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11 Attorneys for Plaintiff
12 SOFTVAULT SYSTEMS, INC.

13 **UNITED STATES DISTRICT COURT**
14 **NORTHERN DISTRICT OF CALIFORNIA**
15 **SAN JOSE DIVISION**

16
17 SOFTVAULT SYSTEMS, INC.,
18 Plaintiff,
19 vs.
20 GENERAL ELECTRIC COMPANY,
21 Defendant.

CASE NO.

**COMPLAINT FOR INFRINGEMENT
OF U.S. PATENT NOS. 6,249,868 AND
6,594,765**

JURY TRIAL DEMANDED

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1 Plaintiff SOFTVAULT SYSTEMS, INC. files its Complaint against Defendant
2 GENERAL ELECTRIC COMPANY, alleging as follows:

3 **THE PARTIES**

4 1. Plaintiff SOFTVAULT SYSTEMS, INC. (“SoftVault”) is a corporation organized
5 and existing under the laws of the State of Washington with its principle place of business in the
6 State of Washington.

7 2. Upon information and belief GENERAL ELECTRIC COMPANY (“GE”) is a
8 corporation organized and existing under the laws of the State of New York, with its principal
9 place of business in Fairfield, CT. GE may be served with process through its registered agent
10 CT Corporation System, 818 W. Seventh Street, Los Angeles, CA 90017.

11 **JURISDICTION AND VENUE**

12 3. This is an action for infringement of United States patents. This Court has
13 exclusive jurisdiction of such action under Title 28 U.S.C. § 1338(a).

14 4. Upon information and belief, GE is subject to personal jurisdiction by this Court.
15 GE has committed such purposeful acts and/or transactions in the State of California that it
16 reasonably knew and/or expected that it could be hailed into a California court as a future
17 consequence of such activity. GE makes, uses, and/or sells infringing products within the
18 Northern District of California and has a continuing presence and the requisite minimum
19 contacts with the Northern District of California, such that this venue is a fair and reasonable
20 one. Upon information and belief, GE has transacted and, at the time of the filing of this
21 Complaint, is continuing to transact business within the Northern District of California. For all
22 of these reasons, personal jurisdiction exists and venue is proper in this Court under 28 U.S.C.
23 §§ 1391(b)(1), (2) and (c)(2) and 28 U.S.C. § 1400(b).

24 **PATENTS-IN-SUIT**

25 5. On June 19, 2001, United States Patent No. 6,249,868 BI (“the ‘868 Patent”) was
26 duly and legally issued for “METHOD AND SYSTEM FOR EMBEDDED, AUTOMATED,
27 COMPONENT-LEVEL CONTROL OF COMPUTER SYSTEMS AND OTHER COMPLEX
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1 SYSTEMS.” A true and correct copy of the ‘868 Patent is attached hereto as Exhibit A and
2 made a part hereof.

3 6. On July 15, 2003, United States Patent No. 6,594,765 B2 (“the ‘765 Patent”) was
4 duly and legally issued for “METHOD AND SYSTEM FOR EMBEDDED, AUTOMATED,
5 COMPONENT-LEVEL CONTROL OF COMPUTER SYSTEMS AND OTHER COMPLEX
6 SYSTEMS.” A true and correct copy of the ‘765 Patent is attached hereto as Exhibit B and
7 made a part hereof.

8 7. The ‘868 Patent and the ‘765 Patent are sometimes referred to herein collectively
9 as “the Patents-in-Suit.”

10 8. As it pertains to this lawsuit, the Patents-in-Suit, very generally speaking, relate to
11 a method and system of remotely enabling and disabling electronic, mechanical, and
12 electromechanical devices and systems, such as for example a computer system, an electricity
13 meter containing a computer system, or an energy system. Specifically, certain claims of the
14 ‘868 and ‘765 Patents disclose the utilization of embedded agents within system components to
15 allow for the enablement or disablement of the system component in which the agent is
16 embedded. The invention disclosed in the Patents-in-Suit discloses a server that communicates
17 with the embedded agent through the use of one or more handshake operations to authorize the
18 embedded agent. When the embedded agent is authorized by the server, it enables the device or
19 component, and when not authorized the embedded agent disables the device or component.

20 **FIRST CLAIM FOR RELIEF**

21 **(Patent Infringement)**

22 9. SoftVault repeats and realleges every allegation set forth above.

