|                                | 1  | CHARLENE M. MORROW (CSB No. 136411)  |                               |  |  |  |  |
|--------------------------------|----|--|-------------------------------|--|--|--|--|
|                                | 2  | cmorrow@fenwick.com<br>VIRGINIA K. DeMARCHI (CSB No. 168633)   |                               |  |  |  |  |
|                                | 3  | vdemarchi@fenwick.com<br>DAVID M. LACY KUSTERS (CSB No. 241335)<br>dlacykusters@fenwick.com<br>ERIN SIMON (CSB No. 268929) |                               |  |  |  |  |
|                                | 4  |  |                               |  |  |  |  |
|                                | 5  | esimon@fenwick.com<br>AMY HAYDEN (CSB No. 287026)  |                               |  |  |  |  |
|                                | 6  |  |                               |  |  |  |  |
|                                | 7  | Silicon Valley Center<br>801 California Street   |                               |  |  |  |  |
|                                | 8  |  |                               |  |  |  |  |
|                                | 9  | Telephone: 650.988.8500  |                               |  |  |  |  |
|                                | 10 | Facsimile: 650.938.5200  |                               |  |  |  |  |
|                                | 11 | Attorneys for Plaintiff ADOBE SYSTEMS INCORPORATED   |                               |  |  |  |  |
|                                | 12 |  |                               |  |  |  |  |
| WA W                           | 13 | UNITED STATES DISTRICT COURT   |                               |  |  |  |  |
| ATTORNEYS AT LAW MOUNTAIN VIEW | 14 | SOUTHERN DISTRICT OF CALIFORNIA  |                               |  |  |  |  |
| ATTORI                         | 15 | SAN DIEGO DIVISION   |                               |  |  |  |  |
|                                | 16 | STATE DIEGO DI VISION  |                               |  |  |  |  |
|                                | 17 | ADOBE SYSTEMS INCORPORATED,  | Case No. 3:12-cv-2342-GPC-WMC |  |  |  |  |
|                                |    | a Delaware Corporation,  | FIRST AMENDED COMPLAINT       |  |  |  |  |
|                                | 18 | Plaintiff,   | FOR DECLARATORY JUDGMENT      |  |  |  |  |
|                                | 19 | v.   | JUDGWENT                      |  |  |  |  |
|                                | 20 | SELECT RETRIEVAL, LLC, a Texas   | DEMAND FOR JURY TRIAL         |  |  |  |  |
|                                | 21 | Limited Liability Corporation,  Defendant.   | (REDACTED VERSION)            |  |  |  |  |
|                                | 22 | Defendant.   |                               |  |  |  |  |
|                                | 23 | District Adoba Cristama Incomparated ("Adoba") barabar allas f-11  |                               |  |  |  |  |
|                                | 24 | Plaintiff Adobe Systems Incorporated ("Adobe") hereby alleges as follows   |                               |  |  |  |  |
|                                | 25 | for this First Amended Complaint against Select Retrieval, LLC ("Select  |                               |  |  |  |  |
|                                | 26 |  |                               |  |  |  |  |
|                                | 27 | PARTIES  1. Disjunctiff A data in a Delawara assument in a said its antiquired place of                                    |                               |  |  |  |  |
|                                | 28 | 1. Plaintiff Adobe is a Delaware corporation with its principal place o  |                               |  |  |  |  |

CASE NO. 3:12-CV-02342-GPC-WMC

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business at 345 Park Avenue, San Jose, CA 95110.

On information and belief, Defendant Select Retrieval is a limited liability company organized under the laws of Texas with its principal place of business at 777 Enterprise Drive, Hewitt, Texas 76643.

#### JURISDICTION AND VENUE

- 3. This action is based on the patent laws of Title 35 of the United States Code, § 1 et seq., with a specific remedy sought under the Federal Declaratory Judgments Act, 28 U.S.C. §§ 2201 and 2202. An actual, substantial, and continuing justiciable controversy exists between Adobe and Select Retrieval that requires a declaration of rights by this Court.
- 4. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).
- 5. This Court has personal jurisdiction over Select Retrieval by virtue of Select Retrieval's enforcement of one of the patents that are the subject of this suit in this District against numerous entities, including Adobe customer

. See Select Retrieval, LLC v.

American Apparel, LLC et al., Case No. 3:11-cv-02158-GPC-WMC.

- 6. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 and 1400 because Select Retrieval is subject to personal jurisdiction in this judicial district and is therefore deemed to reside in this district pursuant to 28 U.S.C. § 1391(c).
- 7. Adobe maintains an office in San Diego. Adobe's San Diego operations include support for its Digital Marketing technology. In addition, Adobe acquired portions of the relevant Digital Marketing technology from entities, at least one of whom operated offices in San Diego. Accordingly, on information and belief, there are fact witnesses in this judicial district.
- Additionally, on information and belief, Adobe expects to seek 8. discovery from third-party witnesses in this judicial district. For example, United

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States Patent No. 5,241,671("'671 patent") is prior art to one of the patents-in-suit. Six of the listed inventors of the '671 patent (Harold Kester, Edwardo Munevar, Greg Bestick, Ron Carlton, Dave Maatman, and Derryl Rogers) are listed on the '671 patent as residing in this judicial district and, as such, would be subject to service of process here.

