

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

OPTIGEN, LLC,

Plaintiff

v.

Civil No. _____

INTERNATIONAL GENETICS, INC.,
GENETIC FULFILLMENT USA, LLC,
PINPOINT DNA TECHNOLOGIES, INC.,
and RICHARD B. DOBBINS,

Defendants.

COMPLAINT

Plaintiff OptiGen, LLC, through its attorneys, Hodgson Russ LLP, alleges as follows:

The Parties

1. Plaintiff OptiGen, LLC (“OptiGen”) is a limited liability company organized and existing under the laws of New York, and maintains its principal place of business at 767 Warren Road, Suite 300, Ithaca, New York.

2. OptiGen is engaged in the business of providing DNA-based diagnostic services to test for inherited diseases in dogs.

3. Defendant International Genetics, Inc. (“InGen”) is a corporation organized and existing under the laws of The Bahamas and maintains a place of business at The Bloneva Building, Freeport, The Bahamas. InGen’s laboratory is located at #8 Town Center Mall, Freeport, The Bahamas.

4. Defendant Genetic Fulfillment USA, LLC (“Genetic Fulfillment”) is a limited liability company organized and existing under the laws of Georgia, and has its principal office at 1395 Cobb Parkway N., Suite G, Marietta, Georgia 30062.

5. Defendant PinPoint DNA Technologies, Inc. (“PinPoint”) is a corporation organized and existing under the laws of Georgia, and has its principal office at 3827 Cliff Crest Drive, Smyrna, Georgia 30080.

6. Defendant Richard B. Dobbins (“Dobbins”) is an individual residing at 3827 Cliff Crest Drive SE, Smyrna, Georgia 30080. Dobbins is the CEO of PinPoint and the General Manager of InGen.

Jurisdiction and Venue

7. Plaintiff brings this action for patent infringement under the Patent Act, 35 U.S.C. § 1, *et seq*, including 35 U.S.C. § 271. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) and 15 U.S.C. § 1121(a) and supplemental jurisdiction under 28 U.S.C. § 1367.

8. Venue in this judicial district is proper pursuant to 28 U.S.C. §§ 1391 and 1400.

The Patents at Issue

9. Progressive Rod-Cone Disease (“PRCD”) is a hereditary retinal disease that leads to blindness in dogs. The patents at issue relate to identifying whether a dog is a carrier of PRCD, is predisposed to PRCD, or is genetically normal.

10. United States Patent No. 5,804,388, entitled “CHROMOSOME 9 AND PROGRESSIVE ROD-CONE DEGENERATION DISEASE GENETIC MARKERS AND ASSAYS” (the “‘388 patent”), issued on September 8, 1998. Cornell Research Foundation, Inc. is the assignee of the ‘388 patent. OptiGen is the exclusive licensee of the ‘388 patent. A true and correct copy of the ‘388 patent is attached as Exhibit A.

11. United States Patent No. 7,312,037, entitled “IDENTIFICATION OF THE GENE AND MUTATION RESPONSIBLE FOR PROGRESSIVE ROD-CONE DEGENERATION IN DOG AND A METHOD FOR TESTING SAME” (the “‘037 patent”), issued on December 25, 2007. Cornell Research Foundation, Inc. is the assignee of the ‘037 patent. OptiGen is the exclusive licensee of the ‘037 patent. A true and correct copy of the ‘037 patent is attached as Exhibit B.

Factual Background

12. PinPoint was founded in 2006 by Richard Dobbins.

13. PinPoint offered a service called “Pawsitive I.D.” for the DNA testing of dogs and cats. When Pawsitive I.D. was purchased by a customer, the customer was sent a kit that was used to collect a tissue sample. The customer then mailed the specimen back to PinPoint for analysis.

14. In January 2008, OptiGen notified PinPoint and Dobbins that their activity in selling, offering to sell, making and using genetic tests for PRCD by means of the Pawsitive I.D. testing kit constituted infringement of the ‘388 and ‘037 patents.

15. By April 15, 2008, PinPoint was no longer offering the PRCD test.
16. InGen was established in 2008 in Freeport, Bahamas. InGen purchased assets from PinPoint including the Pawsitive I.D. product and trademark, database, and website domain names.
17. The Pawsitive I.D. website (www.pawsitiveid.net) directs visitors to InGen's website (www.ingen.bs).
18. Dobbins prepared the content of InGen's website.
19. InGen was created by Dobbins for the purpose of attempting to avoid the patent laws of the United States.
20. The InGen website admits this, stating that "InGen now offers the test for Progressive Rod-Cone Degeneration (PRCD) that PinPoint was forced to withdraw in April 2008 due to patent issues. InGen does not have these issues and has recommended the testing for this eye disease." A copy of the relevant portions of InGen's website is attached as Exhibit C.
21. On the InGen website, there is a question and answer column for InGen's customers. It includes the following questions and answers:
 - “Q. What advantage is there to having a genetics lab located in the Bahamas?”**
 - A. Pawsitive ID™ was forced to discontinue certain genetic tests due to patent issues in the United States, Canada & European Union. These patents prohibit unlicensed use of the scientific techniques used in the detection of genetic mutations for some diseases. These patents were never filed in The Bahamas and therefore it is perfectly legal and ethical to

use the scientific processes needed to determine if an animal has the mutation in this jurisdiction.

