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SOFTVAULT SYSTEMS, INC.

**UNITED STATES DISTRICT COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**  
**SAN JOSE DIVISION**

SOFTVAULT SYSTEMS, INC.,

Plaintiff,

vs.

ADOBE SYSTEMS INCORPORATED,

Defendant.

CASE NO.

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

**JURY TRIAL DEMANDED**

1 Plaintiff SOFTVAULT SYSTEMS, INC. files its Complaint against Defendant ADOBE  
2 SYSTEMS INCORPORATED, 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 principal place of business in the  
6 State of Washington.

7 2. Upon information and belief, ADOBE SYSTEMS INCORPORATED (“Adobe”) is a corporation organized and existing under the laws of the State of Delaware, with its principal  
8 place of business at 345 Park Avenue, San Jose, CA 95110. Adobe may be served with process  
9 through its registered agent, Karen Robinson at 345 Park Avenue, San Jose, CA 95110.

10 **JURISDICTION AND VENUE**

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

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

23 **PATENTS-IN-SUIT**

24 5. On June 19, 2001, United States Patent No. 6,249,868 BI (“the ‘868 Patent”) was  
25 duly and legally issued for “METHOD AND SYSTEM FOR EMBEDDED, AUTOMATED,  
26 COMPONENT-LEVEL CONTROL OF COMPUTER SYSTEMS AND OTHER COMPLEX  
27  
28

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 protecting electronic, mechanical, and electromechanical devices and  
12 systems, such as for example a computer system, and their components and software from  
13 unauthorized use. Specifically, certain claims of the ‘868 and ‘765 Patents disclose the  
14 utilization of embedded agents within system components to allow for the enablement or  
15 disablement of the system component in which the agent is embedded. The invention disclosed  
16 in the Patents-in-Suit discloses a server that communicates with the embedded agent through the  
17 use of one or more handshake operations to authorize the embedded agent. When the embedded  
18 agent is authorized by the server, it enables the device or component, and when not authorized  
19 the embedded agent disables the device or component by remotely locking the device.

## 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. Adobe has had knowledge of the Patents-in-Suit since November 8, 2012 when  
27 SoftVault first sent a letter to Adobe putting it on notice of its infringement. (Exhibit C). Adobe  
28 did not respond to this letter. SoftVault again wrote to Adobe on October 10, 2015 referencing

1 the earlier letter and again notifying Adobe of its infringement of the Patents-in-suit. (Exhibit D).  
2 Adobe responded to this letter and subsequent licensing discussions ensued. Ultimately, the  
3 parties did not agree on the terms of a license.

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

8 13. Upon information and belief, Adobe is also liable under 35 U.S.C. §271(b) for  
9 inducing infringement of, and under 35 U.S.C. §271(c) for contributory infringement of the  
10 Patents-in-Suit because it manufactures, makes, has made, uses, practices, imports, provides,  
11 supplies, distributes, sells, and/or offers for sale products and/or systems that practice one or  
12 more claims of the Patents-in-Suit.

13 14. More specifically, Adobe infringes the Patents-in-Suit because it makes, uses,  
14 sells, and offers for sale products and systems which prevent unauthorized use of a computer  
15 system through the ability to enable or disable the operation of a device's components utilizing  
16 an authorization process performed by an embedded agent in the application software and a  
17 server, known as product activation. The vast majority of Adobe's software applications include  
18 the infringing product activation features, including but not limited to Adobe Acrobat, Creative  
19 Suite, Creative Cloud. All current and past Adobe products which include its product activation  
20 features ("Accused Products") have, at a minimum, in the past directly infringed and continue to  
21 directly infringe at least Claims 19 and 44 of the '868 Patent, as well as at least Claim 11 of the  
22 '765 Patent.

23 15. Adobe includes the product activation features in Accused Products to enforce  
24 licensing policies and ensure that only authorized copies of Adobe software applications may be  
25 installed and used on a client computer. The product activation feature requires that a portion of  
26 the code in the installed Accused Products communicate with an Adobe activation server over  
27 the Internet to activate (or enable) the application. Upon installation of an Adobe application, the  
28 product activation code in the application communicates with the activation server. The

1 activation server exchanges messages constituting a handshake operation with the product  
2 activation code in the application to determine whether the license for the application is valid.  
3 When the product activation code in the application is authorized by the license server, it enables  
4 the application in which it is embedded to operate normally. When the product activation code is  
5 not authorized by the license server, the application is disabled.

6 16. By providing the Adobe Accused Products, Adobe has, in the past induced, and  
7 continues to induce, its customers and/or end users to infringe at least claim 44 of the '868  
8 Patent, as well as at least claim 11 of the '765 Patent. For example, end users of the accused  
9 products directly infringe at least claim 44 of the '868 Patent, as well as at least claim 11 of the  
10 '765 Patent, when using or employing these systems.

11 17. On information and belief, Adobe possessed a specific intent to induce  
12 infringement by at a minimum, providing user guides and other sales-related materials, and by  
13 way of advertising, solicitation, and provision of product instruction materials, that instruct its  
14 customers and end users on the normal operation of the accused products and the product  
15 activation feature that infringes the Patents-in-Suit.

16 18. By providing these systems, Adobe has, in the past contributed to, and continues  
17 to contribute to, the infringement of their customers and/or end users of at least claim 44 of the  
18 '868 Patent, as well as at least claim 11 of the '765 Patent.

19 19. Upon information and belief, the product activation features within Adobe's  
20 Accused Products have no substantial non-infringing uses, and Adobe knows that these features  
21 are especially made or especially adapted for use in a product that infringes the Patents-in-Suit.

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

26 **PRAYER FOR RELIEF**

27 SoftVault requests that the Court find in its favor and against Adobe, and that the Court  
28 grant SoftVault the following relief:

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

**JURY DEMAND**

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

1 DATED: November 4, 2016

/s/ Mark W. Good

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