

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
TYLER DIVISION**

MIRROR WORLDS, LLC

Plaintiff,

v.

APPLE INC.

Defendant.

Civil Action No. 6:08-CV-88 LED

JURY TRIAL DEMANDED

APPLE INC.

Counterclaim Plaintiff

v.

MIRROR WORLDS, LLC,
MIRROR WORLDS TECHNOLOGIES, INC.,

Counterclaim Defendants.

**MIRROR WORLDS' REPLY TO APPLE INC'S THIRD AMENDED ANSWER,
AFFIRMATIVE DEFENSES AND COUNTERCLAIMS**

Mirror Worlds, LLC ("MW") hereby responds to Apple's Third Amended Answer, Affirmative Defenses and Counterclaims Paragraphs 127-179 correspond to the paragraph numbers in Apple's counterclaims to which they respond. To the extent not expressly admitted, MW denies the allegations in Apple's counterclaims.

AFFIRMATIVE DEFENSES:

First Affirmative Defense -- Failure to State a Claim

33. Denies the allegations of paragraph 33 of Apple's Affirmative Defenses.

Second Affirmative Defense -- Noninfringement

34. Denies the allegations of paragraph 34 of Apple's Affirmative Defenses.

Third Affirmative Defense -- Patent Invalidity

35. Denies the allegations of paragraph 35 of Apple's Affirmative Defenses.

Fourth Affirmative Defense -- Laches

36. Denies the allegations of paragraph 36 of Apple's Affirmative Defenses.

Fifth Affirmative Defense -- Limitation on Damages

37. Denies the allegations of paragraph 37 of Apple's Affirmative Defenses.

Sixth Affirmative Defense -- Estoppel

38. Denies the allegations of paragraph 38 of Apple's Affirmative Defenses.

Seventh Affirmative Defense -- Lack of Standing

39. Denies the allegations of paragraph 39 of Apple's Affirmative Defenses.

Eighth Affirmative Defense -- Marking

40. Denies the allegations of paragraph 40 of Apple's Affirmative Defenses.

Ninth Affirmative Defense -- Inequitable Conduct

The Piles Article

41. Denies the allegations of paragraph 41 of Apple's Affirmative Defenses.

42. Denies the allegations of paragraph 42 of Apple's Affirmative Defenses.

43. Denies the allegations of paragraph 43 of Apple's Affirmative Defenses.

44. Denies the allegations of paragraph 44 of Apple's Affirmative Defenses.

45. Denies the allegations of paragraph 45 of Apple's Affirmative Defenses.

46. Denies the allegations of paragraph 46 of Apple's Affirmative Defenses.

47. Denies the allegations of paragraph 47 of Apple's Affirmative Defenses.

Yale Technical Report 1070

48. Denies the allegations of paragraph 48 of Apple's Affirmative Defenses.

49. Denies the allegations of paragraph 49 of Apple's Affirmative Defenses.
50. Denies the allegations of paragraph 50 of Apple's Affirmative Defenses.
51. Denies the allegations of paragraph 51 of Apple's Affirmative Defenses.
52. Denies the allegations of paragraph 52 of Apple's Affirmative Defenses.
53. Denies the allegations of paragraph 53 of Apple's Affirmative Defenses.
54. Denies the allegations of paragraph 54 of Apple's Affirmative Defenses.
55. Denies the allegations of paragraph 55 of Apple's Affirmative Defenses.
56. Denies the allegations of paragraph 56 of Apple's Affirmative Defenses.
57. Denies the allegations of paragraph 57 of Apple's Affirmative Defenses.

Yale Technical Report 1054

58. Denies the allegations of paragraph 58 of Apple's Affirmative Defenses.
59. Denies the allegations of paragraph 59 of Apple's Affirmative Defenses.
60. Denies the allegations of paragraph 60 of Apple's Affirmative Defenses.
61. Denies the allegations of paragraph 61 of Apple's Affirmative Defenses.
62. Denies the allegations of paragraph 62 of Apple's Affirmative Defenses.
63. Denies the allegations of paragraph 63 of Apple's Affirmative Defenses.
64. Denies the allegations of paragraph 64 of Apple's Affirmative Defenses.
65. Denies the allegations of paragraph 65 of Apple's Affirmative Defenses.
66. Denies the allegations of paragraph 66 of Apple's Affirmative Defenses.

The MEMOIRS Reference and Other Known Document Management Systems

67. Denies the allegations of paragraph 67 of Apple's Affirmative Defenses.
68. Denies the allegations of paragraph 68 of Apple's Affirmative Defenses.
69. Denies the allegations of paragraph 69 of Apple's Affirmative Defenses.

