IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. 11-CV-00520-PAB-BNB

HEALTH GRADES, INC.,

Plaintiff,

v.

MDX MEDICAL, INC. d/b/a VITALS.COM,

Defendant.

MDX MEDICAL, INC.'S RESPONSE IN OPPOSITION TO HEALTH GRADES, INC.'S MOTION FOR LEAVE TO FILE ITS SUPPLEMENTAL RESPONSE TO MDX'S MOTION TO STRIKE HEALTH GRADES' SUPPLEMENTAL INFRINGEMENT CONTENTIONS

Defendant and Counterclaim Plaintiff MDx Medical, Inc. ("MDx"), by its undersigned counsel, files this response in opposition to Health Grades, Inc.'s ("Health Grades") Motion for Leave to File Its Supplemental Response to MDx's Motion to Strike Health Grades' Supplemental Infringement Contentions (the "Motion", Dkt. # 73).

Health Grades' proposed response should be denied because the arguments made therein are demonstrably wrong.[1]

[1] Without having obtained permission for the filing, Health Grades filed its response (Dkt. # 74). While this filing is believed to have been inappropriate, if the request for leave is denied, it is assumed that the filing will be withdrawn by Health Grades, or stricken from the docket.

Health Grades asserts that the September 22 email from counsel for MDx (Dkt. # 73-1, Exhibit A to the Motion) confirms an agreement that neither party would oppose supplements to infringement or invalidity contentions at any time. Notably, Health Grades did not submit this September 22 email, or any other document or declaration allegedly supporting its position, with its Response in Opposition to MDx's Motion to Strike (Dkt. # 71).

This Health Grades allegation is wrong:

(1) Counsel for Health Grades not only knew that MDx did not consent to the supplementation after September 22, he personally confirmed as much in writing. On October 5, counsel for Health Grades wrote: "With respect to supplementing our contentions and related document production, we would like to agree to have that completed by October 20 . . . ." He then confirmed that the parties had no agreement on this issue: "**I'm hoping that you will not object to this . . . . I realize that there is some dispute regarding supplementing the contentions.**" (Exhibit A, emphasis added; all highlighting in Exhibits added). Counsel for MDx also confirmed the next day that there was no agreement that Health Grades could supplement so late: "we have not agreed that you can supplement [the contentions] on October 7." (Exhibit B).

(2) The correspondence from counsel for MDx repeatedly confirmed since August 2 that Health Grades must supplement its infringement contentions "promptly" or MDx would take this position that any additional infringement positions would be waived. *See, e.g.*, August 2 and September 8 emails. (*See* Dkt. # 62-6, Exhibit E to MDx's Motion to Strike; Exhibit C hereto.) As confirmed in the September 22 email (Dkt. # 73-1), the offer not to contest Health Grades' supplement was withdrawn on that very day, due to Health Grades' failure to supplement.

(3) Counsel for MDx had expressly and repeatedly advised counsel for Health Grades that the MDx invalidity contentions needed no supplementation. *See, e.g.*, Exhibit D hereto. Why would MDx agree that both parties may supplement contentions at any time as Health Grades now claims, when MDx was not going to supplement the invalidity contentions?

(4) There is no writing confirming this alleged agreement that either party could supplement contentions at any time. The sentence referenced by Health Grades in the September 22 email emphasized that MDx only "may" be willing to allow the supplement and only if it receives "similar cooperation or compromise" in return (emphasis in email). There is no subsequent writing confirming that MDx later gave this agreement, because it never happened. Indeed, as show in point (1), above, both parties confirmed in writing that there was no such agreement.

(5) The "similar cooperation or compromise" referenced in the September 22 email addressed Health Grades' possible agreement that MDx could amend its answer to add an inequitable conduct defense. This is clear from the September 22 email itself – in the paragraph directly above the paragraph cited by Health Grades ("Please let us know . . . whether Health Grades will contest this motion to amend.").

(6) As confirmed in Exhibit E hereto, Health Grades refused the request of MDx for agreement to the motion to amend, thus ending any possibility of MDx reviving its offer not to contest a supplement to the infringement contentions. That is, to the extent MDx may have been willing to consider further extending its offer to allow the supplement, that possibility was ***soundly rejected by counsel for Health Grades***. *Cf. O2 Micro Int'l, Ltd. v. Monolithic Power Sys., Inc.*, 467 F.3d 1355, 1367-68 (Fed. Cir. 2006) (rejecting claim of reliance on alleged

agreement; supplemental infringement contentions stricken due to "delay in moving to amend its infringement contentions and lack of adequate explanation for this delay").

While we are reluctant to burden the court with even more paper, counsel for MDx is willing to promptly provide sworn declarations attesting to these facts, from both MDx lawyers involved, if the Court requests.

Dated: December 5, 2011

Respectfully submitted,

s:/Scott D. Stimpson

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CERTIFICATE OF SERVICE

I hereby certify that on December 5, 2011, I electronically filed the foregoing MDX MEDICAL, INC.'S RESPONSE IN OPPOSITION TO HEALTH GRADES, INC.'S MOTION FOR LEAVE TO FILE ITS SUPPLEMENTAL RESPONSE TO MDX'S MOTION TO STRIKE HEALTH GRADES' SUPPLEMENTAL INFRINGEMENT CONTENTIONS with the Clerk of Court using the CM/ECF system which will send notification of such filing to the following e-mail addresses:

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s:/ David C. Lee