	Case 3:14-cv-01579-BEN-DHB	Document 1 Filed 07/01/14 Page 1 of 20
1 2 3 4 5 6 7 8 9	ANTON HANDAL (Bar No. anh@handal-law.com PAMELA C. CHALK (Bar N pchalk@handal-law.com GABRIEL HEDRICK (Bar N ghedrick@handal-law.com HANDAL & ASSOCIATES 750 B Street, Suite 2510 San Diego, California 92101 Tel: 619.544.6400 Fax: 619.696.0323 Attorneys for Plaintiff e.Digital Corporation	o. 216411)
10		
11	UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF CALIFORNIA	
12	SUUTHER	IN DISTRICT OF CALIFORNIA
13	e.Digital Corporation,	Case No. 14CV1579 MMADHB
14	Plaintiff,	COMPLAINT FOR PATENT INFRINGEMENT
15	V.	DEMAND FOR JURY TRIAL
16	Dropcam, Inc.	DEMAND FOR JUNI TRIAL
17	Defendant.	
18		
19	Plaintiff e.Digital Corporation ("e.Digital" or "Plaintiff"), by and through its	
20	undersigned counsel, complains and alleges against Defendant Dropcam, Inc.	
21	("Dropcam" or "Defendant") as follows:	
22 23	<u>NATURE OF THE ACTION</u>	
23	1. This is a civil action for infringement of a patent arising under the laws of the United States relating to patents $35 \text{ US C} = 8 \cdot 101$ at sag including	
25	laws of the United States relating to patents, 35 U.S.C. § 101, <i>et seq.</i> , including, without limitation, 35 U.S.C. §§ 271, 281. Plaintiff e.Digital seeks a preliminary	
25 26	and permanent injunction and monetary damages for patent infringement.	
27	JURISDICTION AND VENUE	
28	2. This court has subject matter jurisdiction over this case for patent	
HANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101		
TEL: 619.544.6400 FAX: 619.696.0323	COMPLAINT	-1-
		Google Inc., Nest Labs, Inc., and Dropcam, Ir

infringement under 28 U.S.C. §§ 1331 and 1338(a) and pursuant to the patent laws 1 of the United States of America, 35 U.S.C. § 101, et seq. 2

3

3. Venue properly lies within the Southern District of California pursuant to the provisions of 28 U.S.C. §§ 1391(b), (c), and (d) and 1400(b). On 4 information and belief, Defendant conducts substantial business directly and/or 5 through third parties or agents in this judicial district by selling and/or offering to 6 sell the infringing products and/or by conducting other business in this judicial 7 district. Furthermore, Plaintiff e.Digital is headquartered and has its principal 8 place of business in this district, engages in business in this district, and has been 9 harmed by Defendant's conduct, business transactions and sales in this district. 10

4. This Court has personal jurisdiction over Defendant because, on 11 12 information and belief, Defendant transacts continuous and systematic business within the State of California and the Southern District of California. In addition, 13 14 this Court has personal jurisdiction over the Defendant because, on information and belief, this lawsuit arises out of Defendant's infringing activities, including, 15 without limitation, the making, using, selling and/or offering to sell infringing 16 17 products in the State of California and the Southern District of California. Finally, this Court has personal jurisdiction over Defendant because, on information and 18 19 belief, Defendant has made, used, sold and/or offered for sale its infringing products and placed such infringing products in the stream of interstate commerce 20 21 with the expectation that such infringing products would be made, used, sold and/or offered for sale within the State of California and the Southern District of 22 California. 23

5. Upon information and belief, certain of the products manufactured by 24 25 or for Defendant have been and/or are currently sold and/or offered for sale at, other the located 26 among places, Dropcam website at https://www.dropcam.com/store to consumers including, but not limited to, 27 consumers located within the State of California, and County of San Diego. 28

### **PARTIES**

6. Plaintiff e.Digital is a Delaware corporation with its headquarters and
 principal place of business at 16870 West Bernardo Drive, Suite 120, San Diego,
 California 92127.

7. Upon information and belief, Defendant Dropcam is a corporation
registered and lawfully existing under the laws of the State of Delaware, with an
office and principal place of business located at 301 Howard Street, 4th Floor, San
Francisco, CA 94105.

