

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS**

OCEAN TOMO, LLC,)	
)	
Plaintiff-Counterdefendant,)	
)	
vs.)	No. 12 C 8450
)	
JONATHAN BARNEY and)	Hon. Joan B. Gottschall
PATENTRATINGS, LLC,)	
)	
Defendants-Counterplaintiffs.)	

**AMENDED COUNTERCLAIM OF
JONATHAN BARNEY AND PATENTRATINGS, LLC**

Jonathan Barney (“Mr. Barney”) and PatentRatings, LLC (“PatentRatings”), for their Amended Counterclaim against Ocean Tomo, LLC (“Ocean Tomo”), allege as follows:

NATURE OF THE ACTION

1. This amended counterclaim arises from Ocean Tomo’s malicious, underhanded campaign to wrongfully oppress and freeze out one of its minority owners, Jonathan Barney; to cheat Mr. Barney out of the substantial benefits that Ocean Tomo promised to Mr. Barney in 2004 when Ocean Tomo induced him to exchange an ownership interest in his company, PatentRatings, LLC, for a minority ownership interest in Ocean Tomo; and to attempt to steal, through a variety of means, the very valuable PatentRatings System and the underlying patents, data, algorithms, and other valuable intellectual property owned by PatentRatings. Mr. Barney and PatentRatings bring this counterclaim to recover the significant damages they have suffered because of Ocean Tomo’s fraud, breaches of contract, tortious interference with prospective economic advantage, and violations of the Computer Fraud and Abuse Act, 18 U.S.C. § 1030 (the “CFAA”), to recover punitive damages to punish Ocean Tomo for its willful and malicious conduct, and to compel Ocean Tomo to provide access to the books and records of the company.

PARTIES

2. Counterplaintiff Jonathan Barney (“Mr. Barney”) lives in Newport Beach, California. He is a member of Ocean Tomo, owning a minority interest in the company. On information and belief, Mr. Barney currently owns 136.9 units in Ocean Tomo, which represents 8.12% of the outstanding units issued by Ocean Tomo. Mr. Barney also owns 23.1 units purportedly forfeited by Mr. Barney when Ocean Tomo wrongfully forced him to resign, which represents an additional 1.37% of the outstanding units in the company.

3. Counterplaintiff PatentRatings, LLC (“PatentRatings”) is a California limited liability company, with its principal place of business in Irvine, California.

4. Counterdefendant Ocean Tomo, LLC (“Ocean Tomo”) is an Illinois limited liability company, with its principal place of business in Chicago, Illinois. Ocean Tomo is a member of PatentRatings, and currently owns 25% of the outstanding units in PatentRatings.

JURISDICTION

5. This Court has jurisdiction over this amended counterclaim under 28 U.S.C. §1331 and 28 U.S.C. §1367.

ALLEGATIONS COMMON TO ALL COUNTS

Mr. Barney Invents The PatentRatings System, And Forms PatentRatings, LLC

6. Mr. Barney is an accomplished engineer, inventor, entrepreneur, and patent lawyer. One of Mr. Barney’s inventions is the PatentRatings[®] patent analysis system (the “PatentRatings System”), which is among the most advanced statistical patent data, rating, and analysis systems in the world. The statistical rating algorithm underlying the PatentRatings System has been awarded multiple patents by the United States Patent and Trademark Office and is used by, among others, major global corporations to assess the quality and relative value of

their patent portfolios (and the portfolios of competitors and potential acquisition targets), relevant patents and technologies, competition, and relevant trends.

7. In 2000, Mr. Barney formed a company, PatentRatings, LLC, to implement the PatentRatings System, and bring it to the marketplace. Mr. Barney invested enormous amounts of his time, energy, skill, and creativity — and significant amounts of his own funds — in PatentRatings, LLC.

Mr. Barney Agrees To Sell Ocean Tomo An Interest In PatentRatings, LLC In Exchange For A Minority Interest In Ocean Tomo

8. Word of Mr. Barney’s innovative PatentRatings System quickly spread in the industry. A number of people and entities who were interested in the system reached out to Mr. Barney. One of them was Ocean Tomo, LLC, a Chicago-based firm.

