

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
NORFOLK DIVISION**

CIVIX-DDI, LLC,)	
)	
Plaintiff and Counter-Defendant,)	Civil Action No. 2:10-CV-00433
)	
v.)	Hon. Robert G. Doumar
)	
METROPOLITAN REGIONAL INFORMATION SYSTEMS, INC.,)	JURY TRIAL DEMANDED
)	
Defendant and Counter-Plaintiff.)	
)	
)	

ANSWER AND COUNTERCLAIMS

Defendant Metropolitan Regional Information Systems, Inc. (“MRIS”), by and through its undersigned counsel, hereby responds to the Complaint of Plaintiff CIVIX-DDI, LLC (“CIVIX”) as follows:

THE PARTIES

1. CIVIX is a Colorado limited liability company having its principal place of business at 1220 Prince Street, Alexandria, Virginia 22314.

ANSWER: MRIS is without information or knowledge sufficient to form a belief as to the truth of the allegations, and therefore denies them.

2. MRIS, headquartered in Rockville, MD, is a leading provider of real estate information technology and the largest multiple listing service in the nation. MRIS serves approximately 45,000 real estate professionals spanning the Mid-Atlantic region including Virginia and Washington D.C.

ANSWER: Admitted that (i) MRIS is headquartered in Rockville, MD, and is a leading provider of real estate information technology and a multiple listing service, and (ii) MRIS

serves real estate professionals in a region of the United States that includes portions of Virginia and Washington D.C. Whether MRIS is considered to be the largest multiple listing service in the nation and the number of real estate professionals choosing to use the MRIS multiple listing service varies from time to time. Otherwise, denied.

3. MRIS is owned by 25 DC-area Boards of Realtors including the Dulles Area Association of REALTORS®, Inc., covering Loudoun County; Fredericksburg Area Association of REALTORS® (FAAR) covering the counties of Stafford, Spottsylvania, Fredericksburg City, and Caroline County; the Greater Piedmont Area Association of REALTORS® (GPAAR) covering Fauquier and Rappahannock County; Northern Virginia Association of REALTORS® (NVAR), covering Fairfax County, Arlington, Fairfax City, Alexandria, VA; Prince William Association of REALTORS® (PWAR), covering Prince William County; and the Virginia Association of REALTORS® PAR, covering all Virginia sites.

ANSWER: MRIS admits that it is owned by the following REALTOR® associations: Anne Arundel County Association of REALTORS®, Bay Area Association of REALTORS®, Blue Ridge Association of REALTORS®, Carroll County Association of REALTORS®, Cecil County Board of REALTORS®, Historic Highlands Association of REALTORS®, Dulles Area Association of REALTORS®, Eastern Panhandle Board of REALTORS®, Frederick County Association of REALTORS®, Fredericksburg Area Association of REALTORS®, Garrett County Board of REALTORS®, Greater Baltimore Board of REALTORS®, Greater Capital Area Association of REALTORS®, Greater Piedmont Area Association of REALTORS®, Harford County Association of REALTORS®, Howard County Association of REALTORS®, Massanutten Association of REALTORS®, Mid-Shore Board of REALTORS®, Northern Virginia Association of REALTORS®, Pen-Mar Regional Association of REALTORS®,

Potomac Highlands Board of REALTORS[®], Prince George's Association of REALTORS[®], REALTOR[®] Association of Prince William, Southern Maryland Association of REALTORS[®], and Washington, DC Association of REALTORS[®]. Otherwise, denied.

4. MRIS is a leading provider of real estate information technology, and the largest multiple listing service in the nation. MRIS offers a portfolio of technology solutions, broker and agent software products for the residential and commercial real estate markets and an industry leading consumer portal, HomesDatabase.com.

ANSWER: Admitted that (i) MRIS is a leading provider of real estate information technology and a multiple listing service, and (ii) MRIS offers a portfolio of technology solutions, broker and agent software products for the residential and commercial real estate markets and an industry leading consumer portal, HomesDatabase.com. Whether MRIS is considered to be the largest multiple listing service in the nation varies from time to time. Otherwise, denied.

5. MRIS operates the homesdatabase.com website, the cie360.com website, and related URLs that provide, among other things, access to location based searching services for real estate listings in the Mid-Atlantic area, and which are regularly used throughout these areas, including in this judicial district by persons who reside in Virginia and in this district.

ANSWER: MRIS admits that it maintains a database of real estate listing information, where its subscribers can use Local Matters, Inc.'s software via the URL <http://www.homesdatabase.com> to retrieve listing information from that database pursuant to a license from Local Matters, Inc. MRIS further admits that it maintains a database of real estate listing information, where its subscribers can use Catylist Real Estate Software, Inc.'s software

via the URL <http://www.cie360.com> to retrieve listing information from that database pursuant to a license from Catylist Real Estate Software, Inc. Otherwise denied.