#### NOTICE OF RELATED CASES

- 9. The present action is related to Select Retrieval, LLC v. American Apparel, LLC et al., Case No. 3:11-cv-02158-GPC-WMC. In the American Apparel case, Select Retrieval sued a number of companies, including Adobe , for infringement of U.S. Patent No. 6,128,617 ("'617 licensee patent"), one of the patents at issue in the present case. Both cases involve Select Retrieval and are based on the same or similar claims, namely Select Retrieval's assertion of patent infringement by Adobe's customers. Both cases involve the same property (e.g., Select Retrieval's patent) and events (e.g., digital marketing activities which may implicate Adobe's Digital Marketing technologies). Adobe has agreed to defend and indemnify against Select Retrieval's claims in the *American Apparel* case. Select Retrieval's infringement claims in the American Apparel case have been dismissed, but the case has not yet closed.
- 10. The *American Apparel* action was originally filed in this District and is currently assigned to the Honorable Gonzalo P. Curiel.

#### FACTUAL BACKGROUND

11. Adobe develops, sells, and licenses many software programs for computers and electronic devices, including such technologies as Acrobat, Flash, and PostScript. Through its Digital Marketing business unit, Adobe also provides software and services related to merchandising and web hosting, including its Digital Marketing technology. Adobe's Digital Marketing technology includes a product offering, formerly called "Mercado," which, among other things, enables

| customers to offer search functionality on their e-commerce websites that allows       |  |  |  |  |
|--|--|--|--|--|
| visitors to refine searches based on categories such as price, color, brand, and size. |  |  |  |  |
| For some customers, the hosted merchandising technology and services run on            |  |  |  |  |
| servers controlled by Adobe and can be used by Adobe's licensees to execute            |  |  |  |  |
| online merchandising strategies. For other customers, Adobe provides software and      |  |  |  |  |
| services for a hosting solution external to Adobe.                                     |  |  |  |  |
| 12. On information and belief, Select Retrieval's business is licensing and            |  |  |  |  |
|  |  |  |  |  |

13. On information and belief, Select Retrieval purports to be the owner of U.S. Patent No. 5,953,724 ("'724 patent"). The '724 patent is entitled "Global Database Library Data Structure For Hierarchical Graphical Listing Computer Software." A copy of the '724 patent is attached as Exhibit A.

enforcement of its patents, which it does not practice.

- 14. On information and belief, Select Retrieval purports to be the owner of U.S. Patent No. 6,128,617 ("'617 patent"). The '617 patent is entitled "Data Display Software With Actions And Links Integrated With Information." A copy of the '617 patent is attached as Exhibit B.
- 15. Collectively, the '724 patent and the '617 patent will be referred to as the "patents-in-suit."

## I. SELECT RETRIEVAL HAS ACCUSED ADOBE OF SUPPLYING TECHNOLOGY THAT INFRINGES THE PATENTS-IN-SUIT

16. On September 15, 2011, Select Retrieval filed a complaint in this District ("California Action") against multiple defendants, including American Apparel, LLC; Art.com, Inc.; AutoZone, Inc.; BBCK Enterprises, Inc.; BBJ Soldco LLC; Beach Audio, Inc.; Beauty Encounter, Inc.; Blue Ribbon Motoring, LLC; Boot Barn, Inc.; Build.com, Inc.; Buy.com, Inc.; Cost Plus, Inc.; Costume Craze, LLC; Drill Spot, LLC; eBay Inc.; Everything Furniture Inc.; FC Organizational Products, LLC d/b/a FranklinCovey Co.; Fredericks of Hollywood Stores, Inc.; Guess ?, Inc.; HauteLook, Inc.; Pacific Sunwear of California Inc.; Patagonia, Inc.;

| 1  | PETCO Animal Supplies Inc.; Road Runner Sports Inc.; Sheet Music Plus, LLC;          |  |  |  |  |
|----|--|--|--|--|--|
| 2  | Shutterfly, Inc.; Skechers U.S.A., Inc.; Sonic Electronix, Inc.; The Gap, Inc.; Tiny |  |  |  |  |
| 3  | Prints, Inc.; Tool King LLC; U.S. Auto Parts Network, Inc. d/b/a USAPN, Inc.;        |  |  |  |  |
| 4  | West Marine Products, Inc.; and Wine.com, Inc.                                       |  |  |  |  |
| 5  | is a licensee of the Adobe Digital Marketing technology.                             |  |  |  |  |
| 6  | Select Retrieval's claims against all defendants in the California Action have been  |  |  |  |  |
| 7  | dismissed, but the case has not yet closed.  |  |  |  |  |
| 8  | 17. The California Action is not the only litigation Select Retrieval has            |  |  |  |  |
| 9  | filed on the patents-in-suit. On June 2, 2011, Select Retrieval filed a complaint in |  |  |  |  |
| 10 | the Northern District of Illinois ("Illinois Action") against multiple defendants,   |  |  |  |  |
| 11 | including ABT Electronics, Inc.; Ace Hardware Corp.; Action Village, LLC;            |  |  |  |  |
| 12 | Calumet Photographic, Inc.; Chelsea & Scott, Ltd.; Euromarket Designs, Inc., d/b/s   |  |  |  |  |
| 13 | Crate and Barrel; Fansedge Inc.; OfficeMax, Inc.; OpticsPlanet, Inc.; Sears          |  |  |  |  |
| 14 | Holdings Corp.; Walgreen Co.; Whitney Automotive Group, Inc.; W.W. Grainger,         |  |  |  |  |
| 15 | Inc.; and ULTA Salon, Cosmetics & Fragrance, Inc. The only remaining                 |  |  |  |  |
| 16 | defendants in the Illinois Action are  |  |  |  |  |
| 17 | , both of whom are licensees of the Adobe Digital                                    |  |  |  |  |
| 18 | Marketing technology.  |  |  |  |  |
| 19 | 18. On August 15, 2011, Select Retrieval filed a complaint in the Middle             |  |  |  |  |
| 20 | District of Florida ("Florida Action") against multiple defendants, including Aqua   |  |  |  |  |
| 21 | Superstore, Inc.; Belk Ecommerce, LLC; Benchmark Brands, Inc.; Chico's FAS           |  |  |  |  |
| 22 | Inc.; ivgStores, LLC; Lowe's Companies, Inc.; Lumber Liquidators, Inc.; Market       |  |  |  |  |
| 23 | America, Inc.; RoomsToGo.com, Inc.; The Home Depot Inc.; Thompson and                |  |  |  |  |
| 24 | Company of Tampa Inc.; V. F. Corporation; Vitacost.com, Inc.; and Winchester         |  |  |  |  |
| 25 | Carpet & Rug Company.  |  |  |  |  |
| 26 | Florida Action, is a licensee of the Adobe Digital Marketing technology. The         |  |  |  |  |
| 27 | Florida Action has been dismissed.   |  |  |  |  |

