

RELATED CASE

- 1. This case is related to case 2:11-cv-07591-MRP-RZ ("Related Case"), in which Defendants, NeuroGrafix, Neurography Institute Medical Associates, Inc., Image-Based Surgicenter Corporation and Washington Research Foundation (collectively, "Defendants"), have asserted infringement of U.S. Patent No. 5,560,360 ("the '360 patent") by The Regents of the University of California ("The Regents"), in part, based upon The Regents' use of MRI products sold by General
- 2. Having been granted leave to intervene in the Related Case, GE, by and through its attorneys, brought an intervenor complaint for declaratory judgment of non-infringement and invalidity against the Defendants. Since GE intervened in the Related Case and filed its intervenor complaint, Defendants have taken the position that GE's role in the case is limited to defending Defendants' claims against The Regents as they relate to GE's products. While GE disagrees with Defendants' position, out of an abundance of caution GE brings this complaint for declaratory judgment of non-infringement and invalidity against Defendants, and in support thereof alleges as follows:

THE PARTIES

- 3. Plaintiff GE is a corporation that is organized and existing under the laws of the State of New York, with its principal place of business at 3135 Easton Turnpike, Fairfield, CT 06828.
- 4. Upon information and belief, Defendant NeuroGrafix is a California corporation with its principal place of business located at 2716 Ocean Park Boulevard, Suite 3075, Santa Monica, California.
- 5. Upon information and belief, Defendant Neurography Institute Medical Associates, Inc., is a California corporation with its principal place of business in Santa Monica, California.
- 6. Upon information and belief, Defendant Image-Based Surgicenter Corporation is a California corporation with its principal place of business in Santa Monica, California.
- 7. Upon information and belief, Defendant Washington Research Foundation is a not-for-profit corporation that is incorporated and existing under the laws of the State of Washington.

JURISDICTION AND VENUE

Electric Company ("GE").

- 8. This action arises under the patent laws of the United States of America, 35 U.S.C. § 1 et seq. This Court has federal subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1332, 1367, 1338(a), 2201 and 2202.
- 9. This Court has personal jurisdiction over the Defendants, and venue is proper in this Court pursuant to 28 U.S.C. § 1391(b), (c), and by virtue of the Defendants having availed themselves of this forum when they filed their complaint against The Regents of the University of California in the Related Case.

FACTUAL ALLEGATIONS

- 10. Defendants contend that the University of Washington is the owner by assignment of the '360 patent, entitled "Image Neurography and Diffusion Anisotropy Imaging." (Related Case Dkt. 1, Ex. B.)
- 11. Defendants contend that Washington Research Foundation holds substantially all rights in the '360 patent and that it exclusively licensed substantially all rights in the '360 patent to NeuroGrafix in December, 1998, retaining only certain potential reversion rights.
- 12. Defendants have a history of asserting the '360 patent, having already sued Siemens Medical Solutions USA, Inc. and Siemens Aktiengesellschaft in the United States District Court for the Central District of California (Case No. 10-1990-MRP(RZX)), and having asserted infringement claims against The Regents of the University of California in the Related Case.
- Defendants have publicly indicated that they intend to assert the '360 patent against other GE customers. NeuroGrafix's website contains the following "NeuroGrafix Statement on U.S. Patent 5,560,360," which is dated November 23, 2011:
 - At this time, NeuroGrafix advises & reminds users of MR Neurography, Diffusion Tensor Imaging (DTI, HARDI, and Q-Ball), or Diffusion Subtraction Neurography that they may be infringing US Patent 5,560,360 and its foreign equivalents if they are in the US, Japan, Europe, Canada or Australia if neither they nor their MRI manufacturer has a license. Please contact NeuroGrafix by email with any inquiries.
 - There may be no license in place for users of MRI equipment from GE, Philips, Toshiba, or BrainLab.

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Patent infringement litigation between NeuroGrafix and the Regents of the University of California is ongoing in U.S. Federal District Court.