6. MRIS also develops, offers and provides a portfolio of database search technology tools within its Matrix, Matrix Wireless and Keystone product line. These tools are licensed to and used by MRIS' 45,000 real estate professionals spanning the Mid-Atlantic region including Virginia and this judicial district.

ANSWER: MRIS admits that it maintains a database of real estate listing information, where its subscribers can use Tarasoft Corporation's Matrix[®] and Matrix Wireless[®] products to retrieve listing information from that database pursuant to a license from Tarasoft Corporation. MRIS further admits that its subscribers can use Keystone to input and administer listing information into its database. Otherwise denied.

7. Approximately 16,000 subscribers to MRIS' Matrix and Keystone search technology tools work in this judicial district and use those tools within this judicial district.

ANSWER: MRIS admits that it has approximately 16,000 subscribers in Alexandria City, Fairfax City, Falls Church City, Manassas City, Manassas Park City, Richmond City, Accomack County, Arlington County, Caroline County, Chesterfield County, Essex County, Fairfax County, Fauquier County, Gloucester County, Goochland County, Hanover County, Henrico County, James City County, King George County, King William County, Lancaster County, Loudoun County, Middlesex County, New Kent County, Northumberland County, and Prince William County. Otherwise, denied.

8. MRIS' subscribers include some of the largest real estate brokers in Virginia including Long & Foster Real Estate Company, Weichert Realtors, and Prudential Carruthers

Realtors, each of which maintains offices in this judicial district and uses the Matrix and Keystone search technology tools in this judicial district.

ANSWER: MRIS admits that the agents of Long & Foster Real Estate, Inc., Weichert[®], and Prudential Carruthers REALTORS[®] are subscribers. MRIS further admits that these companies have offices in this judicial district, but is without information or knowledge sufficient to form a belief as to the truth of the allegations. Otherwise, denied.

9. MRIS maintains a property database of approximately 61,000 active residential listings, approximately 25% of which are residential listings for homes in this judicial district. These listings are searchable through the highly interactive location based search technology available through the HomesDatabase.com website.

ANSWER: MRIS admits that it maintains a database containing information relating to properties, with quantities of active residential listings that vary with the market and the information input maintained by its subscribers. MRIS admits that as of October 8, 2010, that database contained approximately 68,000 active residential listings. MRIS admits that approximately 12,000 of those listings are for properties located in Alexandria City, Fairfax City, Falls Church City, Manassas City, Manassas Park City, Richmond City, Accomack County, Arlington County, Caroline County, Chesterfield County, Essex County, Fairfax County, Fauquier County, Gloucester County, Goochland County, Hanover County, Henrico County, James City County, King and Queen County, King George County, King William County, Lancaster County, Loudoun County, Middlesex County, New Kent County, Northumberland County, Prince William County, and Richmond County. MRIS admits that some of this information can be retrieved through the homesdatabase.com website. Otherwise denied.

JURISDICTION AND VENUE

10. This is a complaint for patent infringement under the patent laws of the United States, Title 35 of the United States Code. This Court has original jurisdiction over the subject matter of this Complaint under 28 U.S.C. § 1338(a). Venue in this district is proper under 28 U.S.C. §§ 1400(b) and 1391 (b) and (c).

ANSWER: Admitted.

PATENT INFRINGEMENT

11. CIVIX owns full right, title and interest in and has the sole and exclusive right to enforce and has standing to sue and recover damages for infringement of U.S. Patent No. 6,385,622 (“the ’622 patent”), entitled “System and Methods for Remotely Accessing a Selected Group of Items of Interest From a Database” (Exhibit A); and U.S. Patent No. 6,415,291 (“the ’291 patent”), entitled “System and Methods for Remotely Accessing a Selected Group of Items of Interest From a Database” (Exhibit B). The ’622, and the ’291 patents ultimately derive from U.S. Patent Application No. 08 371,425, filed on January 11, 1995.

ANSWER: MRIS is without information or knowledge sufficient to form a belief as to the truth of the allegations, and therefore denies them.

12. The ’622 patent was issued by the United States Patent and Trademark Office on May 7, 2002. An Ex Parte Reexamination Certificate issued on September 22, 2009, confirming the patentability of claims 20 and 26.

ANSWER: MRIS admits that the issue date on the face of the ’622 patent is May 7, 2002, and that the issue date on the face of reexamination certificate for the ’622 patent is September 22, 2009. MRIS further admits that the reexamination certificate states that “The patentability of claims 20 and 26 is confirmed.” Otherwise denied.