19.

On September 13, 2011, Select Retrieval filed a complaint in the

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district of Delaware ("First Delaware Action") against multiple defendants,
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    including AmeriMark Direct LLC; Ann Inc.; BabyAge.com, Inc.;
    BarnesandNoble.com LLC; Barneys New York, Inc.; BJ's Wholesale Club, Inc.;
 3
    Bulbs.com Incorporated; Cabela's Incorporated; CPA2Biz, Inc.; Crocs, Inc.;
 4
    Wayfair LLC; Dell, Inc.; Dick's Sporting Goods, Inc.; Dillard's, Inc.; Eastern
 5
    Mountain Sports, Inc.; eBags, Inc.; Express, LLC; GNC Holdings, Inc.; Green
 6
    Mountain Coffee Roasters, Inc.; Hanover Direct, Inc.; Ice.com, Inc.; J&P Cycles,
    LLC; Karmaloop, Inc.; Liberty Media Corporation; Liquidity Services, Inc.;
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 9
    Macy's, Inc.; NBA Media Ventures, LLC; NFL Enterprises, LLC; NHL
    Enterprises, LP; Oriental Trading Company, Inc.; Overstock.com, Inc.; PC Mall,
10
    Inc.; PetSmart, Inc.; Quidsi, Inc.; Ritz Interactive, Inc.; Scholastic Corporation;
11
    Shoebuy.com, Inc.; SkyMall, Inc.; Staples, Inc.; Systemax, Inc.; Tech for Less,
12
    LLC; Buckle, Inc.; The Sports Authority, Inc.; Tiffany & Co.; Toys "R" Us, Inc.;
13
    VS Holdings, Inc.; Wal-Mart Stores, Inc.; Philips Electronics North America
14
    Corporation; LG Electronics USA, Inc.; Sharp Electronics Corporation;
15
    1800Mattress.com, LLC; 3balls.com, Inc.; American Greetings Corporation; B&H
16
17
    Foto & Electronics Corp.; Bluefly, Inc.; Charming Shoppes, Inc.; Christian Book
    Distributors, LLC; CompSource, Inc.; Decorative Product Source, Inc.; Foot
18
    Locker, Inc.; Hayneedle, Inc.; Henry Modell & Company, Inc.; Kenneth Cole
19
    Productions, Inc.; L.L. Bean, Inc.; Luxi Group, LLC; Nebraska Furniture Mark,
20
    Inc.; Paragon Sporting Goods Co., LLC; PC Connection, Inc.; Public Broadcasting
21
    Service; Redcats USA, Inc.; Robert E. Axelrod Associates, Inc.; Ross-Simons, Inc.;
22
    Brown Shoe Company, Inc.; TABcom, LLC; Toolfetch, LLC; Under Armour, Inc.;
23
    Ellison Systems, Inc. d/b/a Shoplet.com; Star Creations, Inc. d/b/a AJ Madison; J &
24
    R Electronics Inc.; and New Moosejaw, LLC. Five of the named defendants in the
25
    First Delaware Action are licensees of the Adobe Digital Marketing technology:
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| 1  | . Only one other non-Adobe licensee remains in the                                      |  |  |
|----|---|--|--|
| 2  | First Delaware Action. The First Delaware Action is still pending.                      |  |  |
| 3  | 20. On September 14, 2011, Select Retrieval filed a complaint in the                    |  |  |
| 4  | District of Oregon ("Oregon Action") against multiple defendants, including Altred      |  |  |
| 5  | Inc.; Adidas America, Inc.; Adidas AG; Amazon.com, Inc.; Bag Borrow or Steal,           |  |  |
| 6  | Inc.; Costco Wholesale Corporation; Evolucion Innovations, Inc.; iStores, Inc.;         |  |  |
| 7  | Motorcycle Superstore, Inc.; Musician's Friend, Inc.; Nordstrom, Inc.; Oakley, Inc.     |  |  |
| 8  | Sierra Trading Post Inc.; Sur La Table, Inc.; Gerler and Son, Inc.; Huppin's Hi-Fi      |  |  |
| 9  | Photo & Video, Inc.; drugstore.com, Inc.; Harry and David Holdings, Inc.; and T-        |  |  |
| 10 | Mobile USA, Inc. , two of the   |  |  |
| 11 | named defendants in the Oregon Action, are licensees of the Adobe Digital               |  |  |
| 12 | Marketing technology. The Oregon Action has been dismissed.                             |  |  |
| 13 | 21. On January 6, 2012, Select Retrieval filed a complaint in the District              |  |  |
| 14 | of Maine ("Maine Action") against L.L. Bean, Inc. is a licensee of the                  |  |  |
| 15 | Adobe Digital Marketing technology. The Maine Action has been stayed pending            |  |  |
| 16 | resolution of this action.  |  |  |
| 17 | 22. On November 9, 2012, Select Retrieval filed a complaint in the                      |  |  |
| 18 | District of Delaware ("Second Delaware Action") against MotoSport, Inc.                 |  |  |
| 19 | is a licensee of the Adobe Digital Marketing technology. The Second                     |  |  |
| 20 | Delaware Action has been dismissed.   |  |  |
| 21 | 23. Select Retrieval alleges that   |  |  |
| 22 | , all of whom are   |  |  |
| 23 | Adobe licensees (collectively, the "Adobe Licensees"), infringe the '617 patent "by     |  |  |
| 24 | making, using, owning, operating, and/or maintaining one or more websites that          |  |  |
| 25 | embody the inventions claimed in the '617 Patent."                                      |  |  |
| 26 | 24. Select Retrieval has also alleged that infringes the '724                           |  |  |
| 27 | patent "by making, using, selling, offering for sale or license, advertising and/or     |  |  |
| 28 | importing in the United States, including within this judicial district, their products |  |  |