9

1

### THE ACCUSED PRODUCTS

8. The Defendant's accused products for purposes of the asserted patents
 include but are not limited to the Dropcam and Dropcam Pro wireless camera
 systems, which include, without limitation, Defendant's server and subscription
 services for remote monitoring and communication.

9. By way of example, information about and demonstration videos
showing how to infringe the asserted patents are posted by Dropcam on its
website(s) at <u>www.dropcam.com</u>. The Defendant infringes the asserted patents as
evidenced by its demonstrations of the accused products on its website at
<u>www.dropcam.com/live-demos</u>. The Defendant advertises its infringing "Cloud
Recording" services under at <u>www.dropcam.com/cloud-recording</u>.

10. 20 Dropcam also provides operating manuals, user or installation guides, knowledge base forums, instructional/informational videos on its website that 21 22 instruct customers and end-users on how to purchase the Dropcam or Dropcam Pro 23 cameras and set them up in conjunction with the Defendant's servers. Among other things, the Defendant provides informational materials that lays out step-by-24 25 step instructions on how to set up an apparatus or system that infringes the asserted 26 claims of the asserted patents on its website including but no limited to the website located http://support.dropcam.com/entries/21661697-How-do-I-set-up-my-27 at new-camera. Further, Defendant's "Knowledge Base" contains detailed and 28

extensive instructions on how to use the accused products in an infringing manner 1 2 at www.support.dropcam/forums.

3

11. Plaintiff believes and thereupon alleges that Dropcam is aware that its 4 customers and end-users are using the accused products in an infringing manner based on, among other things: 1) the discussions, questions, answers, and/or 5 website and/or Twitter comments posted on its it website 6 page (twitter.com/Dropcam) where Dropcam's authorized agents, customers and/or end-7 users discuss and disclose the use of the accused products, a process which 8 9 Dropcam knows infringes upon patent; and/or, 2) the fact that Dropcam encourages its customers and end-users to use the accused products in an 10 infringing manner as set forth herein including but not limited to offering every 11 12 purchaser of a Dropcam a free trial subscription to its cloud-based services.

13

## THE ASSERTED PATENTS

12. 14 On November 6, 2012, the United States and Trademark office, duly and legally issued United States Patent No. 8,306,514, entitled "System and 15 Method for Managing Mobile Communications" ("the '514 patent"). The patent's 16 17 named invertor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of the entire right, title and interest in and to the '514 patent and vested with the right 18 19 to bring this suit for damages and other relief. A true and correct copy of the '514 patent is attached hereto as Exhibit "A". 20

21

13. On November 13, 2012, the United States and Trademark office, duly and legally issued United States Patent No. 8,311,522, entitled "System and 22 Method for Managing Mobile Communications" ("the '522 patent"). The patent's 23 24 named invertor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of the entire right, title and interest in and to the '522 patent and vested with the right 25 26 to bring this suit for damages and other relief. A true and correct copy of the '522 patent is attached hereto as Exhibit "B". 27

28 IANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101 TEL: 619.544.6400 FAX: 619.696.0323

14. On November 13, 2012, the United States and Trademark office, duly

and legally issued United States Patent No. 8,311,523, entitled "System and 1 Method for Managing Mobile Communications" ("the '523 patent"). The patent's 2 named invertor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of 3 the entire right, title and interest in and to the '523 patent and vested with the right 4 to bring this suit for damages and other relief. A true and correct copy of the '523 5 patent is attached hereto as Exhibit "C". 6

15. On November 13, 2012, the United States and Trademark office, duly 7 and legally issued United States Patent No. 8,311,524, entitled "System and 8 Method for Managing Mobile Communications" ("the '524 patent"). The patent's 9 named invertor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of 10 the entire right, title and interest in and to the '524 patent and vested with the right 11 12 to bring this suit for damages and other relief. A true and correct copy of the '524 patent is attached hereto as Exhibit "D". 13

- 14 16. On November 20, 2012, the United States and Trademark office, duly and legally issued United States Patent No. 8,315,618, entitled "System and 15 Method for Managing Mobile Communications" ("the '618 patent"). The patent's 16 17 named invertor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of the entire right, title and interest in and to the '618 patent and vested with the right 18 19 to bring this suit for damages and other relief. A true and correct copy of the '618 patent is attached hereto as Exhibit "E". 20
- 21

28

ANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101 TEL: 619.544.6400 FAX: 619.696.0323

