

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION

NEUROGRAFIX, a California corporation;
NEUROGRAPHY INSTITUTE MEDICAL
ASSOCIATES, INC., a California
corporation; IMAGE-BASED
SURGICENTER CORPORATION, a
California corporation; and AARON G.
FILLER,
2716 Ocean Park Boulevard
Suite 3075
Santa Monica, CA 90405-5207

Plaintiffs,

vs.

THE JOHNS HOPKINS UNIVERSITY, a
Maryland corporation;
Charles & 34th Street
Baltimore, MD 21218

Serve On: Stephen S. Dunham
Resident Agent
3400 N. Charles St.
113 Garland Hall
Baltimore, MD 21218

and

THE JOHNS HOPKINS HOSPITAL, a
Maryland corporation,
600 North Wolfe Street
Baltimore, MD 21205

Serve On: JoAnne Pollak, Esq.
Resident Agent
Administration 414
600 N. Wolfe St.
Baltimore, MD 21205

Defendants.

Civil Action No.: 1:13-cv-10772-RGS

JURY TRIAL DEMANDED

**SUPPLEMENTAL FIRST AMENDED COMPLAINT FOR PATENT
INFRINGEMENT AND DEMAND FOR JURY TRIAL**

Plaintiffs NeuroGrafix, Neurography Institute Medical Associates, Inc. (“NIMA”), Image-Based Surgicenter Corporation (“IBSC”), and Aaron G. Filler (“Dr. Filler”) (collectively, “Plaintiffs”) allege as follows:

1. This case is an action for patent infringement of United States Patent No. 5,560,360 (the “’360 Patent”) under the Patent Laws of the United States, as set forth in 35 U.S.C. §§271 and 280 through 285.

PARTIES

2. Plaintiff NeuroGrafix is a California corporation with its principal place of business located at 2716 Ocean Park Boulevard, Suite 3075, Santa Monica, California.

3. Plaintiff NIMA is a California corporation with its principal place of business in Santa Monica, California.

4. Plaintiff IBSC is a California corporation with its principal place of business in Santa Monica, California.

5. Plaintiff Dr. Filler is an inventor and owner of the ’360 Patent.

6. On information and belief, defendant The Johns Hopkins University is a Maryland corporation with its principal place of business located at Charles & 34th Street, Baltimore, MD 21218.

7. On information and belief, defendant The Johns Hopkins Hospital is a Maryland corporation with its principal place of business located at 600 North Wolfe Street, Baltimore, MD 21205.

8. The John Hopkins University and The Johns Hopkins Hospital are collectively referred to as “Defendants.” On information and belief, Defendants collectively work together to offer the infringing products and services described below.

JURISDICTION AND VENUE

9. This Court has federal subject matter jurisdiction over this action under 28 U.S.C. §§1331, 1332(a)(1), 1332(c)(1) and 1338(a).

10. Venue is proper in this Court pursuant to 28 U.S.C. §§1391(a), 1391(c), and 1400(b), including without limitation because Defendants are advertising, marketing, using, selling, and/or offering to sell products in this Judicial District.

11. Defendants successfully sought transference to the District of Massachusetts for pretrial purposes pursuant to 28 U.S.C. § 1407.

BACKGROUND

12. Until December 17, 2013, the University of Washington, a public institution of higher education in the state of Washington, was the owner by assignment of the '360 Patent entitled "Image Neurography and Diffusion Anisotropy Imaging." The '360 Patent issued on October 1, 1999. A true and correct copy of the '360 Patent is attached as Exhibit A.

13. Washington Research Foundation ("WRF"), a not-for-profit corporation incorporated and existing under the laws of the State of Washington, had substantially all rights in the '360 Patent based on a license agreement entered between UW and WRF on March 23, 1994.

14. On December 29, 1998, WRF granted NeuroGrafix an exclusive license to the '360 patent.

15. On June 15, 2012, WRF and NeuroGrafix entered into an Amended and Restated Non-Terminable Exclusive License Agreement in which WRF granted NeuroGrafix an exclusive license to substantially all rights in the '360 Patent and retained no reversionary rights to the '360 Patent.

16. On December 17, 2013, the University of Washington assigned the '360 Patent to WRF.

17. On December 27, 2013, WRF assigned the '360 Patent to NeuroGrafix. NeuroGrafix then assigned the '360 Patent to Dr. Filler. Dr. Filler and NeuroGrafix then entered into a Non-Terminable Exclusive License Agreement in which Dr. Filler granted an exclusive license in the '360 Patent to NeuroGrafix.

