to form a belief as  
18 to the truth of the allegations in paragraph 23, and therefore denies them.

19                  24.     MoSys is without knowledge or information sufficient to form a belief as  
20 to the truth of the allegations in paragraph 24, and therefore denies them.

21                  25.     MoSys is without knowledge or information sufficient to form a belief as  
22 to the truth of the allegations in paragraph 25, and therefore denies them.

23                  26.     MoSys is without knowledge or information sufficient to form a belief as  
24 to the truth of the allegations in paragraph 26, and therefore denies them.

25                  27.     MoSys is without knowledge or information sufficient to form a belief as  
26 to the truth of the allegations in paragraph 27, and therefore denies them.

27                  28.     MoSys is without knowledge or information sufficient to form a belief as  
28 to the truth of the allegations in paragraph 28, and therefore denies them.

29. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 29, and therefore denies them.

30. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 30, and therefore denies them.

31. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 31, and therefore denies them.

32. To the extent the allegations regarding “a competitor” in paragraph 32 are directed at MoSys, MoSys denies them. MoSys is without knowledge or information sufficient to form a belief as to the truth of any remaining allegations in paragraph 32, and therefore denies them.

33. In response to paragraph 33, Mosys began working with TSMC in the early 1990s, including on a tape-out of MoSys’s MDRAM product in 1993. In conjunction with the termination of a foundry capacity agreement with TSMC in 1998, MoSys issued 1,200,000 warrants to TSMC at the price of \$6.50 per share. The fair market value of the warrants was determined to be \$127,000 based on the Black-Sholes method on the date of issuance. In June, 2002, TSMC exercised the warrant on a “cashless” (or “net”) basis, by surrendering the warrants in exchange for 470,346 shares of MoSys common stock. To the extent paragraph 33 sets forth any allegations inconsistent with the foregoing, MoSys denies them.

34. In response to the first sentence of paragraph 34, Mosys developed its multibank technology in the early 1990s. MoSys’s multibank design has been and remains one of the cornerstones of its technology that is used in both the memory products sold by MoSys, and in memory designs licensed by MoSys to semiconductor companies. MoSys denies the remaining allegations in paragraph 34.

35. In response to the first sentence of paragraph 35, MoSys developed its first MDRAM product in 1993. MoSys started development of its first integrated logic and embedded MCache product in 1994, with its first stand-alone MCache product being introduced in 1995. All MCache products are one-transistor SRAMs built on a CMOS process. MoSys denies the remaining allegations in paragraph 35.

1                   36.     In response to paragraph 36, throughout its corporate history, MoSys has  
2 engaged in substantial research and development efforts, including continued development of a  
3 full family of MCache and enhancement products and new SGRAM products from 1996 to 1998.  
4 MoSys released its 1T-SRAM technology in late 1998. MoSys is without knowledge or  
5 information regarding the referenced UniRAM “inventions” sufficient to form a belief as to the  
6 truth of the allegations in the last sentence of paragraph 36, and therefore denies them. To the  
7 extent the allegations in paragraph 36 infer or imply any improper actions by MoSys, MoSys  
8 denies them.

9                   37.     MoSys is without knowledge or information regarding what UniRAM  
10 knew or did not know of the design details of MoSys’s 1T memory cells when they were first  
11 released (i.e., in late 1998) sufficient to form a belief as to the truth of the allegations regarding  
12 UniRAM in paragraph 37, and therefore denies them. To the extent the allegations in paragraph  
13 37 infer or imply any improper actions by MoSys, MoSys denies them.

14                  38.     MoSys admits it has begun licensing its 1T-SRAM-M, 1T-SRAM-R and  
15 1T-SRAM-Q technology. MoSys denies the remaining allegations in paragraph 38.

16                  39.     MoSys denies the allegations in paragraph 39.

17                  40.     MoSys admits that it had a license with Nintendo regarding use of  
18 memory devices in Nintendo’s video game consoles, and that MoSys has also licensed its  
19 technologies to Sanyo, Fujitsu and TSMC. To the extent paragraph 40 contains any further  
20 allegations, MoSys denies them.

21                  41.     MoSys admits that in 2002 it’s revenue from sales of products was nearly  
22 \$2.9 million, licensing fee revenues were \$10.5 million, and royalty revenue exceeded \$14  
23 million. MoSys denies the remaining allegations in paragraph 41.

