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12
 13 **UNITED STATES DISTRICT COURT**
NORTHERN DISTRICT OF CALIFORNIA
 14 **OAKLAND DIVISION**

15 ROTHSCHILD PATENT IMAGING LLC,

16 Plaintiff,

17 v.

18 GNOME FOUNDATION,

19 Defendant.
 20

Case No. 4:19-cv-05414-HSG

**GNOME FOUNDATION’S ANSWER,
 AFFIRMATIVE DEFENSES, AND
 COUNTERCLAIMS**

JURY TRIAL DEMANDED

Judge: Hon. Haywood S. Gilliam Jr.

1 Defendant GNOME Foundation (“GNOME”), by and through its undersigned attorneys,
2 hereby submits its Answer, Affirmative Defenses, and Counterclaims in response to the Original
3 Complaint (D.I. 1) (“Complaint”) filed by Plaintiff Rothschild Patent Imaging LLC (“RPI”).

4 **GNOME’S PRELIMINARY STATEMENT**

5 GNOME denies all the allegations of the Complaint, unless specifically admitted, and
6 respectfully states as follows:

7 **PARTIES AND JURISDICTION¹**

8 1. GNOME admits that RPI purports to bring a claim for patent infringement under
9 Title 35 of the United States Code and that RPI purports to seek injunctive relief and damages.
10 Otherwise, this paragraph calls for a legal conclusion and no further response is required.

11 2. GNOME admits that RPI purports that this Court has jurisdiction pursuant to 28
12 U.S.C. §§ 1331 and 1338(a). Otherwise, this paragraph calls for a legal conclusion and no further
13 response is required.

14 3. GNOME is without knowledge or information sufficient to form a belief as to the
15 truth of the remaining allegations asserted in this paragraph and therefore denies them.

16 4. GNOME admits that it is a California nonprofit corporation organized and operated
17 exclusively for charitable purposes within the meaning of Section 501(c)(3) of the United States
18 Internal Revenue Code. GNOME admits that it has a principal place of business at #117 21 Orinda
19 Way, Orinda, California 94563. GNOME denies the remaining allegations of this paragraph and
20 denies that service was properly effectuated.

21 5. GNOME admits that this Court has personal jurisdiction over GNOME for the
22 purposes of this litigation. GNOME denies the remaining allegations of this paragraph.

23 6. GNOME denies the allegations of this paragraph.
24
25

26 ¹ GNOME generally follows the headings set forth in the Complaint in order to simplify comparison
27 of the Complaint and the Answer. By doing so, GNOME makes no admission regarding the
28 substance of the heading or any other allegations of the Complaint, and unless otherwise stated, to
the extent that a particular heading can be construed as an allegation, GNOME specifically denies
each such allegation.

1 **VENUE**

2 7. GNOME admits that venue is proper in this District for the purposes of this
3 litigation. Otherwise, this paragraph calls for a legal conclusion and no further response is required.

4 **COUNT I**

5 **(Alleged Infringement of U.S. Patent No. 9,936,086)**

6 8. GNOME incorporates by reference its responses to paragraphs 1 to 7, as though fully
7 set forth herein.

8 9. GNOME admits that RPI purports to bring a claim under 35 U.S.C. § 271 *et seq.*

9 10. GNOME is without knowledge or information sufficient to form a belief as to the
10 truth of the allegations asserted in this paragraph and therefore denies them.

11 11. GNOME admits that the '086 patent is titled "Wireless Image Distribution System
12 and Method" and that a copy of the '086 patent is purportedly attached as Exhibit A to the
13 Complaint. GNOME denies the remaining allegations of this paragraph.

14 12. GNOME denies the allegations of this paragraph.

15 13. GNOME denies the allegations of this paragraph.

16 14. GNOME denies the allegations of this paragraph.

17 15. GNOME denies the allegations of this paragraph.

18 16. GNOME denies the allegations of this paragraph.

19 17. GNOME denies the allegations of this paragraph.

20 18. GNOME denies the allegations of this paragraph.

21 19. GNOME denies the allegations of this paragraph.

22 20. GNOME denies the allegations of this paragraph.

23 21. GNOME denies the allegations of this paragraph.