17. On November 20, 2012, the United States and Trademark office, duly and legally issued United States Patent No. 8,315,619, entitled "System and 22 Method for Managing Mobile Communications" ("the '619 patent"). The patent's 23 named invertor is Patrick Nunally and Plaintiff e.Digital is assignee and owner of 24 the entire right, title and interest in and to the '619 patent and vested with the right 25 26 to bring this suit for damages and other relief. A true and correct copy of the '619 patent is attached hereto as Exhibit "F". 27

# **COUNT ONE**

## **INFRINGEMENT OF THE '514 PATENT BY DEFENDANT**

18. Plaintiff re-alleges and incorporates by reference each of the 2 3 allegations set forth in paragraphs 1 through 17 above.

4

19. Defendant has knowledge of infringement of the '514 patent since at least the filing of this complaint.

6

5

20. Upon information and belief, Defendant, without authority, (a) has knowingly directly infringed and continues to directly infringe the '514 patent by 7 making, using, offering to sell, selling within the United States, or importing into 8 the United States, products that practice claims 1, 3, 4, 5, 6, 30, 32, and 33 of the 9 '514 patent in violation of 35 U.S.C. § 271(a); (b) has induced and continues to 10 induce infringement of claims 1, 3, 4, 5, 6, 30, 32, and 33 of the '514 patent in 11 12 violation of 35 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 4, 5, 6, 30, 32, and 33 of the '514 patent in 13 14 violation of 35 U.S.C. § 271(c).

The accused products, alone or in combination with other products, 15 21. directly or alternatively under the doctrine of equivalents practice each of the 16 17 limitations of independent claims 1, 5, and 30 as well as dependent claims 3, 4, 6, 32 and 33 of the '514 patent in violation of 35 U.S.C. § 271(a). 18

19 22. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote 20 21 monitoring, which utilizes the devices described by the '514 patent and in a manner Defendant knows infringes the patent. 22

Upon information and belief, Defendant, in the United States, without 23 23. authority, has actively induced and continues to actively induce infringement of 24 25 claims 1, 3, 4, 5, 6, 30, 32 and 33 of the '514 patent in violation of 35 U.S.C. § In particular, Plaintiff alleges that the claims of the '514 patent are 26 271(b). directly infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of 27 their normal use. Also, Defendant encourages others to directly infringe the claims 28

of the '514 patent by among other things, advertising and promoting the sale and
use of the accused products. Plaintiff also alleges that Defendant has knowingly
induced and continues to induce infringement of the '514 patent by providing
operating manuals, guides, instructional and /or informational videos and other
materials designed to instruct others how to use the products in an infringing
manner as more fully described herein.

Upon information and belief, Defendant, without authority, has 24. 7 contributed and continues to contribute to the infringement of claims 1, 3, 4, 5, 6, 8 30, 32, and 33 of the '514 patent in violation of 35 U.S.C. § 271(c) by importing 9 into the United States, selling and/or offering to sell within the United States 10 accused products that it knows (a) infringe the aforementioned claims of the '514 11 12 patent by embodying a System and Method for Managing Mobile Communications which includes but the Dropcam and Dropcam Pro wireless camera systems, and 13 14 without limitation, Defendant's server and subscription services for remote 15 monitoring and communication as material components of the accused products, (b) which were made and/or especially adapted for use in the accused products, (c) 16 17 which the Defendant knows to be especially adapted for use in infringing the '514 patent, and (d) are not staple articles of commerce suitable for substantial non-18 19 infringing use with respect to the '514 patent.

20 25. On information and belief, Defendant sells, ships or otherwise
21 delivers the accused products in the United States with all the features required to
22 infringe the asserted claims of the '514 patent. On information and belief, these
23 products are designed to practice the infringing features.

24 26. Plaintiff has been irreparably harmed by these acts of infringement 25 and has no adequate remedy at law. Upon information and belief, infringement of 26 the '514 patent is ongoing and will continue unless Defendant is enjoined from 27 further infringement by the court.

### COUNT TWO

28 HANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101 TEL: 619.544.6400 FAX: 619.696.0323

# **INFRINGEMENT OF THE '522 PATENT BY DEFENDANT**

27. Plaintiff re-alleges and incorporates by reference each of the 2 3 allegations set forth in paragraphs 1 through 17 above.