24                  42.     MoSys admits that its total revenues in 2003 were \$19.2 million. MoSys  
25 denies the remaining allegations in paragraph 42.

26                  43.     MoSys is without knowledge or information sufficient to form a belief as  
27 to the truth of any allegations relating to UniRAM’s patent portfolio in paragraph 43, and  
28 therefore denies them. MoSys denies the remaining allegations of paragraph 43.

**UniRAM's Claim for Trade Secret Misappropriation**

44. MoSys restates and incorporates herein by reference its responses to the allegations contained in paragraphs 1 through 43 of the Amended Complaint.

45. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 45, and therefore denies them.

46. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 46, and therefore denies them.

47. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 47 relating to TSMC, and therefore denies them. MoSys denies the remaining allegations in paragraph 47.

48. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 48 relating to TSMC, and therefore denies them. MoSys denies the remaining allegations in paragraph 48.

49. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 49 relating to TSMC, and therefore denies them. MoSys denies the remaining allegations in paragraph 49.

**UniRAM's Claim for Infringement of the '229 Patent**

50. MoSys restates and incorporates herein by reference its responses to the allegations contained in paragraphs 1 through 49 of the Amended Complaint.

51. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 51 relating to TSMC, and therefore denies them. MoSys denies the remaining allegations in paragraph 51.

52. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 52 relating to TSMC, and therefore denies them. MoSys denies the remaining allegations in paragraph 52.

**UniRAM's Claim for Infringement of the '148 Patent**

53. MoSys restates and incorporates herein by reference its responses to the allegations contained in paragraphs 1 through 52 of the Amended Complaint.

54. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 54 relating to TSMC, and therefore denies them. MoSys denies the remaining allegations in paragraph 54.

55. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 55 relating to TSMC, and therefore denies them. MoSys denies the remaining allegations in paragraph 55.

#### **UniRAM's Claim for Intentional Interference with Contract**

56. MoSys restates and incorporates herein by reference its responses to the allegations contained in paragraphs 1 through 55 of the Amended Complaint.

57. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 57, and therefore denies them.

58. MoSys denies the allegations in paragraph 58.

59. MoSys denies the allegations in paragraph 59.

60. MoSys denies the allegations in paragraph 60.

#### **UniRAM's Claim of Unfair Competition in Violation of California Law**

61. MoSys restates and incorporates herein by reference its responses to the allegations contained in paragraphs 1 through 60 of the Amended Complaint.

62. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 62 relating to TSMC, and therefore denies them. MoSys denies the remaining allegations in paragraph 62.

#### **UniRAM's Claim of Breach of Contract**

63. MoSys restates and incorporates herein by reference its responses to the allegations contained in paragraphs 1 through 62 of the Amended Complaint.

64. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 64, and therefore denies them.

65. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 65 relating to TSMC, and therefore denies them. MoSys denies the remaining allegations in paragraph 65.



66. MoSys is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 66 relating to TSMC, and therefore denies them. MoSys denies any inferred or implied allegations relating to MoSys in paragraph 66.

### **AFFIRMATIVE DEFENSES**

Without waiving any of the foregoing denials or answers, or its affirmative defenses to the Amended Complaint, MoSys alleges as follows:

#### **First Affirmative Defense: Invalidity and Non-infringement of Asserted Patents**

67. The '229 Patent, and each claim thereof, is invalid because it fails to meet the requirements for patentability under 35 U.S.C. §§ 101, 102, 103, 112, and/or the judicially created doctrine of double patenting, and no claim of the '229 Patent can be validly construed to cover any of MoSys's products and activities, either literally or under the doctrine of equivalents.

68. The '148 Patent, and each claim thereof, is invalid because it fails to meet the requirements for patentability under 35 U.S.C. §§ 101, 102, 103, 112, and/or the judicially created doctrine of double patenting, and no claim of the '148 Patent can be validly construed to cover any of MoSys's products and activities, either literally or under the doctrine of equivalents.

#### **Second Affirmative Defense: Equitable Estoppel**

69. UniRAM's claims are barred by the equitable doctrine of estoppel.

#### **Third Affirmative Defenses: Laches**

70. UniRAM's claims are barred by the equitable doctrine of laches.

#### **Fourth Affirmative Defense: Unenforceability Due to Inequitable Conduct**

##### **Failure to Disclose the '704 and '547 Patents During Prosecution**

71. Shau and/or others subject under 37 C.F.R. §1.56 to the duty to disclose material prior art to the United States Patent and Trademark Office ("USPTO") during prosecution of the application(s) leading to issuance of the '148 Patent had actual, imputed and/or constructive knowledge of U.S. Patents 5,825,704 ("the '704 Patent") and 5,748,547 ("the '547 Patent"), which each name Shau as sole inventor, and each of which were prosecuted by the same attorney, Bo-In Lin ("Lin"), as the '148 Patent.