13. The '291 patent was issued by the United States Patent and Trademark Office on July 2, 2002. An Ex Parte Reexamination Certificate issued on September 8, 2009, confirming the patentability of claims 8, 11-13, 16-19, 22 and 23.

ANSWER: MRIS admits that the issue date on the face of the '291 patent is July 2, 2002, and that the issue date on the face of reexamination certificate for the '291 patent is September 8, 2009. MRIS further admits that the reexamination certificate states that "The patentability of claims 8, 11-13, 16-19, 22 and 23 is confirmed." Otherwise denied.

14. MRIS has infringed at least claims 20 and 26 of the '622 patent and at least claims 8, 17, 18 and 22 of the '291 patent under 35 U.S.C. § 271(a) by making offering and using certain location-based searching systems and services through its Matrix, Matrix Wireless and Keystone technology.

ANSWER: Denied.

15. MRIS has infringed at least claims 20 and 26 of the '622 patent and at least claims 8, 17, 18 and 22 of the '291 patent under 35 U.S.C. § 271(a) by making offering and using certain location-based searching systems and services through its HomesDatabase.com and CIE360.com web sites and upon information and belief, other related URLs.

ANSWER: Denied.

16. MRIS has committed these acts of infringement throughout Virginia and other Mid-Atlantic states, including in this judicial district.

ANSWER: Denied.

17. Upon information and belief, MRIS has also actively induced third parties, including realtor members and other users of the HomesDatabase.com and CIE360.com websites and, upon information and belief, other related URLs, to infringe at least claims 20 and 26 of

the '622 patent and at least claims 8, 17, 18 and 22 of the '291 patent under 35 U.S.C. § 271(b) by providing, operating and/or promoting and assisting in the use of certain location-based searching systems which MRIS makes available through these websites.

ANSWER: Denied.

18. CIVIX has granted license and other rights under the '622 patent and the '291 patent to third parties. However, MRIS' infringing activities are not immunized by any of these licenses or other rights.

ANSWER: As to the first sentence, upon information and belief, admitted. As to the second sentence, denied.

19. Prior to this action, MRIS was aware of the '622 patent and the '291 patent, and had actual notice of CIVIX's infringement claims.

ANSWER: MRIS admits that it received a letter sent by CIVIX's counsel, the Niro, Haller & Niro law firm, on August 6, 2010, twenty-four days before filing this lawsuit, asserting that MRIS was infringing the patents-in-suit and "inviting" MRIS to negotiate with CIVIX; otherwise denied.

20. CIVIX has been injured by the infringement caused by MRIS and is entitled to damages adequate to compensate it for all the infringement that has occurred. The unlawful acts of infringement of the claims of the '622, and '291 patents by MRIS will continue unless enjoined by this Court.

ANSWER: Denied.

ANSWER TO PLAINTIFF'S PRAYER FOR REQUESTED RELIEF

MRIS denies that CIVIX is entitled to any of the relief requested in its Complaint.

DEFENDANT'S AFFIRMATIVE DEFENSES

MRIS alleges and asserts the following defenses in response to the allegations by CIVIX, undertaking the burden of proof only as to those defenses deemed affirmative defenses by law, regardless of how such defenses are denominated herein.

**FIRST AFFIRMATIVE DEFENSE
(FAILURE TO STATE A CLAIM)**

1. CIVIX fails to state a claim upon which relief may be granted.

**SECOND AFFIRMATIVE DEFENSE
(NO INFRINGEMENT)**

2. MRIS has not directly infringed, either literally or under the doctrine of equivalents, any asserted claim of the '622 or '291 patents.
3. MRIS has not actively induced infringement, or contributed to infringement, of any asserted claim of the '622 or '291 patents.
4. MRIS has not intentionally, willfully, or deliberately infringed, either literally or under the doctrine of equivalents, any asserted claim of the '622 or '291 patents.

**THIRD AFFIRMATIVE DEFENSE
(INVALIDITY)**

5. The asserted claims of the '622 and '291 patents are invalid for failing to comply with the provisions of the Patent Laws of the United States, including without limitation 35 U.S.C. §§ 101, 102, 103 and/or 112, including without limitation, for reasons set forth in MRIS' counterclaims, *infra*.

**FOURTH AFFIRMATIVE DEFENSE
(UNENFORCEABILITY DUE TO INEQUITABLE CONDUCT)**

6. The '622 and '291 patents are unenforceable due to inequitable conduct committed during the prosecution of the '622 and '291 patents, for reasons set forth in MRIS' counterclaims, *infra*.

**FIFTH AFFIRMATIVE DEFENSE
(LICENSE/EXHAUSTION)**

7. CIVIX's claims are barred because the allegedly infringing activities under the '622 and '291 patents are authorized by one or more licenses granted by CIVIX to companies that supply software products to MRIS.