| and services on the Internet using methods or instrumentalities that embody the      |  |  |  |  |  |
|--|--|--|--|--|--|
| inventions claimed in the '724 Patent." In an amended complaint filed on             |  |  |  |  |  |
| September 14, 2011, Select Retrieval omitted allegations related to the '724 patent. |  |  |  |  |  |
| Select Retrieval has refused to give , Adobe, or any of the other Adobe              |  |  |  |  |  |
| Licensees (other than  |  |  |  |  |  |
| 25. Select Retrieval has asserted in a publicly filed pleading in this District      |  |  |  |  |  |
| that Adobe and another manufacturer (Endeca) provide the technology that             |  |  |  |  |  |
| infringes the '617 patent:   |  |  |  |  |  |
| II ' C 4' 11 1' C [C 1 4 D 4 ' 11 4 4 1 4 1 4  |  |  |  |  |  |

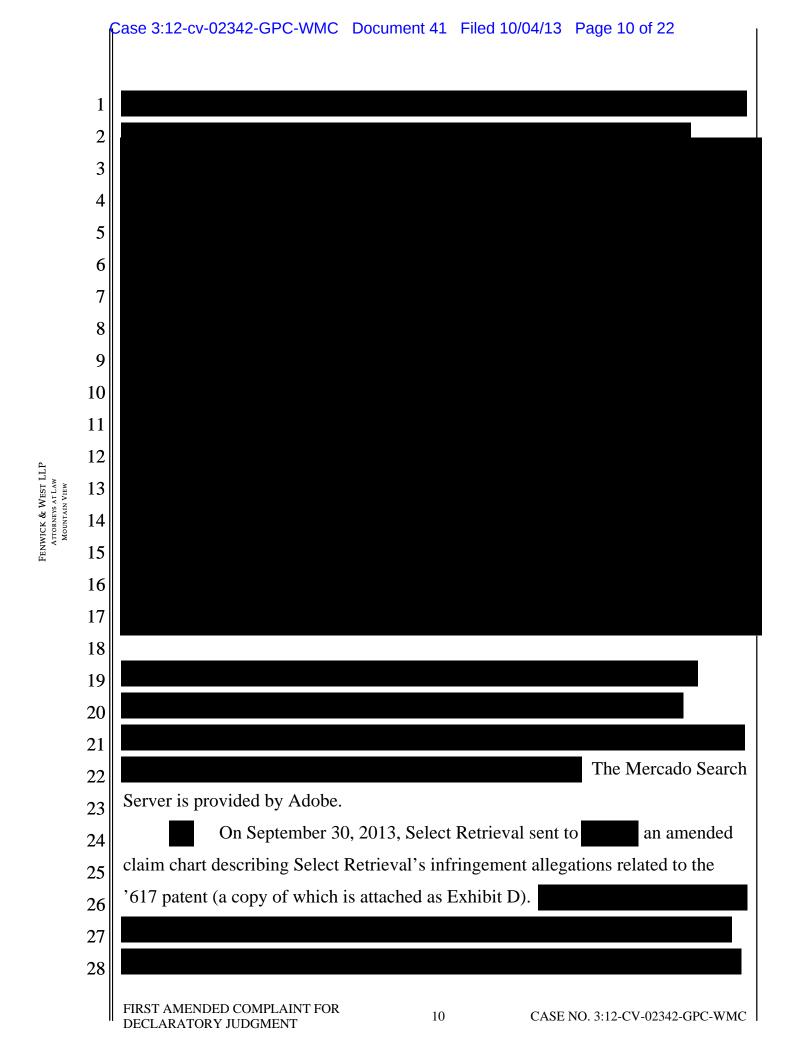
Upon information and belief, [Select Retrieval] contends that discovery will show that many of the defendants in this action employ overlapping vendors and/or suppliers of the infringing functionality used on their websites. Upon information and belief, such vendors and/or suppliers include, but are not limited to, Endeca and Adobe Omniture.

