

EXHIBIT 2

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8 **UNITED STATES DISTRICT COURT**
9 **EASTERN DISTRICT OF CALIFORNIA**

10
11 ICONFIND INC.,
12 Plaintiffs,
13 v.
14 YAHOO! INC.,
15 Defendants.

CIVIL ACTION NO. 2:09-CV-00109-
(WBS)-(JFM)
**DEFENDANT YAHOO! INC.'S
ANSWER AND COUNTERCLAIMS
TO PLAINTIFF ICONFIND INC.'S
COMPLAINT FOR PATENT
INFRINGEMENT**
JURY TRIAL DEMANDED

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19 Defendant and Counterclaimant Yahoo! Inc. ("Yahoo!") by and through the undersigned
20 counsel answer the Complaint for Patent Infringement ("Complaint") of Plaintiff IconFind Inc.
21 ("Plaintiff") and counterclaim as follows:

22 **I. ANSWER**
23 **PARTIES**

24 1. Yahoo! admits that the Complaint purports to initiate a patent infringement action.
25 Yahoo! admits that this Court has exclusive subject matter jurisdiction over patent infringement
26 cases under 28 U.S.C. § 1338(a).

27 2. Yahoo! admits that IconFind purports to be a California corporation that has a
28 principal place of business at 1660 Drew Circle #27, Davis, California 95616.

1 **THIRD AFFIRMATIVE DEFENSE - INVALIDITY OF THE '459 PATENT**

2 The claims of the '459 Patent are invalid for failure to satisfy the Conditions for
3 Patentability set forth in Title 35 of the United States Code, including, but not limited to, 35
4 U.S.C. §§ 101, 102, 103, and 112, and the requirements of the Code of Federal Regulations.

5 **FOURTH AFFIRMATIVE DEFENSE – PROSECUTION LACHES**

6 Plaintiff's claims against Yahoo! are barred, in whole or in part, by the doctrine of
7 prosecution laches.

8 **FIFTH AFFIRMATIVE DEFENSE – PROSECUTION HISTORY ESTOPPEL**

9 Plaintiff is estopped from asserting its infringement claims under the doctrines of
10 prosecution disclaimer and/or prosecution history estoppel.

11 **SIXTH AFFIRMATIVE DEFENSE - LACHES**

12 The '459 Patent is unenforceable, in whole or in part, against Yahoo! under the doctrine of
13 laches.

14 **SEVENTH AFFIRMATIVE DEFENSE – ESTOPPEL**

15 The '459 Patent is unenforceable, in whole or in part, against Yahoo! under the doctrine of
16 estoppel.

17 **EIGHTH AFFIRMATIVE DEFENSE – WAIVER**

18 Plaintiff has waived any rights it may have had for relief from this court.

19 **NINTH AFFIRMATIVE DEFENSE – UNCLEAN HANDS**

20 Plaintiff is barred from enforcing the '459 Patent on the basis of unclean hands.

21 **TENTH AFFIRMATIVE DEFENSE – PATENT MISUSE**

22 Plaintiff is barred from enforcing the '459 Patent on the basis of patent misuse.

23 **ELEVENTH AFFIRMATIVE DEFENSE - LIMITATION ON DAMAGES AND COSTS**

24 Plaintiff's claim for relief and prayer for damages are limited by 35 U.S.C. § 285. Plaintiff
25 is barred by 35 U.S.C. § 288 from recovering costs associated with its action.

26 **TWELFTH AFFIRMATIVE DEFENSE - ADEQUATE REMEDY AT LAW**

27 Plaintiff is not entitled to injunctive relief because any alleged injury to Plaintiff is not
28 immediate or irreparable and Plaintiff has an adequate remedy at law.

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ADDITIONAL DEFENSES RESERVED

Yahoo! reserves all defenses under Rule 8 of the Federal Rules of Civil Procedure, the patent laws of the United States, and any other defenses at law or in equity that may exist now or that may be available in the future.

III. COUNTERCLAIMS

For its Counterclaims against Plaintiff, Yahoo! alleges as follows:

1. Yahoo! counterclaims against Plaintiff pursuant to the patent laws of the United States in Title 35 of the United States Code, with a specific remedy sought based upon the laws authorizing actions for declaratory judgment in the courts of the United States in 28 U.S.C. §§ 2201 and 2202, and Federal Rule of Civil Procedure 13.