8. Upon information and belief, CIVIX and Microsoft Corporation entered into a license agreement (the "CIVIX-Microsoft license") on or before 2001. Upon information and belief, this license agreement includes a license for the '622 and '291 patents.

9. Upon information and belief, CIVIX and NavTech (the "CIVIX-NavTech license") entered into a license agreement on January 18, 2000. Upon information and belief, this license agreement includes a license for the '622 and '291 patents.

10. Upon information and belief, as a Microsoft customer, MRIS has a license for the '622 and '291 patents under the CIVIX-Microsoft license.

11. Upon information and belief, CIVIX has granted a license under the '622 and '291 patents to NavTeq (previously NavTech); Microsoft utilizes NavTech services to provide services to MRIS and consequently MRIS has a license for the '622 and '291 patents under the CIVIX-NavTech license.

12. Upon information and belief, CIVIX's claims are barred by the doctrine of patent exhaustion.

**SIXTH AFFIRMATIVE DEFENSE
(ESTOPPEL/LACHES)**

13. Upon information and believe, CIVIX has had knowledge of the accused MRIS services for at least six years before instituting this lawsuit.

14. Upon information and belief, CIVIX's claims are barred, in whole or in part, by the doctrine of estoppel.

15. Upon information and belief, CIVIX's claims are barred, in whole or in part, by the doctrine of laches.

COUNTERCLAIMS FOR DECLARATORY RELIEF

Pursuant to Rule 13 of the Federal Rules of Civil Procedure, Defendant/Counter-Plaintiff MRIS alleges the following Counterclaims against Plaintiff/Counter-Defendant CIVIX:

PARTIES

1. MRIS is a corporation organized and existing under the laws of the State of Delaware, and has its principal place of business at 9707 Key West Avenue, Rockville, MD 20850.

2. Upon information and belief, CIVIX is a Colorado limited liability company having its principal place of business at 1220 Prince Street, Alexandria, VA 22314.

JURISDICTION AND VENUE

3. This is an action arising under the Federal Declaratory Judgment Act and the Patent Laws of the United States, and more particularly, under Title 28 U.S.C. §§ 2201 and 2202, and under the United States Patent Act, 35 U.S.C. §§ 1 *et seq.*

4. Subject to MRIS' affirmative defenses and denials, this Court has subject matter jurisdiction over the subject matter of the Counterclaims under 28 U.S.C. §§ 1331, 1338(a), 2201 and 2202.

5. The Court has personal jurisdiction over CIVIX because CIVIX has brought this suit for alleged patent infringement against MRIS in this Court.

6. Venue for these counterclaims is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 and 1400 because CIVIX filed this suit for alleged patent infringement against MRIS in this Court.

7. Plaintiff's actions and allegations have created a case or controversy between MRIS and CIVIX.

**FIRST COUNTERCLAIM
(DECLARATORY JUDGMENT OF NON-INFRINGEMENT)**

8. MRIS realleges and incorporates by reference paragraphs 1-7 of this Answer and Counterclaim as if fully set forth herein.

9. MRIS is not infringing, and has not infringed either directly, by active inducement, contributorily, or in any other way, any claim of the '622 or '291 patents, either literally or under the doctrine of equivalents.

10. A judicial declaration is necessary and appropriate so that MRIS may ascertain its rights regarding the '622 or '291 patents.

11. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 *et seq.*, MRIS requests a declaration of the Court that MRIS' accused products and services do not

infringe either directly, by active inducement, contributorily, or in any other, any claim of the '622 or '291 patents, either literally or under the doctrine of equivalents.

**SECOND COUNTERCLAIM
(DECLARATORY JUDGMENT OF INVALIDITY)**

12. MRIS repeats and realleges, and incorporates by reference herein, each of the allegations set forth in paragraphs 1-11 above.

13. The '622 and '291 patent claims are invalid for failing to comply with the provisions of the Patent Laws of the United States, including without limitation 35 U.S.C. §§ 101, 102, 103 and 112. Without limiting the preceding statement and by way of illustration, the '622 and '291 patents fail to meet the requisite standards of non-obviousness to a person having ordinary skill in the art related to the real estate multiple listing service industries. Further, upon information and belief, through its claims against MRIS CIVIX is seeking to extend the scope of the '622 and '291 patents to practices in the MLS industries that the patentee did not invent, that pre-date these patents, and/or that constitute prior art in the public knowledge.

14. An actual and justiciable case or controversy exists between MRIS and CIVIX as to the invalidity of the '622 and '291 patents, as evidenced by CIVIX's Complaint and MRIS' Answer to that Complaint, set forth above.

15. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 *et seq.*, MRIS requests a declaration of the Court that the '622 and '291 patents are invalid.

**THIRD COUNTERCLAIM
(DECLARATORY JUDGMENT OF LICENSE AND/OR PATENT EXHAUSTION)**

16. MRIS repeats and realleges, and incorporates by reference herein, each of the allegations set forth in paragraphs 1-15 above.

17. Upon information and belief, CIVIX's claims are barred because MRIS' allegedly infringing activities under the '622 and '291 patents are authorized by one or more licenses granted by CIVIX to companies that supply software products to MRIS.

18. Upon information and belief, CIVIX and Microsoft Corporation entered into a license agreement (the "CIVIX-Microsoft license") on or before 2001. Upon information and belief, this license agreement includes a license for the '622 and '291 patents.

19. Upon information and belief, CIVIX and NavTech (the "CIVIX-NavTech license") entered into a license agreement on January 18, 2000. Upon information and belief, this license agreement includes a license for the '622 and '291 patents.

20. Upon information and belief, as a Microsoft customer, MRIS has a license for the '622 and '291 patents under the CIVIX-Microsoft license.

21. Upon information and belief, as a Microsoft customer and/or as a NavTeq (previously NavTech) customer, MRIS has a license for the '622 and '291 patents under the CIVIX-NavTech license.

22. Upon information and belief, CIVIX's claims are barred by the doctrine of patent exhaustion.

23. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 *et seq.*, MRIS requests a declaration of the Court that MRIS is licensed under the '622 and '291 patents and/or CIVIX's rights under the '622 and '291 patents are exhausted with respect to MRIS.

**FOURTH COUNTERCLAIM
(DECLARATORY JUDGMENT OF UNENFORCEABILITY
DUE TO INEQUITABLE CONDUCT)**

24. MRIS repeats and realleges, and incorporates by reference herein, each of the allegations set forth in paragraphs 1-23 above.

25. Upon information and belief, the claims of the '622 and '291 patents ("the CIVIX patents") are unenforceable because CIVIX, W. Lincoln Bouve, William T. Semple, Steven W. Oxman, and the prosecuting attorneys, including Curtis Vock, failed to comply with their duties of candor and good faith to the United States Patent & Trademark Office ("PTO").

26. In 1998, Curtis Vock and William Semple founded CIVIX. Upon information and belief, Vock had and continues to have a financial interest in CIVIX. Upon information and belief, William Semple had and continues to have a financial interest in CIVIX.

27. The '622 and '291 patents purport to be continuations of United States Patent No. 5,682,525 ("the '525 patent") and United States Patent 6,408,307 ("the '307 patent"). CIVIX brought several actions involving the '525 patent in 1999. One lawsuit was brought in the Northern District of Illinois against Navigation Technologies Corporation ("NavTech"). Three separate lawsuits were brought in the District of Colorado against Microsoft Corporation and twenty-four other defendants.

28. Just prior to the *NavTech* litigation, NavTech attempted to provoke an interference at the PTO between itself and CIVIX by filing U.S. Patent Application No. 09/179,299 (the “Interference Application”). NavTech sought to have itself declared as the first and true inventor of certain mapping technologies described in both the Interference Application and the issued ’525 patent.

29. CIVIX and NavTech entered into a settlement agreement on January 18, 2000, settling the pending litigation and interference. The settlement agreement required NavTech to assign the Interference Application to CIVIX and provide all documentary evidence relating to the conception and reduction to practice of the Interference Application to CIVIX.

30. Upon information and belief, this evidence also related to the conception and reduction to practice of U.S. Patent No. 5,543,789 to Behr (“Behr patent”), which was the parent of the Interference Application.

31. On February 2, 1997, Mr. Semple signed a declaration that was submitted to the PTO as part of the prosecution of the ’525 patent, swearing to an earlier conception date than the Behr patent. In its Notice of Allowability, the PTO relied on Mr. Semple’s declaration in allowing the ’525 patent.

32. Upon information and belief, the Behr patent, including the dates of its conception and reduction to practice, was material to the prosecution of both the ’622 and ’291 patents. The applications which matured into the ’622 and ’291 patents were both filed on March 23, 2001.

33. The prosecution histories of the ’622 and ’291 patents contain no written evidence that CIVIX, including Mr. Vock as the prosecuting attorney, informed the PTO about the

NavTech litigation, the Interference Application, or the information CIVIX possessed regarding the dates of conception and reduction to practice of the Behr patent.

34. Upon information and belief, CIVIX intended to deceive and/or mislead the PTO by failing to disclose, or failing to disclose adequately, the NavTech litigation, the Interference Application, and information regarding the dates of conception and reduction to practice of the Behr patent to the PTO during the prosecution of the '622, and '291 patents.