70. Denies the allegations of paragraph 70 of Apple's Affirmative Defenses.
71. Denies the allegations of paragraph 71 of Apple's Affirmative Defenses.
72. Denies the allegations of paragraph 72 of Apple's Affirmative Defenses.
73. Denies the allegations of paragraph 73 of Apple's Affirmative Defenses.
74. Denies the allegations of paragraph 74 of Apple's Affirmative Defenses.
75. Denies the allegations of paragraph 75 of Apple's Affirmative Defenses.
76. Denies the allegations of paragraph 76 of Apple's Affirmative Defenses.

The Workspace System

77. Denies the allegations of paragraph 77 of Apple's Affirmative Defenses.
78. Denies the allegations of paragraph 78 of Apple's Affirmative Defenses.
79. Denies the allegations of paragraph 79 of Apple's Affirmative Defenses.
80. Denies the allegations of paragraph 80 of Apple's Affirmative Defenses.
81. Denies the allegations of paragraph 81 of Apple's Affirmative Defenses.
82. Denies the allegations of paragraph 82 of Apple's Affirmative Defenses.
83. Denies the allegations of paragraph 83 of Apple's Affirmative Defenses.

The Invention Of The '227 Patent

84. Denies the allegations of paragraph 84 of Apple's Affirmative Defenses.
85. Denies the allegations of paragraph 85 of Apple's Affirmative Defenses.
86. Denies the allegations of paragraph 86 of Apple's Affirmative Defenses.
87. Denies the allegations of paragraph 87 of Apple's Affirmative Defenses.
88. Denies the allegations of paragraph 88 of Apple's Affirmative Defenses.
89. Denies the allegations of paragraph 89 of Apple's Affirmative Defenses.
90. Denies the allegations of paragraph 90 of Apple's Affirmative Defenses.

91. Denies the allegations of paragraph 91 of Apple's Affirmative Defenses.

92. Denies the allegations of paragraph 92 of Apple's Affirmative Defenses.

The Inventorship Of The '999 Patent

93. Denies the allegations of paragraph 93 of Apple's Affirmative Defenses.

94. Denies the allegations of paragraph 94 of Apple's Affirmative Defenses.

95. Denies the allegations of paragraph 95 of Apple's Affirmative Defenses.

96. Denies the allegations of paragraph 96 of Apple's Affirmative Defenses.

97. Denies the allegations of paragraph 97 of Apple's Affirmative Defenses.

98. Denies the allegations of paragraph 98 of Apple's Affirmative Defenses.

99. Denies the allegations of paragraph 99 of Apple's Affirmative Defenses.

100. Denies the allegations of paragraph 100 of Apple's Affirmative Defenses.

101. Denies the allegations of paragraph 101 of Apple's Affirmative Defenses.

102. Denies the allegations of paragraph 102 of Apple's Affirmative Defenses.

103. Denies the allegations of paragraph 103 of Apple's Affirmative Defenses.

104. Denies the allegations of paragraph 104 of Apple's Affirmative Defenses.

Existing Third Party Search Tools on Conventional Operating Systems and Scopeware

105. Denies the allegations of paragraph 105 of Apple's Affirmative Defenses.

106. Denies the allegations of paragraph 106 of Apple's Affirmative Defenses.

107. Denies the allegations of paragraph 107 of Apple's Affirmative Defenses.

108. Denies the allegations of paragraph 108 of Apple's Affirmative Defenses.

109. Denies the allegations of paragraph 109 of Apple's Affirmative Defenses.

110. Denies the allegations of paragraph 110 of Apple's Affirmative Defenses.

111. Denies the allegations of paragraph 111 of Apple's Affirmative Defenses.

112. Denies the allegations of paragraph 112 of Apple's Affirmative Defenses.
113. Denies the allegations of paragraph 113 of Apple's Affirmative Defenses.
114. Denies the allegations of paragraph 114 of Apple's Affirmative Defenses.
115. Denies the allegations of paragraph 115 of Apple's Affirmative Defenses.
116. Denies the allegations of paragraph 116 of Apple's Affirmative Defenses.
117. Denies the allegations of paragraph 117 of Apple's Affirmative Defenses.

U.S. Government Involvement in the Lifestreams Project

118. Denies the allegations of paragraph 118 of Apple's Affirmative Defenses.
119. Denies the allegations of paragraph 119 of Apple's Affirmative Defenses.
120. Denies the allegations of paragraph 120 of Apple's Affirmative Defenses.
121. Denies the allegations of paragraph 121 of Apple's Affirmative Defenses.
122. Denies the allegations of paragraph 122 of Apple's Affirmative Defenses.
123. Denies the allegations of paragraph 123 of Apple's Affirmative Defenses.
124. Denies the allegations of paragraph 124 of Apple's Affirmative Defenses.
125. Denies the allegations of paragraph 125 of Apple's Affirmative Defenses.
126. Denies the allegations of paragraph 126 of Apple's Affirmative Defenses.