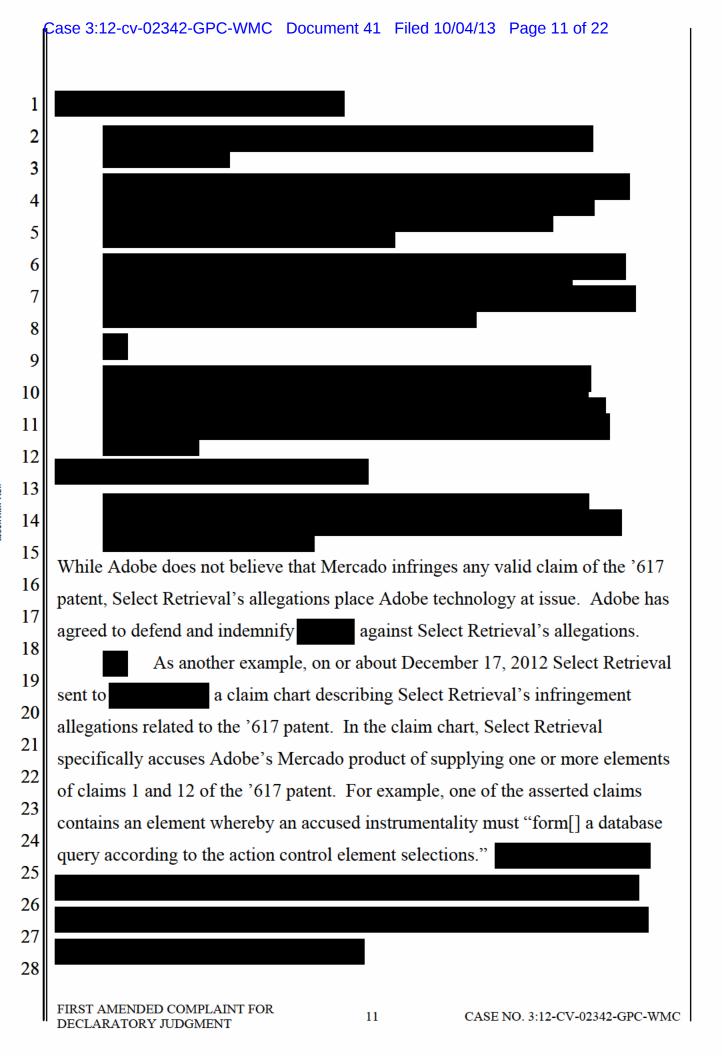
Plaintiff Select Retrieval, LLC's Response to Defendants' Motion to Dismiss at 14, Select Retrieval, LLC v. American Apparel, LLC et al., Case No. 3:11-cv-02158-GPC-WMC (S.D. Cal. Feb. 7, 2013) ECF No. 138 (emphasis added). Omniture was a previous name of the Adobe business unit that includes Adobe's Digital Marketing technologies such as the Mercado product.

26. Additionally, the Adobe Licensees provided to Adobe copies of the allegations made against them by Select Retrieval, represented that these allegations are based on customer use of the Adobe Digital Marketing technology, and requested defense and indemnity from Adobe. For example, requested indemnity from Adobe, stating, "[P]aragraph 45 of the second amended Complaint [in the California Action] contains specific allegations which clearly trigger Adobe's indemnification obligations to Paragraph 45 of the second amended Complaint in the California Action states:

The '617 Patent covers a method and/or system that enable search functions and data retrieval, including website features such as category and feature based product searches. Such data retrieval is achieved by increasingly refined searches the mation about the productive sells on its website.

| 1<br>2<br>3 | website provides the progressively refined search functionality ing infringing methods and/or systems so that its users and/or customers have the ability to select from a series of categories, options, and/or other product features such as, but not limited to, product and/or information type, price, color, brand, and size. |  |  |  |  |
|-------------|--|--|--|--|--|
| 4           | Second Amended Complaint at 11, Select Retrieval, LLC v. American Apparel,   |  |  |  |  |
| 5           | LLC et al., Case No. 3:11-cv-02158-GPC-WMC (S.D. Cal. Apr. 2, 2012) ECF No.  |  |  |  |  |
| 6           | 169. Adobe's Digital Marketing technology as used by   |  |  |  |  |
| 7           | the ability to refine searches based on categories such as price, color, brand, and  |  |  |  |  |
| 8           | size. While Adobe does not believe that its Digital Marketing technologies infring   |  |  |  |  |
| 9           | any valid claim of the '617 patent, Select Retrieval's and   |  |  |  |  |
| 10          | allegations place Adobe's technology in issue. Adobe has agreed to defend and  |  |  |  |  |
| 1           | indemnify against Select Retrieval's allegations.  |  |  |  |  |
| 12          | 27. As another example, in or about July 2012 Select Retrieval sent to   |  |  |  |  |
| 13          | a claim chart describing Select Retrieval's infringement allegations   |  |  |  |  |
| ا4          | related to the '617 patent. In the claim chart, Select Retrieval states that "product  |  |  |  |  |
| 15          | features or categories" on website are "action control elements"   |  |  |  |  |
| 16          | claimed in the '617 patent. On information and belief, uses Adobe's  |  |  |  |  |
| ا7          | Digital Marketing technology in the display of the challenged product features or  |  |  |  |  |
| 18          | categories. While Adobe does not believe that its technology infringes any valid   |  |  |  |  |
| 19          | claim of the '617 patent, Select Retrieval's allegations place Adobe technology at   |  |  |  |  |
| 20          | issue. Adobe has agreed to defend and indemnify against Select   |  |  |  |  |
| 21          | Retrieval's allegations.   |  |  |  |  |
| 22          | As another example, on or about December 17, 2012 Select Retrieval   |  |  |  |  |
| 23          | sent to a claim chart describing Select Retrieval's infringement allegations   |  |  |  |  |
| 24          | related to the '617 patent. In the claim chart, Select Retrieval specifically accuses  |  |  |  |  |
| 25          | Adobe's Mercado product of supplying one or more elements of claims 1 and 12 or  |  |  |  |  |
| 26          | the '617 patent. For example, asserted claim 1 recites that the accused  |  |  |  |  |
| 27          | instrumentality must "form[] a database query according to the action control  |  |  |  |  |
| , ,         | element selection "  |  |  |  |  |





FENWICK & WEST LLP

While Adobe does not believe that Mercado infringes any valid claim of the '617 patent, Select Retrieval's allegations place Adobe technology at issue. Adobe has agreed to defend and indemnify against Select Retrieval's allegations.