4

28. Defendant has knowledge of infringement of the '522 patent since at least the filing of this complaint.

6

5

29. Upon information and belief, Defendant, without authority, (a) has knowingly directly infringed and continues to directly infringe the '522 patent by 7 making, using, offering to sell, selling within the United States, or importing into 8 the United States, products that practice claims 1, 3, 6, 17, 21, 24 and 25 of the 9 '522 patent in violation of 35 U.S.C. § 271(a); (b) has induced and continues to 10 induce infringement of claims 1, 3, 6, 17, 21, 24 and 25 of the '522 patent in 11 12 violation of 35 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 6, 17, 21, 24 and 25 of the '522 patent in 13 14 violation of 35 U.S.C. § 271(c).

15

The accused products, alone or in combination with other products, 30. directly or alternatively under the doctrine of equivalents practice each of the 16 17 limitations of independent claims 1 and 17 as well as dependent claims 3, 6, 21, 24 and 25 of the '522 patent in violation of 35 U.S.C. § 271(a). 18

19 31. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote 20 21 monitoring, which utilizes the devices described by the '522 patent and in a manner Defendant knows infringes the patent. 22

Upon information and belief, Defendant, in the United States, without 23 32. authority, has also actively induced and continues to actively induce infringement 24 of claims 1, 3, , 6, 17, 21, 24 and 25 of the '522 patent in violation of 35 U.S.C. § 25 271(b). In particular, Plaintiff alleges that the claims of the '522 patent are directly 26 infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of their 27 normal use. Also, Defendant encourages others to directly infringe the claims of 28

the '522 patent by among other things, advertising and promoting the sale and use of the accused products. Plaintiff also alleges that Defendant has knowingly induced and continues to induce infringement of the '522 patent by providing operating manuals, guides, instructional and /or informational videos and other materials designed to instruct others how to use the products in an infringing manner as more fully described herein.

Upon information and belief, Defendant, without authority, has 33. 7 contributed and continues to contribute to the infringement of claims 1, 3, 6, 17, 8 21, 24 and 25 of the '522 patent in violation of 35 U.S.C. § 271(c) by importing 9 into the United States, selling and/or offering to sell within the United States 10 accused products that it knows (a) infringe the aforementioned claims of the '522 11 12 patent by embodying a System and Method for Managing Mobile Communications which includes but the Dropcam and Dropcam Pro wireless camera systems, and 13 14 without limitation, Defendant's server and subscription services for remote 15 monitoring and communication as material components of the accused products, (b) which were made and/or especially adapted for use in the accused products, (c) 16 17 which the Defendant knows to be especially adapted for use in infringing the '522 patent, and (d) are not staple articles of commerce suitable for substantial non-18 19 infringing use with respect to the '522 patent.

34. On information and belief, Defendant sells, ships or otherwise
delivers the accused products with all the features required to infringe the asserted
claims of the '522 patent. On information and belief, these products are designed
to practice the infringing features.

35. Plaintiff has been irreparably harmed by these acts of infringement
and has no adequate remedy at law. Upon information and belief, infringement of
the '522 patent is ongoing and will continue unless Defendant is enjoined from
further infringement by the court.

#### **COUNT THREE**

28 HANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101 TEL: 619.544.6400 FAX: 619.696.0323

## **INFRINGEMENT OF THE '523 PATENT BY DEFENDANT**

36. Plaintiff re-alleges and incorporates by reference each of the 2 3 allegations set forth in paragraphs 1 through 17 above.

4

37. Defendant has knowledge of infringement of the '523 patent since at least the filing of this complaint.

6

5

38. Upon information and belief, Defendant, without authority, (a) has knowingly directly infringed and continues to directly infringe the '523 patent by 7 making, using, offering to sell, selling within the United States, or importing into 8 the United States, products that practice claims 1, 3, 4, 6, 8, 9, 10, 19, 21, 23, 25 9 and 26 of the '523 patent in violation of 35 U.S.C. § 271(a); (b) has induced and 10 continues to induce infringement of claims 1, 3, 4, 6, 8, 9, 10, 19, 21, 23, 25 and 26 11 12 of the '523 patent in violation of 35 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 4, 6, 8, 9, 10, 19, 21, 23, 13 14 25 and 26 of the '523 patent in violation of 35 U.S.C. § 271(c).

