UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

IN RE PAPST LICENSING GMBH & CO. KG LITIGATION _____ **This Document Relates To:** **Casio, No. 06-cv-1751**	**Misc. Action No. 07-493 (RMC)** **MDL Docket No. 1880**

PLAINTIFF CASIO AMERICA INC.'S FIRST AMENDED COMPLAINT

Plaintiff Casio America Inc. ("Casio"), submits its first amended Complaint against Defendant Papst Licensing GmbH & Co. KG ("Papst") as follows:

NATURE OF ACTION

1. This action arises under the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202 and the patent laws of the United States, Title 35 U.S.C. § 1 et seq.

THE PARTIES

2. Casio is a New York corporation in the business of, among other things, selling electronic goods, with its principal place of business located at 570 Mount Pleasant Avenue, Dover, New Jersey 07801.

3. On information and belief, Defendant Papst is a German partnership in the business of licensing, enforcing, and commercializing U.S. Patents and other forms of intellectual property, with its principal place of business located at Bahnhofstrasse 33, 78112 St. Georgen, Germany.

JURISDICTION AND VENUE

4. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338.

5. This Court has personal jurisdiction over Papst pursuant to 35 U.S.C. § 293.

6. Venue is proper in this judicial district at least pursuant to 28 U.S.C. § 1391(c).

GENERAL ALLEGATIONS

7. Casio imports, markets and sells electronic goods in the United States including digital cameras.

8. On information and belief, Papst owns various United States patents, has filed numerous patent infringement suits in the United States to enforce its rights under those patents, and has negotiated numerous license agreements with a variety of United States companies relating to those patent rights.

9. Papst claims to be the owner of U.S. Patent Nos. 6,895,449 ("the '449 patent") and 6,470,399 ("the '399 patent"). They are appended hereto as Exhibit A and Exhibit B respectively.

10. Papst has accused Casio of infringing upon both the '449 and '399 patents. For example, in a letter dated March 14, 2006, Papst accused Casio of infringing the '449 and '399 patents. Papst has repeated its accusations on numerous occasions since that time.

11. Casio responded with a detailed analysis of why it does not infringe the '449 patent or the '399 patent.

12. Notwithstanding, Papst demanded, among other things, that Casio pay it royalties for the use of the '449 and '399 patents in Casio's digital cameras that have been sold in the United States. Papst offered to license the '449 and '399 patents to Casio. Casio has rejected Papst's demands for payment of royalties and Papst's offer to license its '449 and '399 patents.

13. Papst has asserted and continues to assert that the '449 and '399 patents are infringed by Casio.

COUNT ONE

DECLARATORY JUDGMENT OF NON-INFRINGEMENT AND INVALIDITY OF THE '449 PATENT

14. Casio repeats and realleges the averments of paragraphs 1-13 as if fully set forth herein.

15. There is an actual controversy between Casio and Papst as to the infringement and the validity of the '449 patent.

16. Casio has not infringed and does not infringe the '449 patent.

17. The '449 patent is invalid for failure to comply with the patent laws of the United States, including the requirements of 35 U.S.C. §§ 102, 103, and/or 112.

COUNT TWO

DECLARATORY JUDGMENT OF UNENFORCEABILITY OF THE '449 PATENT

18. Casio repeats and realleges the averments of paragraphs 1-17 as if fully set forth herein.

19. Papst contends that the '449 patent is enforceable.

20. Casio denies Papst's contention and alleges that the '449 patent is unenforceable by reason of the patent having been procured through inequitable conduct.

21. In or about 1996, Michale Tasler ("Tasler"), the sole inventor of the '449 patent, authored a thesis entitled *Design and Construction of a Universal Data Acquisition and Control System for Scanning Probe Microcopy* (the "Thesis"). The Thesis was in partial fulfillment of the requirement for Tasler's Masters of Arts degree at the University of Texas at Austin. A true and correct copy of the Thesis is attached hereto as Exhibit C.

22. On information and belief, the Thesis was published and made publicly available on or about 1996, before the filing of the '449 patent application, and is prior art to the '449 patent. Tasler, as an author of the Thesis, was aware of the publication of the Thesis.

23. On information and belief, the Thesis was made publicly available at least through publication in or about December 1995 at the "Texas Instruments 1995 DSP Solution Challenge" contest and through cataloguing in or about August 1996 by the University of Texas in the OCLC Online Computer Library Center, before the filing of the application for the '449 patent, and is prior art to the '449 patent. Ex. C, p. 87. Tasler, as an author of the Thesis, was aware of the publication and cataloguing of the Thesis.

24. The Thesis is material because a reasonable examiner would consider the information contained in the Thesis important in deciding whether to allow the application to issue into the '449 patent.

25. The Thesis is directed towards an interface device to interface a scanning electron microscope and a PC using an industry standard printer port. Ex. C, p. 1, 19. The Thesis is

directed to solving the same two problems as the patents, i.e. PCs are not fast enough to handle the large amount of data using a direct connection to the scanning electron microscope (p. 14), and the printer port provides compatibility with many different hosts because it is standard on most PCs. Ex. C, p. 19. The Thesis describes "a Universal Data Acquisition and Control System for Scanning Probe Microscopy" that interfaces with a PC through the standard printer port. Ex. C, p. 1, 19. The Thesis further describes the system as comprising a DSP motherboard with memory (p. 18), a first connecting device for interfacing with the PC through the standard printer port (p. 19-21), a second connecting device, the TLC320AC01, for interfacing STM scanner with the DSP motherboard (p. 4-7, 23), where the DSP motherboard is configured to communicate with the PC via the printer port (p. 19-20) and includes software that communicates with the PC via the standard printer port (p. 30-31).