THE PARTIES

2. Yahoo! is a Delaware corporation with its principal place of business in Sunnyvale, California.

3. Upon information and belief, Plaintiff is a California corporation with its principal place of business in Davis, California.

JURISDICTION AND VENUE

4. This Court has jurisdiction over these counterclaims pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201(a), and 2202.

5. This Court has personal jurisdiction over Plaintiff by virtue, *inter alia*, of Plaintiff filing a complaint in this Court.

6. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391 and 1400.

GENERAL ALLEGATIONS

7. On January 13, 2009, Plaintiff filed suit against Yahoo!, claiming infringement of the '459 Patent.

8. By virtue of the allegations of Plaintiff's Complaint in this action and Yahoo!'s Answer thereto, an actual controversy exists between Plaintiff and Yahoo! as to whether each of the claims of the '459 Patent are infringed, valid, and/or enforceable.

1 **FIRST COUNT**
2 **DECLARATION OF NON-INFRINGEMENT OF THE '459 PATENT**

3 9. Yahoo! realleges and incorporates by reference its Affirmative Defenses and
4 paragraphs 1 through 8 of its Counterclaims, inclusive, as if fully set forth herein.

5 10. Plaintiff purports to be the owner of all legal rights and interest in the '459 Patent.

6 11. Plaintiff has filed suit against Yahoo! and has alleged infringement of the '459
7 Patent by Yahoo!.

8 12. Yahoo! is not directly or indirectly infringing, and has not directly or indirectly
9 infringed, any claim of the '459 Patent; and Plaintiff is not entitled to any relief from Yahoo! for
10 any claim of infringement of the '459 Patent.

11 13. Yahoo! is entitled to a declaration that it does not and has not infringed the '459
12 Patent.

13 **SECOND COUNT**
14 **DECLARATION OF INVALIDITY OF THE '459 PATENT**

15 14. Yahoo! realleges and incorporates by reference its Affirmative Defenses and
16 paragraphs 1 through 13 of its Counterclaims, inclusive, as if fully set forth herein.

17 15. Plaintiff claims to be the owner of all legal rights and interest in the '459 Patent.

18 16. Plaintiff alleges infringement of the '459 Patent by Yahoo!.

19 17. All claims of the '459 Patent are invalid for failure to meet the Conditions for
20 Patentability set forth in Title 35 of the United States Code, including, but not limited to, 35
21 U.S.C. §§ 101, 102, 103, and 112, and the requirements of the Code of Federal Regulations; and
22 Plaintiff is entitled to no relief for any claim of infringement of the '459 Patent.

23 18. Yahoo! is entitled to a declaration that each claim of the '459 Patent is invalid.

24 **THIRD COUNT**
25 **DECLARATION OF UNENFORCEABILITY OF THE '459 PATENT**

26 19. Yahoo! realleges and incorporates by reference its Affirmative Defenses and
27 paragraphs 1 through 13 of its Counterclaims, inclusive, as if fully set forth herein.

28 20. The '459 patent is rendered unenforceable on the basis of unclean hands and patent
misuse.

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JURY DEMAND

21. Yahoo! hereby demands a jury trial on all issues and claims so triable.

PRAYER FOR RELIEF

WHEREFORE, Yahoo! prays for judgment with respect to Plaintiff's Complaint and Yahoo!'s Affirmative Defenses and Counterclaims as follows:

a. This Court enter Judgment against Plaintiff and in favor of Yahoo! on each of the claims set forth in the Complaint filed by Plaintiff and that each such claim be dismissed with prejudice;

b. This Court find and declare that Yahoo! has not directly or indirectly infringed any claim of the '459 Patent;

c. This Court find and declare that each of the claims of the '459 Patent are invalid;

d. This Court find that this is an exceptional case and award Yahoo! its attorneys' fees pursuant to 35 U.S.C. § 285 or otherwise;

e. This Court award Yahoo! its costs; and

f. This Court grant Yahoo! such other and further relief as the Court shall deem just and proper.