Q. What diseases do you offer now that you could not test for previously?

A. Progressive Rod-Cone Degeneration (PRCD) is the only test we currently offer that is covered by any patents for which we were previously prohibited from selling and testing.

Q. Why did the price go from \$49.95 to \$75.00 per test kit?

A. In order to legally offer some of our genetic tests, we needed to build a laboratory in The Bahamas. This has added many expenses to our product. It will always be InGen's policy to keep our test prices affordable where as many animals can be tested as possible.

Q. What is the difference between a Premium Test and a Non-Premium Test?

A. A Premium Test is a genetic test that may have one or more patents associated with it in certain jurisdictions. A Non-Premium Test is a genetic test that does not have a patent associated with it or can be freely conducted in any jurisdiction.

Q. I purchased a Pawsitive ID™ test after April 1, 2008 that did not include PRCD. Can I get it now?

A. Sorry, no. If you purchased a test after April 1, 2008 and have already submitted your sample and received results, you cannot get the PRCD portion of the Pawsitive ID™ test performed now without purchasing a new test and doing the procedure again.

22. The InGen website further distinguishes between those tests that have

“patent issues” and those that do not:

PREMIUM TEST LABORATORIES

InGen has a laboratory located on Grand Bahama Island in Freeport that processes the test for Progressive Rod-Cone Degeneration (PRCD) and other tests that may have patent issues associated with them. There are no previous or existing patents issued for PRCD in The Bahamas. This being the case, International Genetics, Inc is not violating any Bahamian or international patent laws by processing

the PRCD test. InGen's lab is located at #8 Town Center Mall, Freeport, The Bahamas.

NON-PREMIUM TEST LABORATORIES

InGen contracts with PinPoint DNA Technologies, Inc of Atlanta, Georgia USA to provide genetic tests that are not associated with any existing patents in the USA. The test includes those needed to obtain a genetic fingerprint, many of our genetic disease tests and physical attribute tests. **NO LABORATORIES CONTRACTED BY PINPOINT DNA TECHNOLOGIES, INC CONDUCT ANY TESTING ON ANY GENETIC TEST THAT HAS KNOWN PATENT ISSUES**

23. InGen offers the Pawsitive I.D. testing service (including the PRCD test) for purchase through its website, including to customers in the United States and this District. InGen also advertises the Pawsitive I.D. testing service (including the PRCD test) for sale within the United States and this District. InGen has sold the Pawsitive I.D. testing service (including the PRCD test) to customers in the United States and in this District.

24. InGen contracts with Genetic Fulfillment as a shipping contractor to fill the orders placed with InGen.

25. When a customer places an order through InGen's website, Genetic Fulfillment ships the kit to the customer from Marietta, Georgia. Once the customer collects the sample from the dog or cat, the customer ships the sample to Genetic Fulfillment at a post office box in Atlanta, Georgia. Genetic Fulfillment then forwards the sample to InGen in The Bahamas for performance of tests that infringe the '388 and '037 patents.

FIRST CAUSE OF ACTION
**(Patent Infringement and Inducing Infringement
Against Defendants PinPoint and Dobbins)**

26. Plaintiff repeats the allegations set forth in paragraphs 1 through 25.

27. PinPoint and Dobbins have infringed the '388 patent and the '037 patent by one or more of the following: making, selling, offering for sale, and/or using testing methods for PRCD under the name of Pawsitive I.D., each of which incorporated one or more of the inventions claimed in the '388 and '037 patents.

28. PinPoint and Dobbins have also induced others to infringe the '388 patent and the '037 patent, in violation of 35 U.S.C. § 271(b) and (f). Dobbins has induced infringement by PinPoint, InGen, and their customers. PinPoint has induced infringement by InGen and its customers.

29. The infringement and inducement to infringe by PinPoint and Dobbins was intentional and willful.

30. As a result of PinPoint's and Dobbins' infringing activities, OptiGen has sustained damages in an amount to be proven at trial.

31. The infringements and inducements to infringe by PinPoint and Dobbins have caused and will continue to cause OptiGen irreparable harm for which there is no adequate remedy at law.

