

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA**

TOUCHCOM, INC. AND TOUCHCOM
TECHNOLOGIES, INC.,

PLAINTIFFS,

v.

BERESKIN & PARR AND
H. SAMUEL FROST,

DEFENDANTS.

CIVIL ACTION NO. 1:07v-114

CORRECTED FIRST AMENDED ANSWER TO SECOND AMENDED COMPLAINT

H. Samuel Frost and Bereskin & Parr (“B&P”) file this corrected first amended answer to Touchcom, Inc.’s and Touchcom Technologies, Inc.’s (collectively “Touchcom”) Second Amended Complaint and would show the Court the following:

ANSWER

1. Responding to the allegations in paragraph 1 of Touchcom’s Second Amended Complaint, Frost and B&P admit that this an action for professional malpractice. Frost and B&P deny the remaining allegations in paragraph 1.

2. Frost and B&P lack sufficient information to form a belief as to the allegations in paragraph 2 of Touchcom’s Second Amended Complaint and therefore deny them.

3. Responding to the allegations in paragraph 3 of Touchcom’s Second Amended Complaint, Frost and B&P deny that Frost is a lawyer. Frost and B&P admit the remaining allegations in paragraph 3.

4. Responding to the allegations in paragraph 4 of Touchcom’s Second Amended Complaint, Frost and B&P deny that Frost periodically travels to the United States to speak at meetings of the American Intellectual Property Law Association. Frost and B&P admit the remaining allegations in the paragraph.

5. Frost and B&P admit the allegations in paragraph 5 of Touchcom's Second Amended Complaint.

6. Responding to the allegations in paragraph 6 of Touchcom's Second Amended Complaint, Frost and B&P admit that, following the Federal Circuit's opinion of August 3, 2009, Touchcom has shown a *prima facie* case that this Court has specific personal jurisdiction over them under Federal Rule of Civil Procedure 4(k)(2). Frost and B&P deny the remaining allegations in paragraph 6.

7. Frost and B&P deny the allegations in paragraph 7 of Touchcom's Second Amended Complaint.

8. Responding to the allegations in paragraph 8 of Touchcom's Second Amended Complaint, Frost and B&P deny that Peter W. Hollidge was the inventor of the "Invention." Frost and B&P lack sufficient information to form a belief as to the remaining allegations in the paragraph and therefore deny them.

9. Frost and B&P deny the allegations in paragraph 9 of Touchcom's Second Amended Complaint.

10. Frost and B&P admit the allegations in paragraph 10 of Touchcom's Second Amended Complaint.

11. Frost and B&P lack sufficient information to form a belief as to the allegations in paragraph 11 of Touchcom's Second Amended Complaint and therefore deny them.

12. Frost and B&P deny the allegations in paragraph 12 of Touchcom's Second Amended Complaint.

13. Frost and B&P deny the allegations in paragraph 13 of Touchcom's Second Amended Complaint.

14. Frost and B&P admit the allegations in paragraph 14 of Touchcom's Second

Amended Complaint.

15. Frost and B&P admit the allegations in paragraph 15 of Touchcom's Second Amended Complaint.

16. Frost and B&P admit the allegations in paragraph 16 of Touchcom's Second Amended Complaint.

17. Responding to the allegations in paragraph 17 of Touchcom's Second Amended Complaint, Frost and B&P admit that they filed a PCT international application in the British Patent Office in the United Kingdom on August 5, 1988. Frost and B&P deny the remaining allegations in the paragraph.

18. Responding to the allegations in paragraph 18 of Touchcom's Second Amended Complaint, Frost and B&P admit a portion of the computer source code that had been included with the Canadian patent application was not included with the PCT international application. Frost and B&P deny the remaining allegations in the paragraph .

19. Frost and B&P admit the allegations in the first sentence of paragraph 19 of Touchcom's Second Amended Complaint. Frost and B&P deny the remaining allegations in the paragraph.

20. Responding to the allegations in paragraph 20 of Touchcom's Second Amended Complaint, Frost and B&P admit that they caused a national phase application (U.S. Patent Application No. 449,970) (the "'970 Application") for the Invention to be filed with the USPTO on December 28 (not December 29, as alleged), 1989. Frost and B&P further admit that the '970 Application was identical to the PCT international application filed in the British Patent Office and did not include a portion of the computer source code that had been attached to the Canadian patent application. Frost and B&P deny the remaining allegations of the paragraph.

21. Frost and B&P deny the allegations in paragraph 21 of Touchcom's Second Amended

Complaint.

22. Frost and B&P deny the allegations in paragraph 22 of Touchcom's Second Amended Complaint.

23. Frost and B&P admit the allegations in paragraph 23 of Touchcom's Second Amended Complaint.

24. Responding to the allegations in paragraph 24 of the Second Amended Complaint, Frost and B&P admit they advised Peter Hollidge that a patent had been obtained in the United States. Frost and B&P deny the remaining allegations in the paragraph.

25. Frost and B&P deny the allegations in paragraph 25 of Touchcom's Second Amended Complaint.

26. Frost and B&P lack sufficient information to admit or deny the allegations in paragraph 26 of Touchcom's Second Amended Complaint and therefore deny them.

27. Responding to the allegations in paragraph 27 of Touchcom's Second Amended Complaint, Frost and B&P admit that Touchcom filed two actions to enforce U.S. Patent No. 5,027,282 (the "282 Patent") in federal court. Frost and B&P lack sufficient information to form a belief as to the remaining allegations in paragraph 27 and therefore deny them.