72. The '704 Patent and the '547 Patent are each prior art to the '148 Patent

1 under 35 U.S.C. § 102 (b), because each was issued more than one year before the earliest  
2 effective priority date of the ‘148 Patent, *i.e.*, May 18, 2001, because they are directed to the  
3 same field of invention as the ‘148 Patent.

4 73. The disclosure of the ‘704 Patent would have been material to the  
5 patentability of the application(s) for the ‘148 Patent, because it expressly or inherently discloses  
6 or suggests all, or substantially all, of the limitations of one or more claims of the ‘148 Patent,  
7 and by itself or in combination with other prior art, establishes a prima facie case of  
8 unpatentability of these one or more claims.

9 74. The disclosure of the ‘547 Patent would have material to the patentability  
10 of the application(s) for the ‘148 Patent, because it expressly or inherently discloses or suggests  
11 all, or substantially all, of the elements of one or more claims of the ‘148 Patent, and by itself or  
12 in combination with other prior art, establishes a prima facie case of unpatentability of these one  
13 or more claims.

14 75. Shau and/or his attorney Lin and/or others subject to the duty to disclose  
15 material prior art to the USPTO during prosecution of the application(s) leading to issuance of  
16 the ‘148 Patent failed to cite either of the ‘704 and ‘547 Patents to the Examiner in an  
17 Information Disclosure Statement during the prosecution of the ‘148 Patent, in contravention of  
18 the requirements of 37 C.F.R. §§1.56, 1.97, and Manual of Patent Examining Procedures  
19 (“MPEP”) § 609.

20 76. This failure to disclose the ‘704 and ‘547 Patents, which were material  
21 prior art known to both Shau and Lin and possibly others during prosecution of the ‘148 Patent,  
22 was done with intent to deceive or mislead the USPTO Examiner, and/or with gross negligence,  
23 and constitutes fraud on the USPTO that renders the ‘148 Patent unenforceable.

24 77. This same fraud on the USPTO committed during prosecution of the ‘148  
25 Patent further renders the ‘229 Patent and other patents related to the ‘148 Patent unenforceable  
26 under the doctrine of infectious unenforceability.

27 **Failure to disclose MoSys’s ‘720 Patent**

28 78. On February 16, 2001, MoSys’s attorney sent a letter to UniRAM (Exhibit

1 A), putting UniRAM on actual notice of MoSys's memory cell technology fabricated using logic  
2 processes. In this letter, MoSys's attorney informed UniRAM that MoSys had over 30 U.S.  
3 patents at that time, including U.S. Patent No. 6,075,720 ("the '720 Patent") (Exhibit B), in the  
4 area of embedded memory solutions. Also in that letter, MoSys's attorney expressed concern  
5 that UniRAM may be infringing MoSys's patent rights, and particularly pointed to the '720  
6 Patent. The '720 Patent provides a detailed description of MoSys's memory cell technology  
7 using logic processes, which is the same technology used in MoSys's 1T-SRAM products.

8 79. On March 7, 2001, UniRAM's attorney Lin replied to MoSys's letter  
9 (Exhibit C), explaining that UniRAM had analyzed the '720 Patent. The '720 Patent is prior art  
10 to the '148 Patent under 35 U.S.C. §102 (e) because it was filed in August, 1998, nearly three  
11 years before the earliest effective priority date of the '148 Patent, and because it is directed to  
12 the same field of invention as the '148 Patent.

13 80. The disclosure of the '720 Patent would have material to the patentability  
14 of the application(s) for the '148 Patent, because it expressly or inherently discloses or suggests  
15 all or substantially all of the elements of one or more claims of the '148 Patent, and by itself or in  
16 combination with other prior art, establishes a prima facie case of unpatentability of these one or  
17 more claims.

18 81. Shau and/or his attorney Lin and/or others subject to the duty to disclose  
19 material prior art to the USPTO during prosecution of the application(s) leading to issuance of  
20 the '148 Patent failed to cite the '720 Patent to the Examiner in an Information Disclosure  
21 Statement during the prosecution of the '148 Patent, in contravention of the requirements of 37  
22 C.F.R. §§1.56, 1.97, and MPEP § 609.