COUNT ONE – UNITED STATES PATENT NO. 6,006,227

127. Admits the allegations of paragraph 127 of Apple's Counterclaims.

A. Declaration of Noninfringement

128. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-127 of Apple's Third Amended Answer, Affirmative Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 128 of Apple's Counterclaims.

129. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '227 patent, admits that MW has brought the present action against Apple alleging that Apple infringes the '227 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 129 of Apple's Counterclaims.

130 Denies the allegations of paragraph 130 of Apple's Counterclaims.

131. Denies the allegations of paragraph 131 of Apple's Counterclaims.

B. Declaration of Invalidity

132. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-131 of Apple's Third Amended Answer, Affirmative Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 132 of Apple's Counterclaims.

133. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '227 patent, admits that MW has brought the present action against Apple alleging that Apple infringes the '227 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 132 of Apple's Counterclaims.

134 Denies the allegations of paragraph 134 of Apple's Counterclaims.

135. Denies the allegations of paragraph 135 of Apple's Counterclaims.

C. Declaration of Unenforceability

136. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-135 of Apple's Third Amended Answer, Affirmative Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 136 of Apple's Counterclaims.

137. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '227 patent, admits that MW has brought the present action against Apple alleging that Apple infringes the '227 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 137 of Apple's Counterclaims.

138 Denies the allegations of paragraph 138 of Apple's Counterclaims.

139. Denies the allegations of paragraph 139 of Apple's Counterclaims.

COUNT TWO – UNITED STATES PATENT NO. 6,638,313

140. Admits the allegations of paragraph 127 of Apple's Counterclaims.

A. Declaration of Noninfringement

141. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-140 of Apple's Third Amended Answer, Affirmative Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 141 of Apple's Counterclaims.

142. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '313 patent, admits that MW has brought the present action against Apple alleging that Apple infringes the '313 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 142 of Apple's Counterclaims.

143 Denies the allegations of paragraph 143 of Apple's Counterclaims.

144. Denies the allegations of paragraph 144 of Apple's Counterclaims.

B. Declaration of Invalidity

145. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-144 of Apple's Third Amended Answer, Affirmative

Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 145 of Apple's Counterclaims.

146. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '313 patent, admits that MW has brought the present action against Apple alleging that Apple infringes the '313 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 146 of Apple's Counterclaims.

147 Denies the allegations of paragraph 147 of Apple's Counterclaims.

148. Denies the allegations of paragraph 148 of Apple's Counterclaims.

C. Declaration of Unenforceability

149. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-148 of Apple's Third Amended Answer, Affirmative Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 149 of Apple's Counterclaims.

150. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '313 patent, admits that MW has brought the present action against Apple alleging that Apple infringes the '313 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 150 of Apple's Counterclaims.

151 Denies the allegations of paragraph 151 of Apple's Counterclaims.

152. Denies the allegations of paragraph 152 of Apple's Counterclaims.

COUNT THREE – UNITED STATES PATENT NO. 6,725,427

153 Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-152 of Apple's Third Amended Answer, Affirmative

Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 153 of Apple's Counterclaims.

154. Admits the allegations of paragraph 154 of Apple's Counterclaims.

A. Declaration of Noninfringement

155. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-154 of Apple's Third Amended Answer, Affirmative Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 155 of Apple's Counterclaims.

156. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '427 patent, admits that MW has brought the present action against Apple alleging that Apple infringes the '427 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 156 of Apple's Counterclaims.

157. Denies the allegations of paragraph 157 of Apple's Counterclaims.

158. Denies the allegations of paragraph 158 of Apple's Counterclaims.

B. Declaration of Invalidity

159. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-158 of Apple's Third Amended Answer, Affirmative Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 159 of Apple's Counterclaims.

160. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '427 patent, admits that MW has brought the present action against Apple alleging that Apple infringes the '427 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 160 of Apple's Counterclaims.

161 Denies the allegations of paragraph 161 of Apple's Counterclaims.

162. Denies the allegations of paragraph 162 of Apple's Counterclaims.

C. Declaration of Unenforceability

163. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-162 of Apple's Third Amended Answer, Affirmative Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 163 of Apple's Counterclaims.

164. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '427 patent, admits that MW has brought the present action against Apple alleging that Apple infringes the '427 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 164 of Apple's Counterclaims.