The accused products, alone or in combination with other products, 15 39. directly or alternatively under the doctrine of equivalents practice each of the 16 limitations of independent claims 1 and 19 as well as dependent claims 3, 4, 6, 8, 9, 17 10, 21, 23, 25 and 26 of the '523 patent in violation of 35 U.S.C. § 271(a). 18

19 40. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote 20 21 monitoring, which utilizes the devices described by the '523 patent and in a manner Defendant knows infringes the patent. 22

24 25 26 27 28 ANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101 TEL: 619.544.6400 FAX: 619.696.0323

23

Upon information and belief, Defendant, in the United States, without 41. authority, has also actively induced and continues to actively induce infringement of claims 1, 3, 4, 6, 8, 9, 10, 19, 21, 23, 25 and 26 of the '523 patent in violation of 35 U.S.C. § 271(b). In particular, Plaintiff alleges that the claims of the '523 patent are directly infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of their normal use. Also, Defendant encourages others to directly infringe

the claims of the '523 patent by among other things, advertising and promoting the sale and use of the accused products. Plaintiff also alleges that Defendant has knowingly induced and continues to induce infringement of the '523 patent by providing operating manuals, guides, instructional and /or informational videos and other materials designed to instruct others how to use the products in an infringing manner as more fully described herein.

Upon information and belief, Defendant, without authority, has 42. 7 contributed and continues to contribute to the infringement of claims 1, 3, 4, 6, 8, 8 9, 10, 19, 21, 23, 25 and 26 of the '523 patent in violation of 35 U.S.C. § 271(c) by 9 importing into the United States, selling and/or offering to sell within the United 10 States accused products that it knows (a) infringe the aforementioned claims of the 11 '523 patent by embodying a System and Method for Managing Mobile 12 Communications which includes but the Dropcam and Dropcam Pro wireless 13 14 camera systems, and without limitation, Defendant's server and subscription services for remote monitoring and communication as material components of the 15 accused products, (b) which were made and/or especially adapted for use in the 16 accused products, (c) which the Defendant knows to be especially adapted for use 17 in infringing the '523 patent, and (d) are not staple articles of commerce suitable 18 19 for substantial non-infringing use with respect to the '523 patent.

43. On information and belief, Defendant sells, ships or otherwise
delivers the accused products with all the features required to infringe the asserted
claims of the '523 patent. On information and belief, these products are designed
to practice the infringing features.

44. Plaintiff has been irreparably harmed by these acts of infringement
and has no adequate remedy at law. Upon information and belief, infringement of
the '523 patent is ongoing and will continue unless Defendant is enjoined from
further infringement by the court.

#### **COUNT FOUR**

28 HANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101 TEL: 619.544.6400 FAX: 619.696.0323

## **INFRINGEMENT OF THE '524 PATENT BY DEFENDANT**

45. Plaintiff re-alleges and incorporates by reference each of the 2 3 allegations set forth in paragraphs 1 through 17 above.

4

46. Defendant has knowledge of infringement of the '524 patent since at least the filing of this complaint.

6

5

47. Upon information and belief, Defendant, without authority, (a) has knowingly directly infringed and continues to directly infringe the '524 patent by 7 making, using, offering to sell, selling within the United States, or importing into 8 the United States, products that practice claims 1, 3, 4, 5, 7 and 9 of the '524 patent 9 in violation of 35 U.S.C. § 271(a); (b) has induced and continues to induce 10 infringement of claims 1, 3, 4, 5, 7 and 9 of the '524 patent in violation of 35 11 12 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 4, 5, 7 and 9 of the '524 patent in violation of 35 13 U.S.C. § 271(c). 14

The accused products, alone or in combination with other products, 15 48. directly or alternatively under the doctrine of equivalents practice each of the 16 17 limitations of independent claims 1 as well as dependent claims 3, 4, 5, 7 and 9 of the '524 patent in violation of 35 U.S.C. § 271(a). 18

19 49. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote 20 21 monitoring, which utilizes the devices described by the '524 patent and in a manner Defendant knows infringes the patent. 22