35. In *CIVIX v. Microsoft Corp.*, 84 F. Supp. 2d 1132 (D. Colo. 2000), the district court granted defendants' motions for summary judgment on the issue of non-infringement of the '525 patent. The court also construed terms in the '525 patent that are present in the '622 and '291 patents as well.

36. The prosecution histories of the '622 and '291 patents contain no written evidence that CIVIX informed the PTO about the *Microsoft* litigation. For example, there is no written indication that CIVIX advised the PTO that the court had construed terms in the '525 patent that are present in the '622 and '291 patents.

37. Claim 1 of the '622 patent is nearly identical to claim 1 of the '525 patent, although it omits the limitation of "positional coordinates." The PTO initially rejected claim 1 of the '622 patent for obviousness-type double patenting, stating that

38. Claims 1-63 are essentially the same as claims 1-35 except that they recite "geographical position" instead of "geographical positional coordinates."

39. The district court in *Microsoft* found that some of the defendants did not practice the “positional coordinates” limitation of claim 1 of the ’525 patent, and granted summary judgment of non-infringement for those defendants, in part, for that reason.

40. CIVIX deleted the limitation “positional coordinates” for the purpose of claiming absolute positioning, i.e., broadening the scope of the invention recited in claim 1 of the ’525 patent.

41. CIVIX, however, including Mr. Vock, failed to disclose the court’s opinion granting defendants’ motion for summary judgment on the issue of non-infringement of the ’525 patent.

42. The Information Disclosure Statements (“IDS”) provided by CIVIX in connection with the prosecution of the ’622 and ’291 patents fail to disclose the *Microsoft* litigation.

43. CIVIX has claimed in other lawsuits that Mr. Vock discussed the *Microsoft* litigation in oral conversations with the Examiner. The written interview summaries of those oral conversations, however, do not refer to any discussion of the *Microsoft* litigation.

44. CIVIX had an opportunity to enter a written record of their alleged discussions with the Examiner into the prosecution history.

45. Upon information and belief, CIVIX, including Mr. Vock, intended to deceive and/or mislead the PTO by failing to disclose, or failing to disclose adequately, the *Microsoft* litigation to the PTO during the prosecution of the ’622 and ’291 patents.

46. In the fall of 1999, the defendants in the *Microsoft* litigation filed motions for summary judgment of patent invalidity regarding the '525 patent. Microsoft itself filed one such motion on November 5, 1999. Upon information and belief, that motion identified three specific pieces of prior art that Microsoft alleged invalidated various claims of the '525 patent. None of that prior art had been identified on any of CIVIX's previous IDSs.

47. As of June 1999, CIVIX had filed three IDSs in connection with the prosecution of the '307 patent. The first IDS, submitted to the PTO on November 10, 1997, disclosed one patent. The second IDS, submitted to the PTO on March 9, 1998, disclosed 16 patents. The third IDS, submitted to the PTO on June 1, 1999 disclosed six patents and four other documents.

48. Fifteen months after Microsoft filed its summary judgment motion, on February 8, 2001, CIVIX submitted its fourth IDS. Upon information and belief, this IDS included the Microsoft-cited prior art in what the Examiner described as "a mountain of material including approximately 244 U.S. patents, 64 published patent applications, and 290 non-patent references."

49. On August 12, 2001, after receiving CIVIX's fourth IDS, the Examiner reminded CIVIX that "[a]n applicant's duty of disclosure of material and information is not satisfied by presenting a patent examiner with 'a mountain of largely irrelevant [material] from which he is presumed to have been able...to have found the critical [material]. It ignores the real world conditions under which examiners work.'"

50. CIVIX's written response to the August 21, 2001 office action did not assist the Examiner in determining which patents, applications, and non-patent references in its IDS were

most relevant to the prosecution of the '307 patent. For example, CIVIX's response did not point out the three specific references Microsoft alleged were invalidating prior art.

51. CIVIX has claimed in other lawsuits that Mr. Vock and Mr. Semple discussed the prior art in its fourth IDS with the Examiner orally.

52. The interview summaries that are in the prosecution history of the '307 patent do not reveal any communications by CIVIX on this question of prior art. Nor is there any written record of any attempt by CIVIX to clarify (i) which of the 598 references in its fourth IDS CIVIX considered most relevant to the claimed invention, or (ii) which references the defendants in the Microsoft litigation asserted were the most relevant.

53. Upon information and belief, CIVIX had an opportunity to enter a written record into the prosecution history memorializing any alleged conversations it had with the Examiner about the prior art in its IDS.