23 82. This failure to disclose the '720 Patent, which was material prior art  
24 known to both Shau and Lin and possibly others during prosecution of the '148 Patent, was done  
25 with intent to deceive or mislead the USPTO Examiner, and/or with gross negligence, and  
26 constitutes fraud on the USPTO that renders the '148 Patent unenforceable.

27 83. This same fraud on the USPTO committed during prosecution of the '148  
28 Patent further renders the '229 Patent and other patents related to the '148 Patent unenforceable

1 under the doctrine of infectious unenforceability.

2 **False and Misleading Priority Claim**

3 84. Shau and/or his attorney Lin and/or others involved in the filing and  
4 prosecution of the application Serial No. 09/860,215, (“the ‘215 Application”), had actual,  
5 imputed, and/or constructive knowledge that the issue date of the ‘704 Patent is October 20,  
6 1998, the issue date of the ‘547 Patent is May 5, 1998, and that the filing date of the ‘215  
7 Application was filed on May 18, 2001.

8 85. Despite the fact that the ‘704 and ‘547 Patents had issued approximately  
9 three years earlier, Shau executed, and his attorney Lin and/or others involved in the filing and  
10 prosecution of the ‘215 Application knowingly, and in contravention of 35 U.S.C. §120,  
11 submitted to the USPTO a sworn inventor’s declaration that included a false and misleading  
12 priority claim to each of the ‘704 and ‘547 Patents, thereby misleading the Examiner as to the  
13 actual priority date for the ‘215 Application. A patent application can claim priority to an earlier  
14 filed patent application, inter alia, "if [it is] filed before the patenting or abandonment of or  
15 termination of proceedings on the first application...". (35 U.S.C. § 120). Here, Shau, Lin and  
16 possibly others involved in the filing and prosecution of the ‘215 Application knew that the ‘704  
17 and ‘547 Patents had issued in 1998, approximately three years before the ‘215 Application was  
18 filed, and that a legitimate claim of priority to these patents could no longer be made.

19 86. Shau and/or his attorney Lin and/or others involved in the filing and  
20 prosecution of the application for the ‘148 Patent continued this obfuscation by filing the same  
21 false and misleading sworn declaration in the application for the ‘148 Patent, which is a  
22 continuation of the ‘215 Application.

23 87. Shau’s attorney Lin, and possibly Shau and/or others involves in the filing  
24 and prosecution of the application(s) leading to issuance of the ‘148 Patent had actual, imputed,  
25 and/or constructive knowledge that the priority claim to the ‘704 and ‘547 Patents did not  
26 comply with the Patent Laws of the United States, and at least Shau’s attorney Lin and possibly  
27 others involved in the prosecution of the ‘148 Patent knew or should have known that the  
28 USPTO “does not normally examine patent application documents to determine whether

1 applicant is in fact entitled to the right of priority” (MPEP § 201.14(b)), and that the false and  
2 misleading priority claims made in these application(s) would prevent, or substantially reduce  
3 the risk of, the USPTO Examiner using the ‘704 or ‘547 Patents as prior art against the claims  
4 thereof.

5 88. The filing of false and misleading priority claims by Shau and/or Shau’s  
6 attorney Lin and/or others on their behalf is not limited to the ‘215 Application (now U.S. Patent  
7 6,504,745, assigned to UniRAM) and the ‘148 Patent. At least U.S. Patents 6,343,045,  
8 6,404,670 and 6,563,758 – all assigned to UniRAM – also make the same false and misleading  
9 claim of priority to the already issued ‘704 and ‘547 Patents.

10 89. The false and misleading claims of priority to the ‘704 and ‘547 Patents  
11 submitted in the sworn declaration and application(s) leading to the issuance of the ‘148 Patent  
12 were made with intent to deceive or mislead the USPTO Examiner, and/or with gross negligence,  
13 and constitute fraud on the USPTO that renders the ‘148 Patent unenforceable.

14 90. This same fraud on the USPTO committed during prosecution of the ‘148  
15 Patent further renders the ‘229 Patent and other patents related to the ‘148 Patent unenforceable  
16 under the doctrine of infectious unenforceability.