Upon information and belief, Defendant, in the United States, without 23 50. authority, has also actively induced and continues to actively induce infringement 24 25 of claims 1, 3, 4, 5, 7 and 9 of the '524 patent in violation of 35 U.S.C. § 271(b). In particular, Plaintiff alleges that the claims of the '524 patent are directly 26 infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of their 27 normal use. Also, Defendant encourages others to directly infringe the claims of 28

the '524 patent by among other things, advertising and promoting the sale and use 1 2 of the accused products. Plaintiff also alleges that Defendant has knowingly induced and continues to induce infringement of the '524 patent by providing 3 operating manuals, guides, instructional and /or informational videos and other 4 materials designed to instruct others how to use the products in an infringing 5 manner as more fully described herein. 6

Upon information and belief, Defendant, without authority, has 51. 7 contributed and continues to contribute to the infringement of claims 1, 3, 4, 5, 7 8 and 9 of the '524 patent in violation of 35 U.S.C. § 271(c) by importing into the 9 United States, selling and/or offering to sell within the United States accused 10 products that it knows (a) infringe the aforementioned claims of the '524 patent by 11 12 embodying a System and Method for Managing Mobile Communications which includes but the Dropcam and Dropcam Pro wireless camera systems, and without 13 14 limitation, Defendant's server and subscription services for remote monitoring and 15 communication as material components of the accused products, (b) which were made and/or especially adapted for use in the accused products, (c) which the 16 17 Defendant knows to be especially adapted for use in infringing the '524 patent, and (d) are not staple articles of commerce suitable for substantial non-infringing use 18 19 with respect to the '524 patent.

20 21

52. On information and belief, Defendant sells, ships or otherwise delivers the accused products with all the features required to infringe the asserted claims of the '524 patent. On information and belief, these products are designed 22 to practice the infringing features. 23

Plaintiff has been irreparably harmed by these acts of infringement 24 53. 25 and has no adequate remedy at law. Upon information and belief, infringement of the '524 patent is ongoing and will continue unless Defendant is enjoined from 26 27 further infringement by the court.

### **COUNT FIVE**

28 IANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101 619,544,6400 619.696.0323

## **INFRINGEMENT OF THE '618 PATENT BY DEFENDANT**

54. Plaintiff re-alleges and incorporates by reference each of the 2 3 allegations set forth in paragraphs 1 through 17 above.

4

55. Defendant has knowledge of infringement of the '618 patent since at least the filing of this complaint.

6

5

56. Upon information and belief, Defendant, without authority, (a) has knowingly directly infringed and continues to directly infringe the '618 patent by 7 making, using, offering to sell, selling within the United States, or importing into 8 the United States, products that practice claims 1, 3, 4, 15, 19, 20, 21, 22, 23, 24, 9 and 25 of the '618 patent in violation of 35 U.S.C. § 271(a); (b) has induced and 10 continues to induce infringement of claims 1, 3, 4, 15, 19, 20 21, 22, 23, 24, and 25 11 12 of the '618 patent in violation of 35 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 4, 15, 19, 20 21, 22, 23, 13 14 24, and 25 of the '618 patent in violation of 35 U.S.C. § 271(c).

The accused products, alone or in combination with other products, 15 57. 16 directly or alternatively under the doctrine of equivalents practice each of the 17 limitations of independent claims 1, 15, and 20 as well as dependent claims 3, 4, 19, 21, 23, 24, and 25 of the '618 patent in violation of 35 U.S.C. § 271(a). 18

19 58. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote 20 21 monitoring, which utilizes the devices described by the '618 patent and in a manner Defendant knows infringes the patent. 22

24 25 26 27 28 ANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101

23

Upon information and belief, Defendant, in the United States, without 59. authority, has also actively induced and continues to actively induce infringement of claims 1, 3, 4, 15, 19, 20 21, 23, 24, and 25 of the '618 patent in violation of 35 U.S.C. § 271(b). In particular, Plaintiff alleges that the claims of the '618 patent are directly infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of their normal use. Also, Defendant encourages others to directly infringe the

claims of the '618 patent by among other things, advertising and promoting the
sale and use of the accused products. Plaintiff also alleges that Defendant has
knowingly induced and continues to induce infringement of the '618 patent by
providing operating manuals, guides, instructional and /or informational videos and
other materials designed to instruct others how to use the products in an infringing
manner as more fully described herein.

