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## Remote Software IP Suit V. Apple, Others Nears End

By **Shannon Henson**

Law360, New York (May 06, 2010) -- BetaNet LLC is close to resolving a lawsuit alleging that Adobe Systems Inc., Apple Inc., Microsoft Corp. and other technology giants infringed two patents for secure, remote operation of computer software.

Counsel for BetaNet said in a notice filed Wednesday in the U.S. District Court for the Eastern District of Texas that the plaintiff had reached a resolution of its suit and that the parties had agreed to stay all deadlines while the necessary paperwork was completed.

BetaNet and the defendants expect to file a stipulation of dismissal within 30 days, the notice said.

Attorneys for the parties either did not immediately respond to requests for comment or declined to comment Thursday.

Tyler, Texas-based BetaNet has already dropped several other defendants from the suit it filed in December. The remaining defendants are Adobe, Apple, Autodesk Inc., IBM Corp., Microsoft, McAfee Inc., Rosetta Stone Ltd., SAP America Inc., Eastman Kodak Co. and Sony Creative Software Inc.

The suit accused the defendants of infringing U.S. Patent Numbers 5,222,134 and 5,103,476, both titled "Secure system for activating personal computer software at remote locations," of which BetaNet is the owner by assignment.

The defendants have infringed the patents by selling software through a process that provides a program file, including a loader segment and a registration shell portion, to a remote computer, the complaint alleged.

License transaction information is entered in the registration shell portion, and that information is transmitted to a separate program provided in a registration computer, according to the suit.

Blockbuster computer programs such as Adobe's Acrobat and Photoshop, Apple's iTunes and Quicktime, and Microsoft's Office and Silverlight, among others, infringe the patents, BetaNet claimed.

The suit sought a judgment that the defendants had infringed the patents, as well as injunctive relief.

BetaNet also asked for enhanced damages because of the "knowing, deliberate and willful nature" of the defendants' prohibited conduct, and wanted a judge to find the lawsuit was an exceptional case and award

attorneys' fees.

In March, Oracle Corp. and Intuit Inc. were dropped from the case. Intuit infringed the patents with its QuickBooks, Online Payroll, TurboTax and Quicken programs, while California-based Oracle infringed the patents with its Fusion Middleware, Enterprise Manager, Warehouse Builder, Data Miner, SQL Developer and other programs, according to BetaNet.

At the end of April, Online Holdings LLC and Carbonite Inc. exited the case. Other defendants that have been dismissed from the case are Rockwell Automation Inc., Corel Corp. and Arial Software LLC.

The patents-in-suit are U.S. Patent Numbers 5,222,134 and 5,103,476.

BetaNet is represented by Spangler Law PC.

Adobe, Autodesk, Apple, McAfee, Microsoft and SAP America are represented by Fish & Richardson PC. IBM is represented by Jones Day. Rosetta Stone is represented by Gillam & Smith LLP. Eastman Kodak is represented by Crowell & Moring LLP and Wilson Robertson & Cornelius PC. Sony is represented by Yarbrough & Wilcox PLLC.

The case is BetaNet LLC v. Adobe Systems Inc. et al., case number 09-cv-00384, in the U.S. District Court for the Eastern District of Texas.

--Additional reporting by Pete Brush

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