

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

BENEFICIAL INNOVATIONS, INC.,

Plaintiff,

vs.

BLOCKDOT, INC., a Texas Corporation;
CAREERBUILDER, LLC., a Delaware
corporation; JABEZ NETWORKS, INC., a
Delaware corporation; DIGG, INC., a
Delaware corporation; EBAUM'S WORLD,
INC., a New York corporation; JABEZ
NETWORKS, INC., a Tennessee corporation;
JABEZ COMPANY, a New York
corporation;
WASHINGTONPOST.NEWSWEEK
INTERACTIVE COMPANY, LLC; a
Delaware Corporation; THE WEATHER
CHANNEL INTERACTIVE, INC., a Georgia
corporation,

Defendants.

CASE NO. 2:07-CV-263 (TJW/CE)

Jury Trial Demanded

**PLAINTIFF AND COUNTERDEFENDANT BENEFICIAL INNOVATION, INC.'S
REPLY TO COUNTERCLAIMS OF JABEZ NETWORKS, INC.**

Plaintiff and Counterdefendant Beneficial Innovations, Inc. ("Beneficial Innovations") hereby answers the counterclaims of Defendant and Counterclaimant Jabez Networks, Inc. ("Jabez"). The paragraphs in this reply are numbered to correspond with the paragraph numbers in Jabez' Counterclaims, which contains two paragraphs numbered 35, and two paragraphs numbered 36. All of the allegations of Jabez' Counterclaims not specifically admitted are hereby denied.

Answer to Counterclaims

The Parties

35. Plaintiff and Counterdefendant Beneficial Innovations admits the allegation contained in paragraph 35 of Jabez' Counterclaims.

36. Plaintiff and Counterdefendant Beneficial Innovations admits the allegation contained in paragraph 36 of Jabez' Counterclaims.

Jurisdiction and Venue

35. Plaintiff and Counterdefendant Beneficial Innovations admits the allegations of subject matter jurisdiction in paragraph 35 of Jabez' Counterclaims.

36. Plaintiff and Counterdefendant Beneficial Innovations admits the allegations contained in paragraph 36 of Jabez' Counterclaims.

37. Plaintiff and Counterdefendant Beneficial Innovations admits that venue is proper.

Count I

U.S. Patent No. 6,712,702

38. Paragraph 38 of Jabez' Counterclaims re-alleges and incorporates by reference the allegations of paragraphs 1-43 of Jabez' Answer and Counterclaims. Paragraphs 1-34 contain a series of denials and admissions by Jabez and do not appear to contain any allegations that call for a reply by Beneficial Innovations. Beneficial Innovations incorporates by reference its response to the allegations of paragraphs 35-37 of Jabez' Counterclaims. Except as expressly admitted, Beneficial Innovations denies each of the allegations of paragraph 38.

39. Plaintiff and Counterdefendant Beneficial Innovations admits that it is the owner of all rights, title, and interest in the '702 patent through assignment.

40. Plaintiff and Counterdefendant Beneficial Innovations admits the allegation contained in paragraph 40 of Jabez' Counterclaims.

41. Plaintiff and Counterdefendant Beneficial Innovations denies the allegations contained in paragraph 41 of Jabez' Counterclaims.

42. Plaintiff and Counterdefendant Beneficial Innovations denies the

allegations contained in paragraph 42 of Jabez' Counterclaims.

43. Plaintiff and Counterdefendant Beneficial Innovations admits that an actual and immediate justiciable controversy exists between Beneficial Innovations and Jabez.

44. Plaintiff and Counterdefendant Beneficial Innovations denies the allegations contained in paragraph 44 of Jabez' Counterclaims.

45. Plaintiff and Counterdefendant Beneficial Innovations denies the allegations contained in paragraph 45 of Jabez' Counterclaims.

Count II
U.S. Patent No. 6,183,366

46. Paragraph 46 of Jabez' Counterclaims re-alleges and incorporates by reference the allegations of paragraphs 1-45 of Jabez' Answer and Counterclaims. Paragraphs 1-34 contain a series of denials and admissions by Jabez and do not appear to contain any allegations that call for a reply by Beneficial Innovations. Beneficial Innovations incorporates by reference its response to the allegations of paragraphs 35-45 of Jabez' Counterclaims. Except as expressly admitted, Beneficial Innovations denies each of the allegations of paragraph 46.

47. Plaintiff and Counterdefendant Beneficial Innovations admits that it is the owner of all rights, title, and interest in the '366 patent through assignment.

48. Plaintiff and Counterdefendant Beneficial Innovations admits the allegation contained in paragraph 48 of Jabez' Counterclaims

49. Plaintiff and Counterdefendant Beneficial Innovations denies the allegations contained in paragraph 49 of JABEZ's Counterclaims.

50. Plaintiff and Counterdefendant Beneficial Innovations denies the allegations contained in paragraph 50 of Jabez' Counterclaims.

51. Plaintiff and Counterdefendant Beneficial Innovations admits that an actual and immediate justiciable controversy exists between Beneficial Innovations and Jabez.

52. Plaintiff and Counterdefendant Beneficial Innovations denies the allegations contained in paragraph 52 of Jabez' Counterclaims.

53. Plaintiff and Counterdefendant Beneficial Innovations denies the

allegations contained in paragraph 53 of Jabez' Counterclaims.

Prayer for Relief

Plaintiff and Counterdefendant Beneficial Innovations denies that Jabez is entitled to the relief it seeks or any relief for the allegations made in its Answer and Counterclaims. Plaintiff and Counterdefendant Beneficial Innovations requests that judgment be entered in its favor on all issues and it be awarded the appropriate damages, exceptional damages, costs, and attorneys' fees.

Demand for Jury Trial

54. Plaintiff and Counterdefendant Beneficial Innovations demands trial by jury of all issues.

Dated: October 15, 2007

Respectfully submitted,

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ATTORNEYS FOR PLAINTIFF
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served this 15th day of October, 2007, with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3). Any other counsel of record will be served by electronic mail, facsimile transmission and/or first class mail on this same date.

/s/ N. Claire Abernathy