54. In his explanation of the reasons for allowing the '307 patent, the Examiner stated that

The Applicant [sic] have also indicated that none of the references in the Information Disclosure Statement, filed on February 8, 2001, teach the fetching of spatial data from a remote database as recited in the claims.

55. In fact, a number of references in that IDS taught the fetching of spatial data from a remote database. For example, U.S. Patents Nos. 4,360,875 and 5,532,838 were both listed in the IDS filed on February 8, 2001 and both teach the fetching of spatial data from a remote database.

56. CIVIX submitted an IDS with approximately 600 references in connection with the '291 patent. This IDS was submitted on January 17, 2002.

57. CIVIX did not submit a separate IDS for the '622 patent.

58. Upon information and belief, CIVIX intended to deceive and/or mislead the PTO during the prosecution of the '622 and '291 patents when it either (i) submitted an excessive quantity of largely irrelevant material to the Examiner without informing the Examiner which material was most relevant, or (ii) submitted no IDS at all.

59. During re-examination of the '622 and '291 patents, and upon information and belief, CIVIX made affirmative misrepresentations of, and/or failed to disclose, material information to the PTO.

60. On January 21, 2009, CIVIX and its attorneys submitted a declaration in connection with both the '622 and '291 re-examination proceedings to overcome a PTO invalidity rejection (the "re-exam swear-behind declaration"). That declaration purports to describe the circumstances surrounding the claimed invention so as to establish a priority date that pre-dates a dispositive prior art reference, U.S. Patent 4,482,535 ("Hershey"). It is signed by CIVIX inventors William Semple and Lincoln Bouve.

61. By submitting the re-exam swear-behind declaration with Mr. Bouve's signature, CIVIX represented to the PTO that Mr. Bouve was competent to affirm and attest to the facts set forth in the declaration. Indeed, the last two paragraphs of the declaration read:

All statement[sic] made herein of our personal knowledge are true and all statements on information and belief are believed to be true.

We make the above statements with the knowledge that under 18 U.S.C. § 1001, willful false statements and the like, so made, are punishable by fine or imprisonment, or both, and that such willful false statements may jeopardize the validity of any associated patent application or patent issued thereon.

62. CIVIX was aware that Mr. Bouve had suffered at least two strokes, one in 1995 and one in 2002. CIVIX was also aware that, as of 2007, Mr. Bouve had suffered substantial memory loss and had difficulty speaking intelligibly.

63. The re-exam swear-behind declaration submitted in re-examination does not note any competence or capacity issues affecting Mr. Bouve or his recollection of the invention.

64. Upon information and belief, in a letter dated March 16, 2009, counsel for defendant Yahoo! in the *Hotels.com* litigation made CIVIX's re-examination counsel specifically aware of Mr. Bouve's health history and mental infirmities.

65. The prosecution history shows no written evidence that CIVIX ever informed the PTO of the unreliability of Mr. Bouve's declaration or made any attempt to withdraw the re-exam swear-behind declaration.

66. CIVIX submitted a supplemental declaration, attesting to essentially the same facts as the re-exam swear-behind declaration, dated May 8, 2009, signed only by Mr. Semple.

67. Upon information and belief, CIVIX intended to deceive and/or mislead the PTO during the re-examination of the '622 and '291 patents when it failed to disclose Mr. Bouve's diminished capacity to the PTO and attempted to hide that failure by submitting a nearly identical declaration without his signature.

68. On January 21, 2009, and again in connection with both the ‘622 and ‘291 re-examination proceedings, Mr. Semple submitted a declaration in his individual capacity, but on behalf of CIVIX, to set forth his “intent and understanding as an inventor and person of ordinary skill in the relevant art. . . concerning the meaning and use of the capitalized version of ‘Internet’ versus the non-capitalized version, ‘internet’” at the alleged time of conception.

69. According to Mr. Semple’s declaration submitted to the PTO, those two terms were used interchangeably at the time he claims to have invented the patented subject-matter:

In the early 1990s, including 1994, as the Internet was becoming more well known, it was common to use the two different versions (capitalized/non-capitalized) of the word “internet” interchangeably when making reference to the publicly accessible, global interconnection of computer networks which is today more consistently referred to using the capitalized version, “the Internet.” This is not only my opinion as an inventor and person of ordinary skill in the art, but is also consistent with and supported in literature from that period[.]

70. This position is directly at odds with the position CIVIX advanced during claim construction in its litigation against Expedia, Inc. and in its litigation against Hotels.com. Indeed, in the *Expedia* litigation, during claim construction, CIVIX argued that a distinction existed between the two terms:

The parties agree that the Court should construe “internet” as “a group of networks that have been connected by means of a common communications protocol.” The Court will adopt this construction. The parties disagree, however, on the construction of the term “Internet.” In its briefing, CIVIX argues that a distinction exists between “internet” and “Internet.”. . . Defendants, however, argue that both “internet” and “Internet” have the same construction.