Aaron Filler, MD, PhD, the CEO of NeuroGrafix says: "NeuroGrafix intends to continue to assert its patent rights against unlicensed infringers."

- 14. Defendants contend that certain "magnetic resonance hardware and software products capable of diffusion anisotropy imaging ('DAI'), diffusion tensor imaging ('DTI') and/or DTI tractography" infringe claims of the '360 patent including, but not necessarily limited to, the GE 1.5T SignaHDx, GE Signa LX, GE 1.5T Signa, GE 1.5T Signa Echospeed, GE 1.5T EXCITE HD, GE 3T Signa HD, and GE 3T EXCITE magnetic resonance imaging systems, including unidentified "software," "associated workstations" and "upgrade packages required ... to perform DAI, DTI and/or DTI tractography" (the "Accused Products").
- 15. Specifically, Defendants have alleged that The Regents use of the Accused Products infringe certain claims of the '360 patent. Defendants have identified the claims alleged to be infringed as claims 36, 37, 39-44, 46, 47, 49-54, 63-66 (the "Asserted Claims").
- 16. In addition, in response to GE's intervenor complaint, Defendants have asserted a counterclaim against GE for inducing The Regents alleged infringement and have reserved the right to assert claims of direct and indirect infringement against GE beyond the scope of NeuroGrafix's current claims against The Regents. (Related Case Dkt. 82 at 4 n.1.)
- 17. GE sells MRI products that Defendants have alleged, either by their public statements or in the Related Case, infringe the '360 patent (the "GE Products").
- 18. In light of the Defendants' public statements, as well as their litigation history, GE reasonably believes that Defendants may sue GE or its customers for patent infringement based upon the GE Products. Thus, the parties have a definite and concrete controversy.
- 19. GE believes that it has a right to make, use, import, offer to sell and/or sell the GE Products free of any valid patent rights of the Defendants. GE also believes that the '360 patent is invalid.

FIRST CAUSE OF ACTION: DECLARATION OF NON-INFRINGEMENT

- 20. GE repeats the allegations of the above paragraphs as if fully set forth herein.
- 21. Defendants have asserted the '360 patent against The Regents, a GE customer, in the Related Case, alleging that the Accused Products and The Regents' use of the Accused Products

infringes the '360 patent. Specifically, Defendants have asserted claims 36, 37, 39-44, 46, 47, 49-54, 63-66 ("Asserted Claims") against The Regents.

- 22. Defendants have made public statements alleging that GE and/or its customers infringe the '360 patent by their making, using, selling, offering to sell and/or importing the GE Products.
- 23. The GE Products do not infringe any claim of the '360 patent, and use of the GE Products does not indirectly infringe any claim of the '360 patent, pursuant to 35 U.S.C. § 271.
- 24. There is an actual, substantial and continuing justiciable controversy between GE and the Defendants having adverse legal interests of sufficient immediacy and reality to warrant the issuance of a declaratory judgment regarding non-infringement of the '360 patent.
- 25. GE is entitled to a judicial declaration that the GE Products do not infringe any claim of the '360 patent, and that use of the GE Products does not indirectly infringe any claims of the '360 patent.

SECOND CAUSE OF ACTION: DECLARATION OF INVALIDITY

- 26. GE repeats the allegations of the above paragraphs as if fully set forth herein.
- 27. The claims of the '360 patent are invalid for failure to comply with one or more requirements of Title 35, United States Code, including, 35 U.S.C. §§ 101, 102, 103 and 112.
- 28. There is an actual, substantial and continuing justiciable controversy between GE and the Defendants having adverse legal interests of sufficient immediacy and reality to warrant the issuance of a declaratory judgment regarding the validity of the '360 patent.
 - 29. GE is entitled to a judicial declaration that the claims of the '360 patent are invalid.