- 32. In each of its actions against the Adobe Licensees, Select Retrieval identifies Adobe's Digital Marketing technologies, such as Mercado, as providing essential limitations of the '617 patent, particularly back-end technology for querying a database. Adobe's Digital Marketing technologies, such as Mercado, do not meet this, or any other limitation, of the '617 patent. In the Illinois, Maine, and First Delaware Actions, all of the defendants except one are Adobe Licensees. Select Retrieval's allegations in those actions are focused on the methods used by the Adobe Licensees.
- 33. Adobe has agreed to defend and indemnify all of the Adobe Licensees Select Retrieval has accused of infringing the '617 patent.

## II. COURTS HAVE HELD THAT ADOBE HAS A SUBSTANTIAL INTEREST IN SELECT RETRIEVAL'S INFRINGEMENT CLAIMS

- 34. After Adobe agreed to defend and indemnify the Adobe Licensees, two district courts have held that Adobe has a "substantial" or "protectable" interest in Select Retrieval's allegations regarding infringement of the '617 patent.<sup>1</sup>
- 35. In the Maine Action, the district court held that "[b]ecause Adobe's technology drives L.L. Bean's site navigation, and because it is this technology which is alleged to infringe Select Retrieval's patent, and because Adobe has acknowledged an obligation to defend and indemnify L.L. Bean, Adobe has established a substantial interest in this litigation." Order on Adobe's Motion to Intervene and Stay at 5–6, *Select Retrieval*, *LLC* v. L.L. Bean, *Inc.*, Case No. 2:12-

Two courts held that Adobe did not have a significant protectable interest in Select Retrieval's allegations of infringement of the '617 patent, but both decisions were issued *before* Adobe filed notices advising the court that it had agreed to defend and indemnify the Adobe Licensees.

cv-00003-NT (D. Me. Mar. 15, 2013) ECF No. 42.

36. In the First Delaware Action, the U.S. District Court held:

Deciding how much of Adobe's technology is at issue is not an easy issue. On the other hand, at oral argument, Plaintiff did not dispute that Adobe had a duty to defend and indemnify its five clients. (D.I. 636, at 35). (Adobe's lawyers were then representing four of the five clients. I believe they are now representing all five.). The fact that Adobe has acknowledged its duty to defend and indemnify is a fairly strong indicator that its technology is indeed at issue in these cases. Further, the fact that these five Adobe clients (as well as at least four more Adobe clients in the four related cases) all are alleged to infringe the patent suggests that Adobe's technology may be the common link that provides a basis to believe each of the nine or more companies infringes the patent. Thus, I do not think it is necessary to delve into the technology here to conclude that Adobe does have a significant protectable interest.

Memorandum Order at 2–4, *Select Retrieval, LLC v. AmeriMark Direct, LLC et al.*, Case No. 1:11-cv-00812-RGA (D. Del. Jul. 3, 2013) ECF No. 663.

# III. THERE IS AN ACTUAL CONTROVERSY OF SUFFICIENT IMMEDIACY AND REALITY BETWEEN ADOBE AND SELECT RETRIEVAL TO WARRANT ISSUANCE OF A DECLARATORY JUDGMENT

- 37. Select Retrieval has asserted that Adobe-supplied instrumentalities such as Mercado meet elements of the asserted claims. For at least some of the Adobe Licensees, Adobe provides a hosted service, where key elements of the accused conduct occur on Adobe's computers. Adobe continues to both sell and provide hosted services for its Digital Marketing technologies. The Adobe Licensees have taken the position that the instrumentalities alleged to infringe the patents-in-suit include Adobe-supplied instrumentalities. They have demanded defense and indemnity from Adobe, which Adobe has agreed to provide.
- 38. Adobe first became aware of the patents-in-suit as early as July 21, 2011, when Adobe received a request for defense and indemnity from The request included correspondence from Select Retrieval's counsel to which identified both patents-in-suit by number. A copy of the request is attached as Exhibit G.
  - 39. Select Retrieval's infringement contentions against the Adobe

Licensees allege that Adobe supplied technology that the Adobe Licensees use in the accused e-commerce websites to infringe the '617 patent. By referring to Adobe's manuals and to the other materials Adobe has provided to its customers in its infringement contentions, Select Retrieval has asserted that the Adobe Licensees are using the Adobe-supplied technology in the manner in which Adobe instructs its customers to use the technology, as reflected in the user manuals, thereby inducing the Adobe Licensees' direct infringement. In addition, by referring to Adobe's manuals and to the other materials Adobe has provided to its customers in its infringement contentions, Select Retrieval has asserted that the Adobe-supplied technology satisfies essential elements of the asserted claims that, when combined with the Adobe Licensees' own technology, contributes to the Adobe Licensees' infringement.

