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

DAID CEADCH ENGINE TOOLC LLC		
PAID SEARCH ENGINE TOOLS, LLC)	C N- 2.00 0.1
Plaintiff,)	Case No.2:08-cv-061
VS.)	
)	
GOOGLE, INC. and)	
MICROSOFT CORPORATION,)	
)	
Defendant.)	
MICROSOFT CORPORATION,)	
Counterclaim-Plaintiff,)	
Counterclann-1 lamum,)	
v.)	
)	
PAID SEARCH ENGINE TOOLS, LLC,)	
)	
Counterclaim-Defendant.)	
)	

PLAINTIFF, PAID SEARCH ENGINE TOOLS, LLC'S, REPLY TO DEFENDANT GOOGLE, INC.'S COUNTERCLAIMS

Plaintiff Paid Search Engine Tools, LLC or ("PSET"), by and through its counsel, herein replies to the numbered paragraphs of Defendant Google, Inc.'s ("Google") Counterclaims:

PARTIES

- 1. PSET admits the allegations of Paragraph 1 of the Counterclaims.
- 2. PSET admits the allegations of Paragraphs 2 of the Counterclaims.

JURISDICTION AND VENUE

- 3. PSET admits the allegations of Paragraph 3 of the Counterclaims.
- 4. PSET admits the allegations of Paragraph 4 of the Counterclaims.
- 5. PSET admits the allegations of Paragraph 5 of the Counterclaims.
- 6. PSET admits that the '450 patent was issued by the United States Patent and Trademark Office on May 6, 2006. PSET otherwise denies the allegations of Paragraph 6.
 - 7. PSET admits the allegations of Paragraph 7 of the Counterclaims.
 - 8. PSET admits the allegations of Paragraph 8 of the Counterclaims.

FIRST CAUSE OF ACTION

9. Because Paragraph 9 of the Counterclaims incorporates by reference
Paragraphs 1 through 23 of Google's answer and defenses, PSET responds herein to
Paragraphs 1 through 23 as follows: PSET denies all allegations in Paragraphs 1 through 19,
21 and 23, including any allegations incorporated by reference therein, that are not expressly admitted herein. With respect to Paragraph 20, PSET's responds that it had no obligation to mark under 35 U.S.C. \$287(a). With respect to Paragraph 22, PSET admits only that on July 5, 2000, a provisional patent application was filed to which the '450 patent claims priority listing Jon Keel as an inventor, that on December 20, 2002, the application leading to the '450 patent was filed listing the named inventors of the '450 patent; and that the Summary of Invention of the '450 patent application and claims were identical to the Summary of Invention and claims of the provisional patent application. PSET otherwise denies the allegations of Paragraphs 22 of Google's answer and defenses. PSET incorporates its answers to paragraphs 1 through 8 of Google's counterclaims as if fully set forth herein.

10. PSET denies the allegations of Paragraph 10 of the Counterclaims.

11. Because Paragraph 11 of the Counterclaims incorporates by reference

Paragraphs 1 through 23 of Google's answer and defenses, PSET incorporates its responses

set forth in Paragraph 9 as if fully set forth herein.

12. PSET denies the allegations of Paragraph 12 of the Counterclaims.

13. Because Paragraph 13 of the Counterclaims incorporates by reference

Paragraphs 1 through 23 of Google's answer and defenses, PSET incorporates its responses

set forth in Paragraph 9 as if fully set forth herein.

14. PSET denies the allegations of Paragraph 14 of the Counterclaims.

15. PSET denies the allegations of Paragraph 15 of the Counterclaims.

WHEREFORE, PSET prays for and demands the following relief:

A. That Google's Counterclaims be dismissed with prejudice and that judgment

be entered for PSET;

B. That Google take nothing by its Counterclaims;

C. That PSET be awarded its costs and attorney's fees in defending against

Google's Counterclaims; and,

D. For such other and further relief as the Court deems just and proper.

Respectfully submitted,

Dated: July 24, 2008 s/ J. Robert Chambers

S. Calvin Capshaw

State Bar No. 0378390

ccapshaw@capshawlaw.com

Elizabeth L. DeRieux

State Bar No. 24053063

ederieux@capshawlaw.com

CAPSHAW DeRIEUX, LLP

1127 Judson Road, Suite 200 P.O. Box 3999 75606-3999 Longview, TX 75601-5157 (903) 236-9800 (Telephone) (903) 236-8787 (Facsimile)

J. Robert Chambers

bchambers@whepatent.com
P. Andrew Blatt
dblatt@whepatent.com
John Paul Davis
jdavis@whepatent.com
Brett A. Schatz
bschatz@whepatent.com
WOOD, HERRON & EVANS, L.L.P.
2700 Carew Tower
441 Vine Street
Cincinnati, OH 45202-2917
(513) 241-2324 (Telephone)

Attorneys for Plaintiff
Paid Search Engine Tools, LLC

(513) 241-5960 (Facsimile)

OF COUNSEL:

Gregory M. Utter gmutter@kmklaw.com
W. Jeffrey Sefton jsefton@kmklaw.com
KEATING MUETHING & KLEKAMP PLL One East Fourth St. Suite 1400 Cincinnati, OH 45202 (513) 579-6457 (Facsimile)
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **PLAINTIFF, PAID SEARCH ENGINE TOOLS, LLC'S, REPLY TO DEFENDANT GOOGLE, INC.'S COUNTERCLAIMS** was served via the court's electronic filing system to all counsel of record this 24th day of July, 2008.

J. Robert Chambers