24 22. GNOME denies the allegations of this paragraph.

25 **RPI'S PRAYER FOR RELIEF**

26 GNOME denies that RPI is entitled to any relief, including the prayers set forth in its
27 Prayers for Relief.

1 **AFFIRMATIVE DEFENSES**

2 **First Affirmative Defense**

3 **(Failure to State a Claim)**

4 RPI's Complaint fails to state a claim upon which relief can be granted.

5 **Second Affirmative Defense**

6 **(Non-Infringement of the '086 Patent)**

7 RPI has alleged only direct infringement under 35 U.S.C. § 271(a) in its Complaint.
8 GNOME has not directly infringed, literally or under the doctrine of equivalents, any valid and
9 enforceable claim of the '086 patent.

10 **Third Affirmative Defense**

11 **(Invalidity of the '086 Patent)**

12 One or more claims of the '086 patent are invalid and/or unenforceable for failure to meet
13 the requirements of Title 35 of the United States Code, including without limitation Sections 101,
14 102, 103, and/or 112, for example, as being (i) directed to patent ineligible subject matter as set
15 forth in GNOME's Motion to Dismiss the Original Complaint Pursuant to Rule 12(b)(6) filed
16 concurrently herewith, (ii) invalid for lack of written description, enablement and/or indefiniteness,
17 and (iii) invalid as anticipated and/or obvious in view of at least the prior art cited during
18 prosecution of the application leading to the '086 patent and in other RPI patents and applications
19 (including abandoned applications).

20 **Fourth Affirmative Defense**

21 **(Limitation on Patent Damages)**

22 RPI's claims for damages, if any, are limited and/or barred by 35 U.S.C. §§ 268, 287 and
23 288. For example, RPI failed to comply with the marking requirements set forth in 35 U.S.C.
24 § 287, making GNOME not liable to RPI for any alleged patent infringement committed before
25 GNOME received actual notice that it was allegedly infringing the patents-in-suit.
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1 **Fifth Affirmative Defense**

2 **(License)**

3 RPI's claim is barred, in whole or in part, as a result of express or implied licenses to the
4 '086 patent at least by virtue of license agreements it has entered into with third parties.

5 **Sixth Affirmative Defense**

6 **(Exceptional Case)**

7 This is an exceptional case under 35 U.S.C. § 285, including at least because RPI has
8 asserted and continues to assert patents that it knows to be invalid and not infringed, and, thus,
9 GNOME is entitled to its attorneys' fees incurred defending against RPI's Complaint.

10 **Seventh Affirmative Defense**

11 **(No Injunctive Relief)**

12 RPI is not entitled to injunctive relief because any injury to RPI is not immediate and
13 irreparable, RPI would have an adequate remedy at law to the extent it proves injury, the balance of
14 hardships favors no injunction, and the public interest is best served by no injunction.

15 **Eighth Affirmative Defense**

16 **(No Damages)**

17 RPI's claims are barred because it has not suffered any damages as a result of GNOME's
18 alleged conduct.

19 **Ninth Affirmative Defense**

20 **(Lack of Standing)**

21 RPI's claim is barred, in whole or in part, because it lacks standing.

22 **RESERVATION OF ADDITIONAL DEFENSES**

23 GNOME reserves the right to seek leave to amend its Answer to plead additional defenses
24 and/or supplement existing defenses, as such additional or existing defenses may become apparent
25 in the course of discovery and GNOME's ongoing investigation.

1 **COUNTERCLAIMS**

2 GNOME Foundation brings the following counterclaim against Rothschild Patent Imaging
3 LLC as follows:

4 **PARTIES**

5 23. Counterclaim Plaintiff GNOME Foundation (“GNOME”) is a California nonprofit
6 corporation organized and operated exclusively for charitable purposes within the meaning of
7 Section 501(c)(3) of the United States Internal Revenue Code with a principal place of business
8 located at #117 21 Orinda Way , Orinda, California 94563.

9 24. Upon information and belief, Counterclaim Defendant Rothschild Patent Imaging
10 LLC (“RPI”) is a Texas limited liability corporation with a principal place of business at 25700
11 Interstate 45, Suite 4119, The Woodlands, Texas 77386-1364.