Upon information and belief, Defendant, without authority, has 60. 7 contributed and continues to contribute to the infringement of claims 1, 3, 4, 15, 8 19, 20 21, 23, 24, and 25 of the '618 patent in violation of 35 U.S.C. § 271(c) by 9 importing into the United States, selling and/or offering to sell within the United 10 States accused products that it knows (a) infringe the aforementioned claims of the 11 '618 patent by embodying a System and Method for Managing Mobile 12 Communications which includes but the Dropcam and Dropcam Pro wireless 13 14 camera systems, and without limitation, Defendant's server and subscription services for remote monitoring and communication as material components of the 15 accused products, (b) which were made and/or especially adapted for use in the 16 accused products, (c) which the Defendant knows to be especially adapted for use 17 in infringing the '618 patent, and (d) are not staple articles of commerce suitable 18 19 for substantial non-infringing use with respect to the '618 patent.

61. On information and belief, Defendant sells, ships or otherwise
delivers the accused products with all the features required to infringe the asserted
claims of the '618 patent. On information and belief, these products are designed
to practice the infringing features.

62. Plaintiff has been irreparably harmed by these acts of infringement
and has no adequate remedy at law. Upon information and belief, infringement of
the '618 patent is ongoing and will continue unless Defendant is enjoined from
further infringement by the court.

### COUNT SIX

28 HANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101 TEL: 619.544.6400 FAX: 619.696.0323

## **INFRINGEMENT OF THE '619 PATENT BY DEFENDANT**

63. Plaintiff re-alleges and incorporates by reference each of the 2 3 allegations set forth in paragraphs 1 through 17 above.

4

64. Defendant has knowledge of infringement of the '619 patent since at least the filing of this complaint.

5

65. Upon information and belief, Defendant, without authority, (a) has 6 knowingly directly infringed and continues to directly infringe the '619 patent by 7 making, using, offering to sell, selling within the United States, or importing into 8 the United States, products that practice claims 1, 3, 4, 8, 19, 21, 23, 29, 30, and 32 9 of the '619 patent in violation of 35 U.S.C. § 271(a); (b) has induced and continues 10 to induce infringement of claims 1, 3, 4, 8, 19, 21, 23, 29, 30, and 32 of the '619 11 12 patent in violation of 35 U.S.C. § 271(b); and (c) has contributed and continues to contribute to the infringement of claims 1, 3, 4, 8, 19, 21, 23, 29, 30, and 32 of the 13 '619 patent in violation of 35 U.S.C. § 271(c). 14

15

The accused products, alone or in combination with other products, 66. directly or alternatively under the doctrine of equivalents practice each of the 16 17 limitations of independent claims 1, and 19 as well as dependent claims 3, 4, 8, 21, 23, 29, 30, and 32 of the '619 patent in violation of 35 U.S.C. § 271(a). 18

19 67. Defendant's product literature, materials and instructional videos also advertise and encourage customers to use the accused product(s) for remote 20 21 monitoring, which utilizes the devices described by the '619 patent and in a manner Defendant knows infringes the patent. 22

Upon information and belief, Defendant, in the United States, without 23 68. authority, has also actively induced and continues to actively induce infringement 24 of claims 1, 3, 4, 8, 19, 21, 23, 29, 30, and 32 of the '619 patent in violation of 35 25 U.S.C. § 271(b) In particular, Plaintiff alleges that the claims of the '619 patent are 26 directly infringed by Defendant in violation of 35 U.S.C. § 271(a) in the course of 27 their normal use. Also, Defendant encourages others to directly infringe the claims 28

of the '619 patent by among other things, advertising and promoting the sale and
use of the accused products. Plaintiff also alleges that Defendant has knowingly
induced and continues to induce infringement of the '619 patent by providing
operating manuals, guides, instructional and /or informational videos and other
materials designed to instruct others how to use the products in an infringing
manner as more fully described herein.

Upon information and belief, Defendant, without authority, has 69. 7 contributed and continues to contribute to the infringement of claims 1, 3, 4, 8, 19, 8 21, 23, 29, 30, and 32 of the '619 patent in violation of 35 U.S.C. § 271(c) by 9 importing into the United States, selling and/or offering to sell within the United 10 States accused products that it knows (a) infringe the aforementioned claims of the 11 '619 patent by embodying a System and Method for Managing Mobile 12 Communications which includes but the Dropcam and Dropcam Pro wireless 13 14 camera systems, and without limitation, Defendant's server and subscription services for remote monitoring and communication as material components of the 15 accused products, (b) which were made and/or especially adapted for use in the 16 accused products, (c) which the Defendant knows to be especially adapted for use 17 in infringing the '619 patent, and (d) are not staple articles of commerce suitable 18 19 for substantial non-infringing use with respect to the '619 patent.