#### 17 **Fifth Affirmative Defenses: Equitable Estoppel and Unclean Hands**

18 91. UniRAM is barred from recovery by the equitable doctrine of unclean  
19 hands because it has committed fraud on the USPTO in obtaining the asserted ‘148 Patent, and is  
20 using the fruits of its fraud as the basis of its claims in this action.

#### 21 **Sixth Affirmative Defenses: Statute of Limitations**

22 92. By no later than March 7, 2001, UniRAM had analyzed MoSys’s ‘720  
23 Patent, and was therefore on actual and/or constructive notice of MoSys’s memory cell  
24 technology fabricated using logic processes. As such, UniRAM knew or should have known at  
25 least by that same date that MoSys was in possession of technology that UniRAM now alleges  
26 “cannot be explained by coincidence, nor can the striking similarity of MoSys’ technology be  
27 squared with independent development.” (Amended Complaint at ¶39).

28 93. Thus, UniRAM’s trade secret misappropriation claims are barred by the

1 three year Statute of Limitations for bringing such actions, California Civil Code § 3426.6, since  
2 UniRAM waited more than three years from the time it had actual and/or constructive notice of  
3 MoSys's accused embedded memory technology before filing this lawsuit.

4 **Seventh Affirmative Defense: Claims are barred**

5 94. UniRAM's claims, including its trade secret misappropriation claims are  
6 barred by UniRAM's negligence, fault, fraud and/or inequitable conduct.

7 **Eight Affirmative Defense: Failure to state a claim**

8 95. The Amended Complaint, and each cause of action contained therein, fails  
9 to state a claim upon which relief can be granted.

10 **Ninth Affirmative Defenses: Any award must be reduced**

11 96. Without admitting that MoSys is or was at fault in any way, and solely for  
12 purposes of stating this defense, any award to UniRAM must be reduced on the basis of  
13 UniRAM's negligence, fault, fraud and/or inequitable conduct.

14 **Tenth Affirmative Defenses: Failure to mitigate**

15 97. Without admitting that MoSys is or was at fault in any way, and solely for  
16 purposes of stating this defense, any award to UniRAM must be reduced on the basis of its  
17 failure and refusal to make reasonable efforts to mitigate, minimize, or avoid any alleged  
18 damages.

19 **Eleventh Affirmative Defenses: Right to amend**

20 98. MoSys may rely upon any and all additional defenses of which MoSys  
21 becomes aware during the prosecution of this action, and specifically reserves the right to amend  
22 this Answer, as of right or with leave of this Court, for the purpose of asserting additional  
23 defenses.

24 **COUNTERCLAIMS**

25 MoSys restates and incorporates herein by reference its responses to the  
26 allegations contained in paragraphs 1 through 66 of the Amended Complaint, along with the  
27 allegations contained in above paragraphs 67 through 98 of MoSys's Affirmative Defenses.

28 By these Counterclaims, MoSys seeks a declaration that it has not infringed the

1 '229 Patent or the '148 Patent, and that the '229 Patent and the '148 Patent are invalid and  
2 unenforceable.

### 3 **The Parties**

4 1. Counterclaimant MoSys is a Delaware Corporation with its principal place  
5 of business in Sunnyvale, California.

6 2. Counterdefendant UniRAM is a California Corporation, with its principal  
7 place of business in Santa Clara, California.

### 8 **Jurisdiction**

9 3. These counterclaims arise under the patent laws of the United States, 35  
10 U.S.C. §§ 1 et seq., and the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202.

11 4. This Court has subject matter jurisdiction over these counterclaims under  
12 28 U.S.C. §§ 1331 and 1338(a).

### 13 **Existence of an Actual Controversy**

14 5. UniRAM original Complaint against MoSys alleging that UniRAM is the  
15 owner of the '229 Patent and the '148 Patent, and that MoSys infringes these patents.  
16 UniRAM's Amended Complaint makes these same allegations.

17 6. MoSys denies infringement of the '229 Patent and the '148 Patent, and  
18 disputes their validity and enforceability. Accordingly, there is a substantial and actual  
19 controversy between UniRAM and MoSys over whether the '229 Patent and the '148 Patent are  
20 valid or enforceable, and whether MoSys infringes either of these patents. MoSys seeks a  
21 judicial determination and declaration of the respective rights and duties of the parties herein.

### 22 **First Counterclaim: Declaration of Invalidity of the '229 Patent**

23 7. The claims of the '229 Patent are invalid because the claimed inventions  
24 do not satisfy the requirements of patentability under Title 35 of the United States Code,  
25 including without limitation, 35 U.S.C. §§ 101, 102, 103, 112, and/or the judicially created  
26 doctrine of double patenting.

