


UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION

FILED-CLERK
U.S. DISTRICT COURT
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TEXAS-EASTERN
BY 

PSKS, Inc. d/b/a Kay's Kloset...Kay's Shoes;
and Toni Cochran, L.L.C., d/b/a Toni's

Plaintiffs,

v.

Leegin Creative Leather Products, Inc.

Defendant.

Civil Action No. 2:03CV-107 TJW

REPLY TO COUNTERCLAIM

Plaintiff PSKS, Inc., d/b/a/ Kay's Kloset...Kay's Shoes, ("Kay's Kloset") and in reply to the counterclaim states and alleges as follows:

1. Kay's Kloset admits the allegations of counterclaim paragraphs numbered 34 through 37.
2. In response to counterclaim paragraph numbered 38, Kay's Kloset admits the first sentence of that paragraph, and denies the second sentence.
3. Kay's Kloset denies the allegations contained in counterclaim paragraphs numbered 39 through 41.
4. In response to counterclaim paragraph numbered 42, Kay's Kloset incorporates the admissions and denials made in response to paragraphs 34 through 41, and further denies that paragraphs 31 through 33 are properly incorporated into the Counterclaim, but to the extent that they are, the allegations in those paragraphs are denied.

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5. Kay's Kloset denies the allegations contained in counterclaim paragraphs 42 through 45.

AFFIRMATIVE DEFENSES

6. Kay's Kloset affirmatively alleges and pleads that some or all of the amount sought by Leegin has been paid.

7. Kay's Kloset affirmatively alleges and pleads that some or all of Leegin's claims are barred by the equitable doctrine of estoppel.

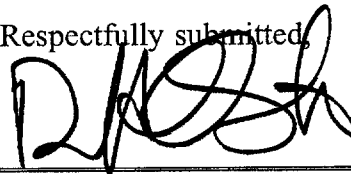
8. Kay's Kloset affirmatively alleges and pleads that some or all of Leegin's claims are barred by the equitable doctrine of laches.

9. Kay's Kloset affirmatively alleges and pleads that some or all of Leegin's claims are barred by the doctrine of accord and satisfaction.

10. Kay's Kloset affirmatively alleges and pleads that some or all of Leegin's claims are barred by the equitable doctrine of waiver.

For the foregoing reasons, the plaintiff, Kay's Kloset requests that the Court enter an order denying Leegin the relief it seeks, and granting it relief as originally requested, which such other and further relief as the Court deems appropriate.

Respectfully submitted,



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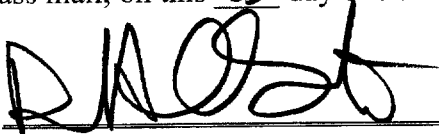
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was served on the parties listed below, by first-class mail, on this 25 day of June, 2003.



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