- 40. Adobe believes that it does not infringe any claim of the patents-insuit. Both of the patents-in-suit are invalid.
- 41. As a result of the allegations made by Select Retrieval against the Adobe Licensees, and Adobe's assertions to the contrary, there is an actual controversy of sufficient immediacy and reality between Adobe and Select Retrieval regarding the non-infringement, validity, and enforceability of the patents-in-suit as it pertains to the Adobe licensed technology and services, particularly Adobe's Digital Marketing technology such as Mercado. For example, were Select Retrieval successfully able to prove infringement of a valid and enforceable claim, Adobe may be liable for direct infringement.
- 42. This controversy is between parties having adverse legal interests and is of sufficient immediacy and reality to warrant issuance of a declaratory judgment under 28 U.S.C. § 2201(a) as to the validity and enforceability of the patents-in-suit and the alleged infringement of the patents-in-suit by Adobe or its technology.

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#### FIRST CLAIM FOR RELIEF (DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '617 PATENT)

- 43. Adobe restates and incorporates by reference the allegations in the preceding paragraphs of this Complaint.
- 44. This is an action for declaratory judgment of non-infringement of any valid and enforceable claim of the '617 patent.
- 45. Select Retrieval has alleged and continues to allege that websites using the Adobe Digital Marketing technology are covered by the '617 patent. Select Retrieval has commenced litigation against the Adobe Licensees and several other companies regarding this matter, alleging that they infringe "by making, using, owning, operating, and/or maintaining one or more websites . . . that embody the inventions claimed in the '617 Patent."
- 46. Adobe's Digital Marketing technology does not infringe and has not infringed any valid and enforceable claim of the '617 patent. The Adobe Licensee's use of Adobe's Digital Marketing technology has not infringed and will not infringe any valid and enforceable claim of the '617 patent. The claim limitations that Select Retrieval contends are met by Adobe-supplied technology do not meet those claim limitations, and for this reason there is no infringement of the '617 patent.
- 47. Therefore, there exists a substantial controversy between Adobe and Select Retrieval, parties having adverse legal interests, of sufficient immediacy and reality to warrant the issuance of a declaratory judgment that Adobe and its licensees have not infringed and do not infringe any valid and enforceable claim of the '617 patent based on the manufacture, licensing, or use of the Adobe Digital Marketing technology.
- 48. An actual and justiciable controversy exists regarding the alleged infringement of the '617 patent by Adobe or the Adobe Licensees. Adobe accordingly requests a judicial determination of its rights, duties, and obligations

49. A judicial declaration is necessary and appropriate so that Adobe may ascertain its rights regarding the '617 patent.

#### SECOND CLAIM FOR RELIEF (DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '724 PATENT)

- 50. Adobe restates and incorporates by reference the allegations in the preceding paragraphs of this Complaint.
- 51. This is an action for declaratory judgment of non-infringement of any valid and enforceable claim of the '724 patent.
- Marketing technology are covered by the '724 patent. Select Retrieval filed a complaint on June 2, 2011 in the Illinois Action against asserting infringement of the '724 patent based on "making, using, selling, offering for sale or license, advertising and/or importing in the United States, including within this judicial district, their products and services on the Internet using methods or instrumentalities that embody the inventions claimed in the '724 Patent." uses the Adobe Digital Marketing technology to offer, among other things, search functionality on its e-commerce website that allows visitors to refine searches based on categories such as price, color, brand, and size.
- 53. On March 25, 2013, Adobe asked Select Retrieval to covenant not to sue Adobe or any of its customers for infringement of the '724 patent. Select Retrieval refused to provide the requested covenant. On June 24, 2013, Adobe again asked Select Retrieval to covenant not to sue Adobe or its customers for infringement of the '724 patent. Again, Select Retrieval refused to provide a covenant not to sue. By refusing to provide a covenant not to sue, Select Retrieval has retained the right to sue Adobe and its customers for any alleged infringement of the '724 patent. By doing so, Select Retrieval has preserved this controversy at a level of sufficient immediacy and reality that justifies the declaratory relief Adobe

- 54. Adobe's Digital Marketing technology does not infringe and has not infringed any valid and enforceable claim of the '724 patent. use of Adobe's Digital Marketing technology has not infringed and will not infringe any valid and enforceable claim of the '724 patent.
- 55. Therefore, there exists a substantial controversy between Adobe and Select Retrieval, parties having adverse legal interests, of sufficient immediacy and reality to warrant the issuance of a declaratory judgment that Adobe and its licensees have not infringed and do not infringe any valid and enforceable claim of the '724 patent based on the manufacture, licensing, or use of the Adobe Digital Marketing technology.
- 56. An actual and justiciable controversy exists regarding the alleged infringement of the '724 patent by Adobe or its licensee, Adobe accordingly requests a judicial determination of its rights, duties, and obligations with regard to the '724 patent.
- 57. A judicial declaration is necessary and appropriate so that Adobe may ascertain its rights regarding the '724 patent.

#### THIRD CLAIM FOR RELIEF (DECLARATORY JUDGMENT OF INVALIDITY OF THE '617 PATENT)

- 58. Adobe restates and incorporates by reference the allegations in the preceding paragraphs of this Complaint.
- 59. This is an action for declaratory judgment of invalidity of any and all claims of the '617 patent.
- 60. Select Retrieval has alleged and continues to allege that websites using the Adobe Digital Marketing technology are covered by the '617 patent. Select Retrieval has commenced litigation against the Adobe Licensees and several other companies regarding this matter, alleging that they infringe "by making, using, owning, operating, and/or maintaining one or more websites . . . that embody the

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inventions claimed in the '617 Patent."