SECOND CAUSE OF ACTION
**(Patent Infringement and Inducing Infringement
Against InGen and Dobbins)**

32. Plaintiff repeats the allegations set forth in paragraphs 1 through 31.

33. InGen and Dobbins have infringed the '388 patent and the '037 patent by one or more of the following: offering to sell, selling, importing and/or exporting, and/or using testing methods for PRCD under the name of Pawsitive I.D., each of which incorporated one or more of the inventions claimed in the '388 and '037 patents.

34. InGen and Dobbins have also induced others to infringe the '388 patent and the '037 patent, in violation of 35 U.S.C. § 271(b) and (f). Dobbins has induced infringement by InGen and its customers. InGen has induced infringement by its customers.

35. The infringement and inducement to infringe by InGen and Dobbins was intentional and willful.

36. As a result of the inducement to infringe by Dobbins and InGen, OptiGen has sustained damages in an amount to be proved at trial.

37. The inducement to infringe by Dobbins and InGen has caused and will continue to cause OptiGen irreparable harm for which there is no adequate remedy at law.

THIRD CAUSE OF ACTION
(Inducing Infringement Against Genetic Fulfillment)

38. Plaintiff repeats the allegations set forth in paragraphs 1 through 37.

39. Genetic Fulfillment has actively induced infringement of the '388 and '037 patents by others, including its co-defendants and customers, in violation of 35 U.S.C. § 271(b) and (f). Genetic Fulfillment's inducement to infringe was intentional and willful.

40. As a result of Genetic Fulfillment's inducement to infringe, OptiGen has sustained damages in an amount to be proven at trial.

41. Genetic Fulfillment's inducement to infringe has caused and will continue to cause OptiGen irreparable harm for which there is no adequate remedy at law.

FOURTH CAUSE OF ACTION
(Misrepresentations Under the Lanham Act
Against InGen and Dobbins)

42. Plaintiff repeats the allegations set forth in paragraphs 1 through 41.

43. InGen and Dobbins have misrepresented the nature, characteristics, and qualities of their products and services by stating that InGen's products and services do not infringe plaintiff's patents. These statements are false.

44. The purpose of the misrepresentations by InGen and Dobbins was and is to influence customers to use the DNA-based diagnostic and testing services of InGen rather than OptiGen's services.

45. The misrepresentations by InGen and Dobbins were and are knowing, intentional, and willful and violate 15 U.S.C. § 1125(a)(1)(B).

46. As a result of this conduct by InGen and Dobbins, OptiGen has sustained

damages in an amount to be proven at trial.

47. The misrepresentations by InGen and Dobbins have caused and will continue to cause OptiGen irreparable harm for which there is no adequate remedy at law.

FIFTH CAUSE OF ACTION
(Unfair Competition Against InGen, Dobbins, and PinPoint)

48. Plaintiff repeats the allegations set forth in paragraphs 1 through 47.

49. InGen, Dobbins, and PinPoint compete with OptiGen in providing DNA-based diagnostic and testing services for inherited diseases of dogs. By offering these services, they are willfully misappropriating for their own benefit OptiGen's intellectual property and are profiting and unjustly enriching themselves by the unlawful and unauthorized use of OptiGen's intellectual property.

50. InGen was created by Dobbins for the purpose of circumventing the laws of the United States, including the Patent Act and state common law, and PinPoint transferred assets to InGen for this express purpose.

51. The conduct of InGen, Dobbins, and PinPoint in offering for sale and selling tests to the public that they know misappropriate OptiGen's intellectual property injures the business and goodwill of OptiGen, in violation of the common law of unfair competition.

52. As a result of the unfair competition by InGen, Dobbins, and PinPoint, OptiGen has sustained damages in an amount to be proved at trial.

53. The unfair competition by InGen, Dobbins, and PinPoint, is intentional and willful and will continue unless and until they are restrained by this Court.

54. The unfair competition by InGen, Dobbins, and PinPoint, has caused and will continue to cause OptiGen irreparable harm for which there is no adequate remedy at law.

WHEREFORE, OptiGen is entitled to judgment:

(1) Declaring that Defendants InGen, PinPoint, and Dobbins have directly infringed one or more claims of the '388 and '037 patents.

(2) Declaring that Defendants InGen, Pinpoint, and Dobbins have induced infringement of the '388 and '037 patents.

(3) Declaring that Defendant Genetic Fulfillment has induced infringement of the '388 and '037 patents.

(4) Granting an injunction, pursuant to 35 U.S.C. § 283 and 15 U.S.C. § 1116, preliminarily and permanently enjoining each Defendant, its officers, directors, agents, servants, employees, attorneys, subsidiaries, affiliates, and all those acting in concert with or under or through them, from making, selling, offering for sale, using, and/or exporting or importing any diagnostic testing kits or services, including but not limited to Pawsitive I.D., that infringe the '388 and '037 patents, or otherwise directly or indirectly committing or inducing further acts of infringement of the '388 and '037 patents.

(5) Ordering an accounting for damages arising from Defendants' acts of