9. Ocean Tomo wanted to be able to take advantage of the PatentRatings System for the benefit of Ocean Tomo, and claimed that, in exchange, it was willing to provide Mr. Barney with a number of significant benefits, including the right to share in Ocean Tomo’s profits (and losses), and the right to receive a portion of the revenues generated by Ocean Tomo using the PatentRatings System. Mr. Barney and Ocean Tomo ultimately negotiated a transaction that involved a September 1, 2004 license agreement (as amended by an amendment dated May 2, 2005, the “License Agreement”; a copy of the License Agreement is attached as Exhibit 1), a December 31, 2004 equity exchange agreement (the “Equity Exchange Agreement”; a copy of the Equity Exchange Agreement is attached as Exhibit 2), a December 31, 2004 letter agreement (the “Letter Agreement”; a copy of the Letter Agreement is attached as Exhibit 3), and an employment agreement dated January 1, 2005 (as amended by an amendment dated July 28, 2008, the “Employment Agreement”; a copy of the Employment Agreement is attached as Exhibit 4). All of these agreements were entered into by and between the same parties, were

executed at the same time, and were each a necessary condition and required part of the overall transaction contemplated by the parties. The License Agreement granted Ocean Tomo a royalty-free license to use the PatentRatings System for its own internal use in exchange for a promise to pay PatentRatings 100% of any revenues collected by Ocean Tomo from the sale of PatentRatings products and services to its clients. In the Letter Agreement, the parties agreed that “[PatentRatings] products will not be utilized by [Ocean Tomo’s] expert services practice.” Under the Equity Exchange Agreement, Ocean Tomo acquired 25% of the equity in PatentRatings from Mr. Barney, and Mr. Barney acquired 100 units (representing approximately 6.8% of the then-outstanding equity in Ocean Tomo) from Ocean Tomo. PatentRatings and Ocean Tomo later entered into a Supplemental License Agreement dated May 18, 2006 (the “Supplemental License Agreement”; a copy of the Supplemental License Agreement is attached as Exhibit 5).

10. In order to induce Mr. Barney to enter into the License Agreement and the Equity Exchange Agreement, Ocean Tomo promised Mr. Barney, among other things, that: (a) Mr. Barney would have employment as a high-level executive at Ocean Tomo; (b) Mr. Barney would receive additional earned equity in Ocean Tomo; and (c) there were no outstanding contracts or promises relating to the issuance, sale, or transfer of any equity securities of Ocean Tomo, which was important to Mr. Barney, because any existing, undisclosed agreements to give Ocean Tomo shares to anyone else would dilute the value of the Ocean Tomo shares Mr. Barney was to receive.

The Operating Agreement

11. As a member of Ocean Tomo, Mr. Barney is a party to the operating agreement for the company, which has been amended from time to time. On information and belief, the current version of the operating agreement is the Second Amended and Restated Operating

Agreement of Ocean Tomo, LLC dated as of January 1, 2008 (the “Operating Agreement”); a copy of the Operating Agreement is attached as Exhibit 6).

12. The Operating Agreement includes provisions relating to, among other things, the allocations of profits and losses among the members of Ocean Tomo, the issuance of additional equity units to members, and the rights of members to have access to the books and records of Ocean Tomo.

13. With respect to the allocation of profits and losses among the members, the Operating Agreement provides that, subject to certain adjustments: (a) 75% of “Net Profits from Operations” shall be allocated among the members as determined by the Board of Managers, and the remaining 25% of “Net Profits from Operations” shall be allocated among the members in accordance with their respective percentage interests; and (b) “Net Profits (Other than Net Profits from Operations)” shall be allocated among the members in accordance with their respective percentage interests. These provisions meant that the Board of Managers purportedly had the ability to exercise discretion with respect to the allocation of 75% of the net profits from operations, but had no such purported discretion with respect to net profits other than net profits from operations.

14. As Ocean Tomo had promised Mr. Barney in 2004 when he agreed to exchange equity in PatentRatings, LLC for a minority interest in Ocean Tomo, the Operating Agreement also provides, in Section 10.06, that each member while employed by Ocean Tomo (including Mr. Barney) would receive an additional 10 equity units each year.

15. With respect to the Ocean Tomo members’ rights to have access to the books and records of Ocean Tomo, Section 6.04 of the Operating Agreement provides: “The Board of Managers shall maintain and preserve, during the term of the Company, the accounts, books and

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