- 61. Claims of the '617 patent are invalid because they fail to comply with the conditions and requirements for patentability set forth in 35 U.S.C. § 1 *et seq.*, including but not limited to 35 U.S.C. §§ 101, 102, 103, and 112. For example, over 60 prior art references invalidate the '617 patent under 35 U.S.C, §§ 102 and/or 103. Asserted claims of the '617 patent are invalid for failure to provide enablement and/or written description. The '617 patent is invalid for failure to describe the best mode of carrying out the invention. These allegations are detailed in Exhibit H (and the exhibits thereto) which are incorporated by reference as if fully set forth herein.
- 62. Therefore, there exists a substantial controversy between Adobe and Select Retrieval, parties having adverse legal interests, of sufficient immediacy and reality to warrant the issuance of a declaratory judgment that each asserted claim of the '617 patent is invalid.
- 63. Therefore, an actual and justiciable controversy exists regarding the validity of the '617 patent. Adobe accordingly requests a judicial determination of its rights, duties, and obligations with regard to the '617 patent.
- 64. A judicial declaration is necessary and appropriate so that Adobe may ascertain its rights regarding the '617 patent.

#### FOURTH CLAIM FOR RELIEF (DECLARATORY JUDGMENT OF INVALIDITY OF THE '724 PATENT)

- 65. Adobe restates and incorporates by reference the allegations in the preceding paragraphs of this Complaint.
- 66. This is an action for declaratory judgment of invalidity of any and all claims of the '724 patent.
- 67. Select Retrieval has alleged that websites using the Adobe Digital Marketing technology are covered by the '724 patent. Select Retrieval filed a complaint on June 2, 2011 in the Illinois Action against

- 68. On March 25, 2013, Adobe asked Select Retrieval to covenant not to sue Adobe or any of its customers for infringement of the '724 patent. Select Retrieval refused to provide the requested covenant. On June 24, 2013, Adobe again asked Select Retrieval to covenant not to sue Adobe or its customers for infringement of the '724 patent. Again, Select Retrieval's refused to provide a covenant not to sue. By refusing to provide a covenant not to sue, Select Retrieval has retained the right to sue Adobe and its customers for any alleged infringement of the '724 patent. By doing so, Select Retrieval has preserved this controversy at a level of sufficient immediacy and reality that justifies the declaratory relief Adobe seeks in this action.
- 69. The '724 patent is invalid for failure to meet one or more of the conditions for patentability specified in Title 35, U.S.C., or the rules, regulations, and law related thereto, including, without limitation, in 35 U.S.C. §§ 101, 102, 103, and 112, because the alleged invention lacks patentable subject matter; was used or known by others in this country or was patented or described in a publication before the date of the alleged invention; was patented or described in a publication or was in public use or on sale for more than one year before the date of the patent applications; was not invented by the named inventors; was invented by another prior to the date of the alleged invention; was obvious in view of the prior art; is indefinite; does not contain a proper written description; or does not disclose the best mode of the invention. For example, all independent claims are invalid

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under 35 U.S.C. § 112 for failure to enable or provide a written description of the limitation "generic key fields."

- 70. Therefore, there exists a substantial controversy between Adobe and Select Retrieval, parties having adverse legal interests, of sufficient immediacy and reality to warrant the issuance of a declaratory judgment that each asserted claim of the '724 patent is invalid.
- 71. Therefore, an actual and justiciable controversy exists regarding the validity of the '724 patent. Adobe accordingly requests a judicial determination of its rights, duties, and obligations with regard to the '724 patent.
- 72. A judicial declaration is necessary and appropriate so that Adobe may ascertain its rights regarding the '724 patent.

#### JURY DEMAND

Adobe hereby requests a trial by jury pursuant to Rule 38 of the Federal Rules of Civil Procedure.

#### PRAYER FOR RELIEF

WHEREFORE, Adobe prays for judgment against Select Retrieval as follows:

- A. A declaration that Adobe's technology is not covered by any valid and enforceable claim of the '617 patent, and that Adobe does not infringe any valid and enforceable claim of the '617 patent;
- B. A declaration that Adobe's technology is not covered by any valid and enforceable claim of the '724 patent, and that Adobe does not infringe any valid and enforceable claim of the '724 patent;
- C. A declaration that Adobe's licensees, including the Adobe Licensees, do not infringe any valid and enforceable claim of the '617 patent by virtue of their use of Adobe technology;
- D. A declaration that Adobe's licensees, including the Adobe Licensees, do not infringe any valid and enforceable claim of the '724 patent by

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|----|--------------|---|--|--|
|    |              |   |  |  |
| 1  |              | virtue of their use of Adobe technology;                                |  |  |
| 2  | E.           | E. A declaration that the '617 patent is invalid;                       |  |  |
| 3  | F.           | A declaration that the '724 patent is invalid;                          |  |  |
| 4  | G.           | That this case is "exceptional" pursuant to 35 U.S.C. § 285, entitling  |  |  |
| 5  |              | Adobe to an award of its reasonable attorneys' fees;                    |  |  |
| 6  | H.           | That Adobe be awarded its reasonable costs incurred in this action; and |  |  |
| 7  | I.           | For such other relief as this Court deems just, reasonable, and proper. |  |  |
| 8  | Dated: Oct   | tober 4, 2013 FENWICK & WEST LLP  |  |  |
| 9  |              |   |  |  |
| 10 |              | By: <u>/s/ Virginia K. DeMarchi</u><br>Virginia K. DeMarchi             |  |  |
| 11 |              | -   |  |  |
| 12 |              | Attorneys for Plaintiff ADOBE SYSTEMS INCORPORATED                      |  |  |
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