### 27 **Second Counterclaim: Declaration of Non-infringement of the '229 Patent**

28 8. The claims of the '229 Patent are not infringed by the manufacture, sale,

offer for sale, importation into the United States, or use of any of MoSys's products or services.

**Third Counterclaim: Declaration of Invalidity of the '148 Patent**

9. The claims of the '148 Patent are invalid because the claimed inventions do not satisfy the requirements of patentability under Title 35 of the United States Code, including without limitation, 35 U.S.C. §§ 101, 102, 103, 112 and/or the judicially created doctrine of double patenting.

**Fourth Counterclaim: Declaration of Non-infringement of the '148 Patent**

10. The claims of the '148 Patent are not infringed by the manufacture, sale, offer for sale, importation into the United States, or use of any of MoSys's products or services.

**Fifth Counterclaim: Declaration of Inequitable Conduct in Obtaining the '148 Patent**

11. The '148 Patent was obtained through the inequitable conduct of committing fraud on the Patent Office, which fraud includes the intentional or gross negligent withholding of material prior art references from the USPTO Examiner and/or filing a sworn inventor's declaration including a false and misleading claim of priority to the '704 and '547 Patents. As a result of this fraud, the '148 Patent is unenforceable.

**Sixth Counterclaim: Declaration of Unenforceability of the '229 (and related) Patents**

12. The '229 Patent is related to the '148 Patent because, *inter alia*, the '229 Patent has a substantially identical specification as the '148 Patent, and claims priority to the '704 and '547 Patents, from which the '148 Patent also claims, albeit improperly, priority. Since the '148 Patent was obtained through the inequitable conduct of committing fraud on the Patent Office and is therefore unenforceable, other related patents, including but not limiting to the '229 Patent, are also be unenforceable under the infectious unenforceability doctrine.

**PRAYER FOR RELIEF**

WHEREFORE, MoSys prays for judgment as follows:

1. A judgment against, and dismissing with prejudice, UniRAM's Amended Complaint and all claims asserted against MoSys;

2. A judgment declaring that MoSys does not in any way infringe any valid claim of the '229 Patent or the '148 Patent;



3. A judgment declaring that any and all claims of the '229 Patent and the '148 Patent are invalid;

4. A judgment declaring that the ‘148 Patent was obtained through inequitable conduct by committing fraud on the USPTO, and that, as a result, the ‘148 Patent and the ‘229 Patent, along with other related patents, are unenforceable;

5. A declaration that this case is exceptional pursuant to 35 U.S.C. § 285, and an award to MoSys for its attorneys' fees and costs; and

6. Such other and further relief as the Court deems just and proper.

**DEMAND FOR JURY TRIAL**

Monolithic System Technology, Inc., demands trial by jury for all claims triable by jury pursuant to Fed. R. Civ. P. 38 and Civil L.R. 3-6(a).

DATED: April 21, 2004

BINGHAM McCUTCHEN LLP

By: s/ Mary A. Fuller  
David T. Burse  
Mary A. Fuller  
Attorneys for Defendant  
MONOLITHIC SYSTEM TECHNOLOGY, INC.

1 **PROOF OF SERVICE**

2 I am over 18 years of age, not a party to this action and employed in the County  
3 of San Mateo, California at 1900 University Avenue, East Palo Alto, California.

4 Today I served the attached:

5 **MONOLITHIC SYSTEM TECHNOLOGY, INC.'S ANSWER**  
6 **TO AMENDED COMPLAINT, AFFIRMATIVE DEFENSES,**  
**AND COUNTERCLAIMS**

7 by causing a true and correct copy of the above to be served, by Hand, on the following:

8 James Pooley, Esq.  
9 L. Scott Oliver, Esq.  
10 Marc David Peters, Esq.  
11 Anupam Sharma, Esq.  
12 Milbank, Tweed, Hadley & McCloy LLP  
13 3000 El Camino Real  
Five Palo Alto Square, 7<sup>th</sup> Floor  
Palo Alto, CA 94306-2109  
Telephone: (650) 739-7000  
Fax: (650) 739-7100

14 I declare that I am employed in the office of a member of the bar of this court at  
15 whose direction the service was made and that this declaration was executed on April 21, 2004.

16  
17 /s/  
18 Mary Frances Brewer