18. On September 14, 2011, NeuroGrafix and NIMA entered into an amended license agreement in which NIMA received the exclusive right to practice the '360 Patent in all fields of use, but granted back to NeuroGrafix an exclusive license to practice the '360 Patent in the field of use of non-human, non-surgical medicine. On September 14, 2011, NIMA and IBSC entered into an exclusive license agreement in which NIMA granted to IBSC an exclusive license to practice the '360 Patent in the field of human, surgical medicine. These agreements remained in effect after the December 27, 2013 assignment and license agreements. Accordingly, NeuroGrafix has an exclusive license to the '360 Patent in the field of use of non-human, non-surgical medicine, IBSC has an exclusive license in the field of use of human, surgical medicine, and NIMA has an exclusive license in the field of use of human, nonsurgical medicine.

19. Aaron G. Filler, Jay S. Tsuruda, Todd L. Richards, and Franklyn A. Howe are listed as the inventors of the '360 Patent.

20. NeuroGrafix, NIMA and IBSC have been investing in and practicing the technology disclosed in the '360 Patent since at least 2000.

21. Defendants have known about the '360 Patent since, on information and belief, at least 2001. In 2003, Defendants were granted U.S. Patent No. 6,526,305 (the "'305 Patent"), entitled "Method of Fiber Reconstruction Employing Data Acquired By Magnetic Resonance

Imaging.” During the prosecution of the ’305 Patent, according to the face of the patent, the examiner cited the ’360 Patent as prior art. The only office action mailed by the examiner during the prosecution of the ’305 Patent was mailed on September 25, 2001.

22. On information and belief, Defendants were aware of the ’360 Patent well before 2001. In or around 1996, a faculty member of Defendants contacted Dr. Filler to express interest in Magnetic Resonance Neurography. During the following years, including after the formation of NeuroGrafix and NIMA, additional contacts took place in which faculty members of Defendants expressed interest in providing high quality neurography services for its patients.

23. Additionally, in December of 2009, NeuroGrafix wrote to Defendants’ to inform them of their infringement of the ’360 Patent and to inquire as to whether Defendants were interested in negotiating a license. NeuroGrafix received a letter from counsel for Defendants indicating that they would investigate and respond, but no further correspondence was received.

24. Defendants were therefore aware of the ’360 Patent since at least as early as 2001 and likely were aware of the ’360 Patent well before that.

COUNT I
PATENT INFRINGEMENT

25. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 22 above, inclusive, as if fully repeated and restated herein.

26. Defendants have been and still are directly (literally and under the doctrine of equivalents) infringing at least claims 1 and 36 of the ’360 Patent by making, using, selling, offering to sell, or importing, without license or authority, products and services that include, without limitation, the performance of MR Neurography, DTI and diffusion anisotropy based tractography using non-Siemens equipment and software, and Defendants’ manufacture, use, sale, offer for sale or importation of Defendants’ DTI Studio and MRI Studio software products.

Thus, by making, using, importing, offering for sale, and/or selling such products and software, Defendants have injured Plaintiffs and are thus liable to Plaintiffs for infringement of the '360 Patent under 35 U.S.C. § 271(a).

27. Defendants have also been and still are indirectly infringing, by way of inducing infringement by others of the '360 Patent, by, among other things, providing courses and seminars inducing others to infringe at least claims 1 and 36 of the '360 Patent by performing, without license or authority, MR Neurography, DTI and diffusion anisotropy based tractography using non-Siemens equipment and software. *See* Exhibit B (DTI Studio email); Exhibit C (Neurography seminar). Additionally, Defendants have also been and still are indirectly infringing, by way of inducing infringement by others of the '360 Patent, by, among other things, manufacturing, using, selling, offering for sale or importing Defendants' DTI Studio and MRI Studio software products that induce others to infringe at least claims 1 and 36 of the '360 Patent. *See, e.g.*, <https://www.mristudio.org/>, http://www.hopkinsmedicine.org/psychiatry/research/neuroimaging/research_methods/diffusion_tensor.html, http://www.hopkinsortho.org/musculoskeletal_mri.html. Defendants' courses, seminars and products induce direct infringement of at least claims 1 and 36 of the '360 Patent by, for example, hospitals, radiologists, technologists and others. Defendants induce their customers to directly infringe by inducing or encouraging the use of their products and software to perform MR Neurography, DTI and diffusion anisotropy based tractography. Since at least 2001, and likely earlier, Defendants have had knowledge of the '360 Patent and, by continuing the actions described above, have had the specific intent to, or should have known that their actions would, induce infringement of the '360 Patent. Thus, by making, using, importing,

offering for sale, and/or selling such products and software, Defendants have injured Plaintiffs and are thus liable to Plaintiffs for infringement of the '360 Patent under 35 U.S.C. § 271(b).