71. The court ultimately agreed with CIVIX, and construed the terms differently. Relying in part on a 1994 book that Mr. Semple also cites in his “Internet declaration,” the Court construed “Internet” to mean “a system of linked computer networks, worldwide in scope, that typically is associated with using TCP/IP as a standard protocol,” and “internet” to mean “a group of networks that have been connected by means of a common communications protocol.”

72. Upon information and belief, in a letter dated March 16, 2009, counsel for defendant Yahoo! in the *Hotels.com* litigation notified CIVIX's re-examination counsel that the position CIVIX advanced to the PTO regarding the construction of "i/Internet" was exactly the opposite of the construction CIVIX had asserted in the *Expedia* and *Hotels.com* lawsuits. There is no evidence that CIVIX ever identified this inconsistency in its legal positions to the PTO or made any attempt to withdraw Mr. Semple's Internet declaration.

73. Upon information and belief, CIVIX intended to deceive and/or mislead the PTO during the re-examination of the '622 and '291 patents when it took a position at the PTO directly at odds with its positions in litigation and failed to notify the PTO of this inconsistency.

74. In his "Internet declaration" filed on January 21, 2009, and in the Supplemental Declaration filed on May 8, 2009, Mr. Semple told the PTO that he used the book THE INTERNET DIRECTORY to aid him in implementing the invention described in the specification of the patents-in-suit. Indeed, Mr. Semple admitted in, for example, paragraph 22 of his Internet declaration that his understanding of Internet protocols came from THE INTERNET DIRECTORY.

75. THE INTERNET DIRECTORY discloses a communications link comprising the Internet, as recited, for example, in claims 20 and 26 of the '291 patent.

76. CIVIX, including Mr. Vock and Mr. Semple, failed to disclose THE INTERNET DIRECTORY to the PTO during the original prosecution of each of the applications that led to the '525, '307, '622, and '291 patents.

77. Upon information and belief, CIVIX, including Mr. Vock and Mr. Semple, intended to deceive and/or mislead the PTO during the prosecution of the '622 and '291 patents when it failed to disclose THE INTERNET DIRECTORY to the Examiner.

78. By engaging in at least the foregoing acts of misrepresentation and deceit, CIVIX breached its duty of disclosure and engaged in inequitable conduct, and for at least that reason the patents-in-suit should be declared unenforceable.

79. The '291 and '622 patents are also unenforceable due to the unenforceability of the '525 patent. CIVIX filed a terminal disclaimer and accepted a shortened term for the '291 and '622 patents to expire when the '525 patent expires. Further, claim 1 of the '622 patent is identical to claim 1 of the '525 patent, except for the removal of the term "geographical positional coordinates," as noted by the Examiner. Claim 1 of the '622 patent, therefore, encompasses (and is broader than) claim 1 of the '525 patent. Similarly, claim 1 of the '291 patent encompasses claim 1 of the '622 patent. Because the USPTO allowed claims in the '291 and '622 patents that overlap those of the '525 patent, the '291 and '622 patents are not sufficiently unrelated to the '525 patent to escape unenforceability.

PRAYER FOR RELIEF

WHEREFORE, MRIS requests that this Court enter judgment in its favor and grant the following relief::

- A. Dismissal of all of CIVIX's claims in their entirety with prejudice;
- B. A declaration that CIVIX takes nothing by way of its Complaint;
- C. A declaration that MRIS does not infringe any valid and asserted claim of U.S.

Patents Nos. 6,385,622 and 6,415,291;

- D. A declaration that the asserted claims of the '622 and '291 patents are invalid;
- E. A declaration that the '622 and '291 patents are not infringed due to license or patent exhaustion;
- F. A declaration that the '622 and '291 patents are unenforceable due to inequitable conduct;
- G. An order awarding MRIS its costs pursuant to 35 U.S.C. § 284;
- H. An order finding that this is an exceptional case and awarding MRIS its reasonable attorney fees pursuant to 35 U.S.C. § 285; and
- I. An order awarding such other relief as this Court deems just and proper.

JURY DEMAND

MRIS demands a trial by jury on all issues so triable.

Dated: October 12, 2010

Respectfully submitted,

METROPOLITAN REGIONAL
INFORMATION SYSTEMS, INC.

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CERTIFICATE OF MAILING

I hereby certify that on 10/12/2010, I will electronically file the foregoing with the Clerk of Court using the CM/ECF system, which will then send a notification of such filing (NEF) to all counsel of record.

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