165 Denies the allegations of paragraph 165 of Apple's Counterclaims.

166. Denies the allegations of paragraph 166 of Apple's Counterclaims.

COUNT FOUR – UNITED STATES PATENT NO. 6,768,999

167. Admits the allegations of paragraph 167 of Apple's Counterclaims.

A. Declaration of Noninfringement

168. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-167 of Apple's Third Amended Answer, Affirmative Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 168 of Apple's Counterclaims.

169. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '999 patent, admits that MW has brought the present action against Apple

alleging that Apple infringes the '999 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 169 of Apple's Counterclaims.

170 Denies the allegations of paragraph 170 of Apple's Counterclaims.

171. Denies the allegations of paragraph 171 of Apple's Counterclaims.

B. Declaration of Invalidity

172. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-171 of Apple's Third Amended Answer, Affirmative Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 172 of Apple's Counterclaims.

173. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '999 patent, admits that MW has brought the present action against Apple alleging that Apple infringes the '999 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 173 of Apple's Counterclaims.

174 Denies the allegations of paragraph 174 of Apple's Counterclaims.

175. Denies the allegations of paragraph 175 of Apple's Counterclaims.

C. Declaration of Unenforceability

176. Admits that Apple purports to reallege and incorporate by reference the allegations set forth in paragraphs 1-175 of Apple's Third Amended Answer, Affirmative Defenses and Counterclaims. Except as so admitted, MW denies the allegations of paragraph 176 of Apple's Counterclaims.

177. Admits that an actual and justiciable controversy exists between MW and Apple with respect to the '999 patent, admits that MW has brought the present action against Apple

alleging that Apple infringes the '999 patent, and that Apple denies that allegation. Except as so admitted, MW denies the allegations of paragraph 177 of Apple's Counterclaims.

178 Denies the allegations of paragraph 178 of Apple's Counterclaims.

179. Denies the allegations of paragraph 179 of Apple's Counterclaims.

COUNT FIVE – ALLEGED INFRINGEMENT OF U.S. PATENT NO. 6,613,101

A. The Parties

180. On information and belief, MW admits that Apple Inc. ("Apple") is a California corporation having its principal place of business in Cupertino, California. Except as so expressly admitted, MW denies the allegations in paragraph 180 of Apple's Patent Infringement Claim.

181. On information and belief, MW admits the allegations in paragraph 181 of Apple's Patent Infringement Claim.

182. This paragraph does not apply to MW against whom this claim has been dismissed, to the extent this paragraph does apply, it is denied.

B. Other Relevant Entities

183. This paragraph does not apply to MW against whom this claim has been dismissed, to the extent this paragraph does apply, it is denied.

184. This paragraph does not apply to MW against whom this claim has been dismissed, to the extent this paragraph does apply, it is denied.

185. On information and belief, MW admits that Plainfield Specialty Holdings I, Inc. ("PSH I") is a Delaware corporation and that PSH I is the sole member of Mirror Worlds, LLC. On information and belief, MW further admits that pursuant to a Patent Purchase Agreement in or around December 2007, PSH I purchased United States Patent Nos. 6,006,227; 6,638,313;

6,725,427; and 6,768,999 from Recognition Interface, LLC and that in or around March 2008, PSH I assigned those patents to Mirror Worlds, LLC. MW is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 185 of Apple's Patent Infringement Claim and, therefore, denies them.

C. Jurisdiction and Venue

186. This paragraph does not apply to MW against whom this claim has been dismissed, to the extent this paragraph does apply, it is denied.

187. This paragraph does not apply to MW against whom this claim has been dismissed, to the extent this paragraph does apply, it is denied.

188. This paragraph does not apply to MW against whom this claim has been dismissed, to the extent this paragraph does apply, it is denied.

189. This paragraph does not apply to MW against whom this claim has been dismissed, to the extent this paragraph does apply, it is denied.

D. Alleged Infringement of U.S. Patent No. 6,613,101

190. This paragraph does not apply to MW against whom this claim has been dismissed, to the extent this paragraph does apply, it is denied.

191. This paragraph does not apply to MW against whom this claim has been dismissed, to the extent this paragraph does apply, it is denied.

192. This paragraph does not apply to MW against whom this claim has been dismissed, to the extent this paragraph does apply, it is denied.

193. This paragraph does not apply to MW against whom this claim has been dismissed, to the extent this paragraph does apply, it is denied.

Respectfully submitted,

Dated: September 7, 2010

BY: /s/ Alexander Solo

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ATTORNEYS FOR
MIRROR WORLDS, LLC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document this 7th day of September, 2010, via the Court's CM/ECF system per Local Rule CV-5(a)(3).

/s/ Alexander Solo