28. Responding to the allegations in paragraph 28 of Touchcom's Second Amended Complaint, Frost and B&P deny that the court in the *Dresser* litigation characterized the missing code as "a key portion of the computer source code" and that they or their agents did not include the computer source code or caused the patent application to be submitted to the USPTO. Frost and B&P admit the remaining allegations of paragraph 28.

29. Responding to the allegations in paragraph 29 of Touchcom's Second Amended Complaint, Frost and B&P incorporate by reference their answers to paragraphs 1 through 28, above.

30. Frost and B&P deny that paragraph 30 of Touchcom's Second Amended Complaint states the standard of care applicable to Frost, B&P, and their agents.

31. Frost and B&P deny the allegations in paragraph 31 of Touchcom's Second Amended Complaint.

32. Frost and B&P deny the allegations in paragraph 32 of Touchcom's Second Amended Complaint.

33. Frost and B&P deny the allegations in paragraph 33 of Touchcom's Second Amended Complaint.

34. Frost and B&P admit the allegations in paragraph 34 of Touchcom's Second Amended Complaint.

35. Frost and B&P deny the allegations in paragraph 35 of Touchcom's Second Amended Complaint.

36. Responding to the allegations in paragraph 36 of Touchcom's Second Amended Complaint, Frost and B&P incorporate by reference their answers to paragraphs 1 through 35, above.

37. Responding to the allegations in paragraph 37 of Touchcom's Second Amended Complaint, Frost and B&P admit that they had an oral contract with Touchcom, Inc. Frost and B&P deny the remaining allegations in the paragraph.

38. Frost and B&P deny the allegations in paragraph 38 of Touchcom's Second Amended Complaint.

39. Frost and B&P deny the allegations in paragraph 39 of Touchcom's Second Amended Complaint.

40. Frost and B&P deny the allegations in paragraph 40 of Touchcom's Second Amended Complaint.

41. Frost and B&P deny the allegations in paragraph 41 of Touchcom's Second Amended Complaint.

42. Responding to the unnumbered Request for Relief at the end of Touchcom's Second Amended Complaint, Frost and B&P deny that Touchcom is entitled to any of the relief requested.

43. Touchcom's Second Amended Complaint states a jury demand, to which no response is required.

DEFENSES

44. Touchcom fails to state a claim upon which relief can be granted.

45. Touchcom's claims are barred, in whole or in part, by both Virginia and Ontario statutes of limitations under Virginia's borrowing statute, VA. CODE ANN. § 8.01–247.

46. Touchcom's claims are barred, in whole or in part, by waiver.

47. Touchcom's claims are barred, in whole or in part, by license.

48. Touchcom's claims are barred, in whole or in part, by laches.

49. Touchcom's claims are barred, in whole or in part, by estoppel.

50. Touchcom's claims are barred, in whole or in part, by lack of standing.

51. Touchcom's claims are barred, in whole or in part, by patent misuse.

52. Touchcom's own acts or omissions caused or contributed to Touchcom's damages, if any.

53. Touchcom's claims should be dismissed based on the doctrine of *forum non conveniens* and transferred to a more convenient venue.

54. The products accused of infringing United States Patent No. 5,027,282 (the "'282 Patent") in *Touchcom, Inc., et al. v. Dresser, Inc.*, 427 F. Supp. 2d 730 (E.D. Tex. 2005) (the "*Dresser* litigation"), do not infringe the '282 Patent.

55. The '282 Patent was invalid for reasons separate from those found by the court in the *Dresser* litigation.

56. The '282 Patent does not identify the true inventor of the claimed invention.

57. Frost and B&P did not have a duty to include the computer code (or any part of the computer code) in the '970 Patent application.

THEREFORE, H. Samuel Frost and Bereskin & Parr respectfully request that Touchcom, Inc. and Touchcom Technologies, Inc. take nothing by their Second Amended Complaint. H. Samuel Frost and Bereskin & Parr also request any further relief to which they may be entitled.

Dated: April 20, 2010

Respectfully submitted,

/s/ Monplaisir G. Hamilton
Monplaisir G. Hamilton
Virginia Bar No. 76005
Peter E. Strand (*pro hac vice*)
D.C. Bar No. 481870

SHOOK, HARDY & BACON L.L.P.
1155 F Street, N.W., Suite 200
Washington, D.C. 20004
202-783-8400 – Telephone
202-783-4211 – Facsimile

and

John H. Martin (*pro hac vice*)
Texas State Bar No. 13086500
J. Michael Heinlen (*pro hac vice*)
Texas State Bar No. 24032287

THOMPSON & KNIGHT L.L.P.
1722 Routh Street, Suite 1500
Dallas, Texas 75201
214-969-1700 – Telephone
214-969-1751 – Facsimile

ATTORNEYS FOR DEFENDANTS
BERESKIN & PARR AND H. SAM FROST

CERTIFICATE OF SERVICE

I certify that on April 20, 2010, I electronically filed the foregoing Corrected First Amended Answer to Second Amended Complaint with the Clerk of Court using the CM/ECF system, which will send a notification of such filing to Touchcom's counsel of record, Daniel Donohoe Prichard, Dow Lohnes & Albertson PLLC, 1200 New Hampshire Ave. NW, Suite 800, Washington, D.C. 20036.

And I hereby certify that I will cause the foregoing document to be sent to the following non-filing counsel by mail:

Michael S. Shuster
Sheron Korpus
Alycia Regan Benenati
*Attorneys for Plaintiffs Touchcom, Inc.
and Touchcom Technologies, Inc.*
Kasowitz Benson Torres & Friedman L.L.P.
1633 Broadway
New York, NY 10019

/s/ Monplaisir G. Hamilton
Monplaisir G. Hamilton

2601452.2