70. On information and belief, Defendant sells, ships or otherwise
delivers the accused products with all the features required to infringe the asserted
claims of the '619 patent. On information and belief, these products are designed
to practice the infringing features.

71. Plaintiff has been irreparably harmed by these acts of infringement
and has no adequate remedy at law. Upon information and belief, infringement of
the '619 patent is ongoing and will continue unless Defendant is enjoined from
further infringement by the court.

### PRAYER FOR RELIEF

28 HANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101 TEL: 619.544.6400 FAX: 619.696.0323

	Case 3:14-cv-01579-BEN-DHB Document 1 Filed 07/01/14 Page 18 of 20		
1	WHEREFORE, Plaintiff prays for relief and judgment as follows:		
2	1. That Defendant be declared to have infringed the Patents-in-Suit;		
3	2. That Defendant, Defendant's officers, agents, servants, employees,		
4	and attorneys, and those persons in active concert or participation with them, be		
5	preliminarily and permanently enjoined from infringement of the Patents-in-Suit,		
6	including but not limited to any making, using, offering for sale, selling, or		
7	importing of unlicensed infringing products within and without the United States;		
8	3. Compensation for all damages caused by Defendant's infringement of		
9	the Patents-in-Suit to be determined at trial;		
10	4. A finding that this case is exceptional and an award of reasonable		
11	attorneys fees pursuant to 35 U.S.C. § 285;		
12	5. Granting Plaintiff pre-and post-judgment interest on its damages,		
13	together with all costs and expenses; and,		
14	6. Awarding such other relief as this Court may deem just and proper.		
15	HANDAL & ASSOCIATES		
16	Dated: July 1, 2014 By: <u>/s/Pamela C. Chalk</u> Anton N. Handal		
17	Pamela C. Chalk Gabriel G. Hedrick		
18	Attorneys for Plaintiff e.Digital Corporation		
19			
20 21			
21			
22			
23			
25			
26			
27			
28			
HANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101			
TEL: 619.544.6400 FAX: 619.696.0323	COMPLAINT -18-		

	Case 3:14-cv-01579-BEN-DHB	Document 1 Filed 07/01/14 Page 19 of 20	
	DEMAND FOR JURY TRIAL		
1			
2	Plaintiff hereby demands a trial by jury on all claims.		
3		HANDAL & ASSOCIATES	
4	Dated: July 1, 2014	By: <u>/s/Pamela C. Chalk</u> Anton N. Handal	
5		By: <u>/s/Pamela C. Chalk</u> Anton N. Handal Pamela C. Chalk Gabriel G. Hedrick Attorneys for Plaintiff e.Digital Corporation	
6 7			
8			
8 9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28 NDAL & ASSOCIATES 750 B STREET			
SUITE 2510 SAN DIEGO, CA 92101 TEL: 619.544.6400 FAX: 619.696.0323	COMPLAINT	-19-	

HANDAL &

### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the 2 foregoing document has been served on this date to all counsel of record, if any to 3 date, who are deemed to have consented to electronic service via the Court's 4 CM/ECF system per CivLR 5.4(d). Any other counsel of record will be served by 5 electronic mail, facsimile and/or overnight delivery upon their appearance in this 6 matter. 7 I declare under penalty of perjury of the laws of the United States that the 8 foregoing is true and correct. Executed this 1<sup>st</sup> day of July, 2014 at San Diego, 9 California. 10 11 HANDAL & ASSOCIATES 12 Dated: July 1, 2014 By: /s/Pamela C. Chalk 13 Anton N. Handal Pamela C. Chalk 14 Gabriel G. Hedrick Attorneys for Plaintiff 15 e.Digital Corporation 16 17 18 19 20 21 22 23 24 25 26 27 28 HANDAL & ASSOCIATES 750 B STREET SUITE 2510 SAN DIEGO, CA 92101 TEL: 619.544.6400 FAX: 619.696.0323 -20-**COMPLAINT**