12 **JURISDICTION AND VENUE**

13 25. This Court has subject matter jurisdiction over GNOME’s declaratory judgment
14 claim pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, under federal
15 question jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338 and pursuant to the Patent Laws of the
16 United States, 35 U.S.C. § 101 *et seq.*, under diversity jurisdiction pursuant to 28 U.S.C. § 1332.

17 26. This Court has personal jurisdiction over RPI at least because it has submitted to the
18 jurisdiction of this Court.

19 27. Vene is proper under 28 U.S.C. §§ 1391 and 1400(b).

20 **FIRST COUNTERCLAIM**

21 **(Non-Infringement of U.S. Patent No. 9,936,086)**

22 28. Each of the foregoing paragraphs is incorporated in this First Counterclaim, as if
23 fully set forth herein.

24 29. On August 28, 2019, RPI filed its Original Complaint, alleging that it is the owner of
25 the ’086 patent.

26 30. GNOME has not infringed and is not infringing the ’086 patent, willfully or
27 otherwise, directly, contributorily or by inducement, either literally or by application of the doctrine
28 of equivalents. GNOME incorporates herein by reference its Second Affirmative Defense above.

1 31. Pursuant to 28 U.S.C. § 2201(a), and as a result of RPI's allegations of infringement
2 against GNOME, an actual and justiciable controversy has arisen and exists between GNOME and
3 RPI. GNOME is entitled to a judicial determination and declaration that it has not infringed and is
4 not infringing the '086 patent.

5 32. On information and belief, when RPI brought this action, it knew, or should have
6 known, that GNOME has not infringed and does not infringe any valid and enforceable claim of the
7 '086 patent.

8 33. This counterclaim presents exceptional circumstances within the meaning of 35
9 U.S.C. § 285, and GNOME is thus entitled to an award of its reasonable attorneys' fees.

10 **SECOND COUNTERCLAIM**

11 **(Invalidity of U.S. Patent No. 9,936,086)**

12 34. Each of the foregoing paragraphs is incorporated in this Second Counterclaim, as if
13 fully set forth herein.

14 35. On August 28, 2019, RPI filed its Original Complaint, alleging that it is the owner of
15 the '086 patent.

16 36. The '086 patent is unpatentable or invalid for failure to meet one or more of the
17 conditions of patentability or patent eligibility specified in the Patent Act, 35 U.S.C. § 101 *et seq.*,
18 including, but not limited to, the conditions of patentability or patent eligibility set forth in 35
19 U.S.C. §§ 101, 102, 103, and/or 112. GNOME incorporates herein by reference its above Third
20 Affirmative Defense and its Motion to Dismiss the Original Complaint Pursuant to Rule 12(b)(6)
21 filed concurrently herewith.

22 37. Pursuant to 28 U.S.C. § 2201(a), and as a result of RPI's allegations of infringement
23 against GNOME, an actual and justiciable controversy has arisen and exists between GNOME and
24 RPI. GNOME is entitled to a judicial determination and declaration that the '086 patent is
25 ineligible or invalid.

26 38. On information and belief, when RPI brought this action, it knew, or should have
27 known, that the '086 patent is ineligible or invalid.
28

1 39. This counterclaim presents exceptional circumstances within the meaning of 35
2 U.S.C. § 285, and GNOME is thus entitled to an award of its reasonable attorneys' fees.

3 **PRAYER FOR RELIEF**

4 WHEREFORE, GNOME prays this Court:

- 5 A. For dismissal of the Original Complaint with prejudice in its entirety;
- 6 B. For judgment in favor of GNOME and against RPI on all causes of action herein;
- 7 C. For denial of RPI's prayers for relief;
- 8 D. For GNOME's costs and attorneys' fees;
- 9 E. For preliminary and permanent injunctive relief;
- 10 F. For judgment that this is an exceptional case;
- 11 G. For prejudgment interest; and
- 12 H. For such other further relief as the Court may deem just and proper.

13 Dated: October 21, 2019

Respectfully submitted,

14 SHEARMAN & STERLING LLP

15 By: /s/ Matthew G. Berkowitz

16 Matthew G. Berkowitz

17 *Attorney for Defendant, GNOME Foundation*