23 10. SoftVault is the owner of the Patents-in-Suit with the exclusive right to enforce
24 the Patents-in-Suit against infringers, and collect damages for all relevant times, including the
25 right to prosecute this action.

26 11. Upon information and belief, GE is liable under 35 U.S.C. §271(a) for direct
27 infringement of the Patents-in-Suit because it manufactures, makes, has made, uses, practices,
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1 imports, provides, supplies, distributes, sells, and/or offers for sale products and/or systems that
2 practice one or more claims of the Patents-in-Suit.

3 12. More specifically, GE, through its GE Digital Energy division and Smart Meter
4 product offerings, infringes the Patents-in-Suit because it makes, uses, sells, and offers for sale
5 products and systems that include the capability to remotely enable and disable a computer-based
6 electricity, gas, or water meter. GE's Smart Meter offerings have the ability to enable or disable
7 the operation of a Smart Meter through an authorization process performed by an embedded
8 agent within the Smart Meter and a remote server. By way of example only, GE's Grid IQ AMI
9 P2MP software and its Smart Metering Operations Suite operating with Smart Meters such as the
10 Ansi I-210 and IEC SGM1100/SGM3000, at a minimum, in the past directly infringed and
11 continues to directly infringe at least claim 44 of the '868 Patent, as well as at least claims 9 and
12 15 of the '765 Patent.

13 13. GE's Grid IQ AMI P2MP software and its Smart Metering Operations Suite
14 include the capability to enable or disable Smart Meters such as the Ansi I-210 and IEC
15 SGM1100/SGM3000. The Ansi I-210 and IEC SGM1100/SGM3000 Smart Meters include
16 software, containing an agent, that is installed and embedded within the Smart Meter and
17 communicates with a server (the "Utility Data Control Center" or "Utility Monitoring & Control
18 Center"). This communication includes a series of message exchanges, through either
19 "Residential Communication" or "Utility Communication", constituting a handshake operation
20 between the "Utility Data Control Center" or "Utility Monitoring & Control Center" and the
21 Smart Meter. Through these exchanges the server and the embedded agent mutually authenticate
22 one another through a process GE terms "Mutual Entity Authentication", resulting in "meters
23 and devices [joining] only a valid network and only valid meters or devices [joining] a network."
24 When the agent is authorized by the server, it will connect/reconnect the Smart Meter and allow
25 it to supply electricity to the house or building to which it is attached. When the agent is not
26 authorized by the server, the Smart Meter is remotely disconnected and disabled such that it
27 cannot supply electricity to the house or building.
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1 14. GE has actual notice of the Patents-in-Suit at least as early as the filing of this
2 Complaint.

3 15. SoftVault has been damaged as a result of GE's infringing conduct. GE is, thus,
4 liable to SoftVault in an amount that adequately compensates SoftVault for GE's infringement,
5 which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed
6 by this Court under 35 U.S.C. § 284.

7 **PRAYER FOR RELIEF**

8 SoftVault requests that the Court find in its favor and against GE, and that the Court grant
9 SoftVault the following relief:

- 10 a. Judgment that one or more claims of the Patents-in-Suit have been infringed,
11 either literally and/or under the doctrine of equivalents, by GE;
- 12 b. Judgment that GE account for and pay to SoftVault all damages to and costs
13 incurred by SoftVault because of GE's infringing activities and other conduct
14 complained of herein;
- 15 c. That GE, its officers, agents, servants and employees, and those persons in active
16 concert and participation with any of them, be permanently enjoined from
17 infringement of the Patents-in-Suit. In the alternative, if the Court finds that an
18 injunction is not warranted, SoftVault requests an award of post judgment royalty
19 to compensate for future infringement;
- 20 d. That SoftVault be granted pre-judgment and post-judgment interest on the
21 damages caused to it by reason of GE's infringing activities and other conduct
22 complained of herein;
- 23 e. That this Court declare this an exceptional case and award SoftVault its
24 reasonable attorney's fees and costs in accordance with 35 U.S.C. § 285; and
- 25 f. That SoftVault be granted such other and further relief as the Court may deem just
26 and proper under the circumstances.
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JURY DEMAND

Plaintiff hereby requests a trial by jury pursuant to Rule 38 of the Federal Rules of Civil Procedure.

DATED: March 12, 2014.

/s/ Benedict O'Mahoney

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