26. Tasler and, on information and belief, others substantially involved in the prosecution of the application resulting in the '449 patent were aware or should have been aware of the Thesis and its contents during the time that the application resulting in the '449 patent was pending in the United States Patent and Trademark Office ("USPTO").

27. During the time the application resulting in the '449 patent was pending in the USPTO, the Thesis was never disclosed to the patent examiner.

28. On information and belief, Tasler and/or others substantially involved in the prosecution of the application resulting in the '449 patent intentionally failed to disclose the Thesis with the intent to deceive or mislead the patent examiner, and/or acted in reckless disregard of their duty to disclose material information.

29. An actual controversy thus exists between Casio and Papst as to the whether the ‘449 patent is enforceable.

30. Accordingly, Casio seeks and is entitled to a judgment against Papst that ’449 patent is unenforceable.

COUNT THREE

DECLARATORY JUDGMENT OF NON-INFRINGEMENT AND INVALIDITY OF THE ‘399 PATENT

31. Casio repeats and realleges the averments of paragraphs 1-30 as if fully set forth herein.

32. There is an actual controversy between Casio and Papst as to the infringement and the validity of the ‘399 patent.

33. Casio has not infringed and does not infringe the ‘399 patent.

34. The ‘399 patent is invalid for failure to comply with the patent laws of the United States, including the requirements of 35 U.S.C. §§ 102, 103, and/or 112.

COUNT FOUR

DECLARATORY JUDGMENT OF UNENFORCEABILITY OF THE ‘399 PATENT

35. Casio repeats and realleges the averments of paragraphs 1-34 as if fully set forth herein.

36. Papst contends that the ‘399 patent is enforceable.

37. Casio denies Papst’s contention and alleges that the ‘399 patent is unenforceable by reason of the patent having been procured through inequitable conduct.

38. In or about 1996, Michale Tasler ("Tasler"), the sole inventor of the '399 patent, authored a thesis entitled *Design and Construction of a Universal Data Acquisition and Control System for Scanning Probe Microcopy* (the "Thesis"). The Thesis was in partial fulfillment of the requirement for Tasler's Masters of Arts degree at the University of Texas at Austin. A true and correct copy of the Thesis is attached hereto as Exhibit C.

39. On information and belief, the Thesis was published and made publicly available on or about 1996, before the filing of the '399 patent application, and is prior art to the '399 patent. Tasler, as an author of the Thesis, was aware of the publication of the Thesis.

40. On information and belief, the Thesis was made publicly available at least through publication in or about December 1995 at the "Texas Instruments 1995 DSP Solution Challenge" contest and through cataloguing in or about August 1996 by the University of Texas in the OCLC Online Computer Library Center, before the filing of the application for the '399 patent, and is prior art to the '399 patent. Ex. C, p. 87. Tasler, as an author of the Thesis, was aware of the publication and cataloguing of the Thesis.

41. The Thesis is material because a reasonable examiner would consider the information contained in the Thesis important in deciding whether to allow the application to issue into the '399 patent.

42. The Thesis is directed towards an interface device to interface a scanning electron microscope and a PC using an industry standard printer port. Ex. C, p. 1, 19. The Thesis is directed to solving the same two problems as the patents, i.e. PCs are not fast enough to handle the large amount of data using a direct connection to the scanning electron microscope (p. 14), and the printer port provides compatibility with many different hosts because it is standard on

most PCs. Ex. C, p. 19. The Thesis describes "a Universal Data Acquisition and Control System for Scanning Probe Microscopy" that interfaces with a PC through the standard printer port. Ex. C, p. 1, 19. The Thesis further describes the system as comprising a DSP motherboard with memory (p. 18), a first connecting device for interfacing with the PC through the standard printer port (p. 19-21), a second connecting device, the TLC320AC01, for interfacing STM scanner with the DSP motherboard (p. 4-7, 23), where the DSP motherboard is configured to communicate with the PC via the printer port (p. 19-20) and includes software that communicates with the PC via the standard printer port (p. 30-31).

43. Tasler and, on information and belief, others substantially involved in the prosecution of the application resulting in the '399 patent were aware or should have been aware of the Thesis and its contents during the time that the application resulting in the '399 patent was pending in the United States Patent and Trademark Office ("USPTO").

44. During the time the application resulting in the '399 patent was pending in the USPTO, the Thesis was never disclosed to the patent examiner.

45. On information and belief, Tasler and/or others substantially involved in the prosecution of the application resulting in the '399 patent intentionally failed to disclose the Thesis with the intent to deceive or mislead the patent examiner, and/or acted in reckless disregard of their duty to disclose material information.

46. An actual controversy thus exists between Casio and Papst as to the whether the '399 patent is enforceable.

47. Accordingly, Casio seeks and is entitled to a judgment against Papst that '399 patent is unenforceable.

JURY DEMAND

48. Casio demands a trial by jury.

PRAYER FOR RELIEF

WHEREFORE Plaintiff Casio respectfully requests that the Court enter judgment against Papst Licensing GmbH & Co. KG, including:

a. a declaration that Casio has not infringed, and is not infringing the '449 and '399 patents;

b. a declaration that each of the claims of the '449 and '399 patents are invalid;

c. a declaration that the '449 and '399 patents are unenforceable;

d. an injunction prohibiting Papst from alleging infringement of the '449 and '399 patents by Casio;

e. an award of damages Casio has sustained;

f. a declaration that this case is an "exceptional case" within the meaning of 35 U.S.C. § 285 due to, *inter alia,* the above actions of Papst;

g. an award of costs and attorneys fees and other expenses Casio has been forced to incur; and

h. such further relief as the Court may deem just and proper.

Respectfully submitted,

DATED: June 25, 2008

/s/ J. Kevin Fee

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