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

PA ADVISORS, LLC,

Plaintiff,

v.

Case No. 2-07-CV-480 TJW

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GOOGLE INC., YAHOO! INC., FACEBOOK, INC., CONTEXTWEB, INC. SPECIFIC MEDIA, INC., FAST SEARCH & TRANSFER ASA, FAST SEARCH & TRANSFER, INC., AGENTARTS, INC., SEEVAST CORPORATION, PULSE 360, INC., WPP GROUP USA, INC ..: WPP GROUP PLC, AND 24/7 REAL MEDIA, INC.

Defendants.

ANSWER TO FIRST AMENDED COMPLAINT AND AFFIRMATIVE DEFENSES AND COUNTERCLAIMS OF SEEVAST CORPORATION AND PULSE 360, INC.

Defendants Seevast Corporation ("Seevast") and Pulse 360, Inc. ("Pulse 360"), for their answer to the first amended complaint:

State that they are without knowledge or information sufficient to form a 1. belief as to the truth of the allegations in paragraph 1 of the complaint.

- 2. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 2 of the complaint.
- 3. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 3 of the complaint.
- 4. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 4 of the complaint.
- 5. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 5 of the complaint.
- 6. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 6 of the complaint.
- 7. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 7 of the complaint.
- 8. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 8 of the complaint.
- 9. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 9 of the complaint.
 - 10. Admit the allegations in paragraph 10 of the complaint.
- 11. Admit that Pulse 360 is a Delaware corporation and that its agent for service is as alleged, and denies that its corporate headquarters and principal place of business is in New York City.

- 12. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 12 of the complaint.
- 13. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 13 of the complaint.
- 14. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 14 of the complaint.
- 15. Admit that this action alleges patent infringement, but deny that the action is meritorious in any respect as against Seevast or Pulse 360. The allegation as to subject matter jurisdiction is a legal conclusion to which no response is required.
- 16. Deny the allegations in paragraph 16 of the complaint as they relate to Seevast and Pulse 360, and deny knowledge or information sufficient to form a belief as to the truth of those allegations as they relate to the other defendants.
- 17. Deny the allegations in paragraph 17 of the complaint as they relate to Seevast and Pulse 360, and deny knowledge or information sufficient to form a belief as to the truth of those allegations as they relate to the other defendants.
- 18. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 18 of the complaint.
 - 19. Admit the allegations in paragraph 19 of the complaint.
- 20. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 20 of the complaint.

- 21. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 21 of the complaint.
- 22. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 22 of the complaint.
- 23. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 23 of the complaint.
- 24. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 24 of the complaint.
- 25. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 25 of the complaint.
- 26. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 26 of the complaint.
- 27. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 27 of the complaint.
 - 28. Deny the allegations in paragraph 28 of the complaint.
 - 29. Deny the allegations in paragraph 29 of the complaint.
- 30. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 30 of the complaint.

- 31. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 31 of the complaint.
- 32. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 32 of the complaint.
- 33. Deny the allegations in paragraph 33 of the complaint as they relate to Seevast and Pulse 360, and state that they are without knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to the remaining defendants.
- 34. State that they are without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 34 of the complaint.
- 35. Deny the allegations in paragraph 35 of the complaint as they relate to Seevast and Pulse 360, and state that they are without knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to the remaining defendants.
- 36. Deny the allegations in paragraph 36 of the complaint as they relate to Seevast and Pulse 360, and state that they are without knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to the remaining defendants.

<u>AFFIRMATIVE DEFENSES</u>

FIRST AFFIRMATIVE DEFENSE (Non-infringement)

37. Seevast and/or Pulse 360 have not infringed any valid claim of the '067

patent.

SECOND AFFIRMATIVE DEFENSE (Invalidity)

One or more claims of the '067 patent are invalid pursuant to 35 U.S.C. 38. §§102, 103 and/or 112.

THIRD AFFIRMATIVE DEFENSE

39. Venue is improper in this District. In the alternative, venue should be transferred to the Western or Southern District of New York, for the convenience of parties and witnesses and in the interest of justice, pursuant to 28 U.S.C. §1404(a).

COUNTERCLAIM

- 40. Plaintiff PA Advisors LLC ("PA Advisors") is a Texas limited liability company engaged in the business of patent trolling with a principal place of business located at 207 C North Washington Avenue, Marshall, Texas 75670.
- 41. This counterclaim relates directly to the claims for patent infringement asserted by plaintiff in this action. There is an actual justiciable controversy between the parties concerning the validity, enforceability, and/or scope of a patent owned and/or licensed by plaintiff, and defendants' alleged liability for infringement of that patent.

FIRST COUNTERCLAIM (Declaratory Judgment)

- 42. Seevast and Pulse 360 repeat the allegations in paragraphs 1 through 41 above.
- 43. Plaintiff has charged defendants with infringement of the '067 patent in this action. The '067 patent is void, invalid, and/or unenforceable under one or more of the following provisions: 350 U.S.C. §§102, 103, 112, and 282, and 37 C.F.R. §1.56.
- 44. Seevast and Pulse 360 deny infringement of the '067 patent. Unless Seevast and Pulse 360 are found not to have infringed the '067 patent, PA Advisors will continue to harass Seevast and Pulse 360 in the sale of their services and will continue to harass their customers.
- 45. Pursuant to 28 U.S.C. §§2201-02, Seevast and Pulse 360 are entitled to judgment declaring that they do not infringe the '067 patent and that the '067 patent is void, invalid and/or unenforceable.

Jury Demand

46. Seevast and Pulse 360 demand trial by jury of all claims in the complaint and in their counterclaims.

WHEREFORE, Seevast and Pulse 360 demand judgment:

(1) Dismissing all claims in the complaint with prejudice, finding this to be an exceptional case under 35 U.S.C. §285, and awarding Seevast and Pulse 360 their costs and expenses, including attorneys' fees, incurred in defending this action.

- (2) On the first counterclaim:
 - a. Declaring that the '067 patent is not infringed by Seevast and Pulse360 and that the patent is void, invalid and/or enforceable.
 - b. Enjoining PA Advisors, their agents, attorneys, and persons in concert or participation with them, from asserting the '067 patent against Seevast or Pulse 360 and/or against Seevast's and Pulse 360's customers.
 - c. Finding this to be an exceptional case under 35 U.S.C. §285, and awarding Seevast and Pulse 360 their costs and expenses, including attorneys' fees, incurred in bringing its counterclaims.
- (3) Awarding such other and further relief as the Court deems proper.

Dated: January 22, 2008

SEEVAST CORPORATION and PULSE 360, INC.

By: /s/ Robert J. Fluskey, Jr.
Paul I. Perlman (Admitted *pro hac vice*)

Robert J. Fluskey (Admitted pro hac vice)

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ATTORNEYS FOR DEFENDANTS SEEVAST CORPORATION and PULSE 360, INC.

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing document was filed electronically in compliance with Local Rule CV-5(a). As such, this motion was served on all counsel who have consented to electronic service, Local Rule CV-5(a)(3)(A), on this 22nd day of January, 2008.

/s/ Robert J. Fluskey, Jr.
Robert J. Fluskey, Jr.

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