DEMAND FOR JURY TRIAL

30. GE demands a trial by jury on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, GE respectfully seeks the following relief from this Court:

(a) A declaration and entry of judgment in favor of GE and against Defendants that the GE Products do not infringe any claims of the '360 patent;

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| 1 | Dated: May 25, 2012 | Respectfully submitted, |
| 2 | D.,, | R Marin |
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| Name & Address: Jennifer A. Sklenar (SBN 200434) ARNOLD & PORTER LLP 777 South Figueroa Street, 44th Floor Los Angeles, CA 90017 Telephone: (213) 243-4000 | | |
| | | DISTRICT COURT T OF CALIFORNIA |
| GENERAL ELECTRIC COMPANY, | PLAINTIFF(S) | CV12-04506550(TC4X) |
| NEUROGRAFIX; NEUROGRAPHY II MEDICAL ASSOCIATES, INC.; IMAG SURGICENTER CORPORATION; WA RESEARCH FOUNDATION | GE-BASED | SUMMONS |
| must serve on the plaintiff an answer to □ counterclaim □ cross-claim or a moti or motion must be served on the plaintif ARNOLD & PORTER LLP, 777 S. Fi | the attached on under Rule 1 To attorney, Jegueroa St., 44th | as on you (not counting the day you received it), you complaint amended complaint amended complaint amended complaint The answer natifer Sklenar, whose address is The floor, Los Angeles, CA 90017 If you fail to do so, relief demanded in the complaint. You also must file |
| Dated: May 25, 2012 | | By: Deputy Clerk (Seal of the Court) |
| [Use 60 days if the defendant is the United State 60 days by Rule 12(a)(3)]. | es or a United State | es agency, or is an officer or employee of the United States. Allowed |
| CV-01A (10/11 | SUM | MONS |

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA CIVIL COVER SHEET

| | | CIVIL COV | EK SHEET | | | | |
|---|---|--|--|--|---|--|--|
| I (a) PLAINTIFFS (Check box i GENERAL ELECTRIC CO | f you are representing yourself □) | | DEFENDANTS NEUROGRAPHY INSTITUTE MEDICAL ASSOCIATES, INC.; IMAGE-BASED SURGICENTER CORPORATION; and WASHINGTON RESEARCH FOUNDATION | | | | |
| (b) Attorneys (Firm Name, Addi yourself, provide same.) Arnold & Porter LLP - Jenn 777 South Figueroa Street, 4 Telephone: 213-243-4000 | 17-5744 | Attorneys (If Know Marc A. Fenster Russ August & 12424 Wilshire Los Angeles, C | r Kabat Boulevard, 12 A 90025 | | | | |
| II. BASIS OF JURISDICTION | (Place an X in one box only.) | III. CITIZE | ENSHIP OF PRINCIPAL PARTIES - For Diversity Cases Only an X in one box for plaintiff and one for defendant.) | | | | |
| ☐ 1 U.S. Government Plaintiff | Federal Question (U.S. Government Not a Party) | Citizen of Thi | • | PTF 1 | | | |
| ☐ 2 U.S. Government Defendant | ☐ 4 Diversity (Indicate Citizer of Parties in Item III) | nship Citizen of An | other State | □ 2 | ☐ 2 Incorporated and F of Business in And | | |
| | | Citizen or Sub | oject of a Foreign Co | ountry 🗆 3 | ☐ 3 Foreign Nation | □6 □6 | |
| Proceeding State Co | d from □ 3 Remanded from □ urt Appellate Court | 34 Reinstated or D Reopened | | | Distric Litiga | ct Judge from | |
| V. REQUESTED IN COMPLA | AINT: JURY DEMAND: TY | | | | | | |
| CLASS ACTION under F.R.C. | P. 23: ☐ Yes 👿 No | | MONEY DEMAI | | | | |
| VI. CAUSE OF ACTION (Cite | the U.S. Civil Statute under which | h you are filing and v | write a brief statemer | nt of cause. Do | not cite jurisdictional sta | tutes unless diversity.) | |
| Declaratory Judgment | | | | | | | |
| VII. NATURE OF SUIT (Place | an X in one box only.) | | | | | | |
| OTHER STATUTES | CONTRACT | TORTS | | | PRISONER | LABOR ☐ 710 Fair Labor Standards | |
| ☐ 410 Antitrust ☐ 430 Banks and Banking ☐ 450 Commerce/ICC | ☐ 130 Miller Act ☐ 140 Negotiable Instrument ☐ 150 Recovery of ☐ Overpayment & ☐ Enforcement of ☐ Judgment ☐ 151 Medicare Act ☐ 152 Recovery of Defaulted ☐ Student Loan (Excl. ☐ Veterans) | PERSONAL INJU 310 Airplane 315 Airplane Pro Liability 320 Assault, Libe Slander 330 Fed. Employ Liability 340 Marine 345 Marine Prod Liability 350 Motor Vehic Product Liab 360 Other Person Injury 362 Personal Inj Med Malpra 365 Personal Inj Product Liab 1 368 Asbestos Pe Injury Produ Liability IMMIGRATIC 462 Naturalizati Application 463 Habeas Cor Alien Detai 465 Other Immi Actions | PROP 370 Othe 371 Trutl 380 Othe Prop 385 Prop Prod 385 Prop 158 | ERTY Fr Fraud In in Lending Frersonal Frerty Damage Frerty Da | □ 510 Motions to Vacate Sentence Habeas Corpus □ 530 General □ 535 Death Penalty □ 540 Mandamus/ Other □ 550 Civil Rights □ 555 Prison Condition FORFEITURE / □ PENALTY □ 610 Agriculture □ 620 Other Food & □ Drug □ 625 Drug Related Seizure of | Act Act Act Cabor/Mgmt. Relations Cabor/Mgmt. Reporting & Disclosure Act Cabor Act Cabor/Mgmt. Reporting & Disclosure Act Cabor Act Cabo | |
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FOR OFFICE USE ONLY: Case Number:

AFTER COMPLETING THE FRONT SIDE OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED BELOW.

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA CIVIL COVER SHEET

| VIII(a). IDENTICAL CASES: Has this action been previously filed in this court and dismissed, remanded or closed? If No | | | | | | |
|--|---|----------------------|--|---|--|--|
| VIII(b). REL If yes, list case | VIII(b). RELATED CASES: Have any cases been previously filed in this court that are related to the present case? No Yes If yes, list case number(s): 2:11-CV-07591 | | | | | |
| Civil cases are deemed related if a previously filed case and the present case: (Check all boxes that apply) (Check all boxe | | | | | | |
| | | | n, use an additional sheet if | | | |
| (a) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH named plaintiff resides. Check here if the government, its agencies or employees is a named plaintiff. If this box is checked, go to item (b). | | | | | | |
| County in thi | s District:* | | | California County outside of this District; State, if other than California; or Foreign Country | | |
| | | | | Connecticut | | |
| (b) List the C | (b) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH named defendant resides. Check here if the government, its agencies or employees is a named defendant. If this box is checked, go to item (c). | | | | | |
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| Los Angeles County Washington | | | | | | |
| (c) List the (| (c) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH claim arose. Note: In land condemnation cases, use the location of the tract of land involved. | | | | | |
| County in the | | | | California County outside of this District; State, if other than California; or Foreign Country | | |
| Los Angeles County | | | | | | |
| * Los Angele | s, Orange, San Bernard | lino, Riverside, Ven | ntura, Santa Barbara, or S | San Luis Obispo Counties | | |
| Note: In land condemnation cases, use the location of the tract of land involved X. SIGNATURE OF ATTORNEY (OR PRO PER): | | | | Date 5/25/12 | | |
| Notice to Counsel/Parties: The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet.) | | | | | | |
| Key to Statist | ical codes relating to Soc | ial Security Cases: | | | | |
| | Nature of Suit Code | Abbreviation | Substantive Statement o | f Cause of Action | | |
| | 861 | НІА | All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b)) | | | |
| | 862 | BL | All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969 (30 U.S.C. 923) | | | |
| | 863 | DIWC | All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g)) | | | |
| | 863 | DIWW | All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405(g)) | | | |
| | 864 | SSID | All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended. | | | |
| | 865 | RSI | All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. (g)) | | | |