28. Defendants have also been and still are indirectly infringing, by way of contributing to the infringement by others of the '360 Patent, by, among other things, making, using, importing, offering for sale, and/or selling, without license or authority, products and services, including without limitation, Defendants' manufacture, use, sale, offer for sale or importation of Defendants' DTI Studio and MRI Studio software products. These products are used in infringing products and services made, used, imported, offered for sale, and/or sold by direct infringers of the '360 Patent in the United States, such as hospitals, radiologists and others. Defendants induce their customers to directly infringe by inducing or encouraging the use of their products and software to perform MR Neurography, DTI and diffusion anisotropy based tractography. *See, e.g.*, <https://www.mristudio.org/>, http://www.hopkinsmedicine.org/psychiatry/research/neuroimaging/research_methods/diffusion_tensor.html, http://www.hopkinsortho.org/musculoskeletal_mri.html. Defendants' accused products and software, are a material part of the invention, and are especially made or especially adapted for use in the infringement of '360 Patent and are not a staple article or commodity of commerce suitable for substantial noninfringing uses. Since at least 2001, and likely earlier, Defendants have had knowledge of the '360 Patent and have had the specific knowledge that the combination of its software and computer systems described above infringe the '360 Patent. Thus, by making, using, importing, offering for sale, and/or selling such products and software, Defendants have injured Plaintiffs and are thus liable to Plaintiffs for infringement of the '360 Patent under 35 U.S.C. § 271(c).

29. As a result of Defendants' continuing use of the claimed invention after receiving notice of the '360 Patent, Defendants are willfully infringing the '360 Patent.

30. As a result of Defendants' infringement of the '360 Patent, Plaintiffs have suffered monetary damages in an amount not yet determined, and will continue to suffer damages in the future unless Defendants' infringing activities are enjoined by this Court.

31. Defendants' wrongful acts have damaged and will continue to damage Plaintiffs irreparably, and Plaintiffs have no adequate remedy at law for those wrongs and injuries. In addition to their actual damages, Plaintiffs are entitled to a permanent injunction restraining and enjoining Defendants and their agents, servants and employees, and all persons acting thereunder, in concert with, or on their behalf, from infringing the '360 Patent.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully request that this Court enter:

1. A judgment in favor of Plaintiffs that Defendants have infringed, directly and/or indirectly, by way of inducing and/or contributing to the infringement of the '360 Patent;

2. An injunction enjoining Defendants and their officers, directors, agents, servants, affiliates, employees, divisions, branches, subsidiaries, parents, and all others acting in concert or privity with any of them from infringing, inducing the infringement of, or contributing to the infringement of the '360 Patent;

3. A judgment and order requiring Defendants to pay Plaintiffs their damages, costs, expenses, and prejudgment and post-judgment interest for Defendants' infringement of the '360 Patent as provided under 35 U.S.C. § 284;

4. An award to Plaintiffs for enhanced damages, as provided under 35 U.S.C. § 284, resulting from the knowing, deliberate, and willful nature of Defendants' prohibited conduct;

5. A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding to Plaintiffs their reasonable attorneys' fees; and

6. Any and all other relief to which Plaintiffs may show themselves to be entitled.

JURY TRIAL DEMANDED

Plaintiffs hereby demand a trial by jury of all issues so triable.

Dated: April 29, 2014

/s/ Marc A. Fenster

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**Attorneys for Plaintiffs, NEUROGRAFIX,
NEUROGRAPHY INSTITUTE MEDICAL
ASSOCIATES, INC., AND IMAGE-BASED
SURGICENTER CORPORATION, AND
AARON G. FILLER**

CERTIFICATE OF SERVICE

I hereby certify that on this date a true and correct copy of the foregoing was electronically filed with the court. Notice of this filing will be automatically sent by the Court's CM/ECF system to all counsel of record.

Date: April 29, 2014

/s/ Marc A. Fenster
Marc A. Fenster