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**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

FILED
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CLERK OF DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA, FLORIDA

FILED

PACKET TREAD LLC,
Plaintiff,

vs.

HUGHES NETWORK SYSTEMS, LLC,
Defendant.

Case No.: 8:17-cv-03069-T-EP-MAP

**COMPLAINT
INJUNCTIVE RELIEF DEMANDED
JURY TRIAL DEMANDED**

Plaintiff, PACKET TREAD LLC, sues Defendant, HUGHES NETWORK SYSTEMS, LLC, and alleges as follows:

NATURE OF THE ACTION

1. This is an action for infringement of United States Patent No. 6,310,864 under the Patent Act, 35 U.S.C. § 271, *et seq.*, based on Defendant's unauthorized commercial manufacture, use, importation, offer for sale, and sale of infringing products and services in the United States.

PARTIES

2. Plaintiff, PACKET TREAD LLC, is a foreign limited liability company,

TPA-47844

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2 organized under the laws of the State of Texas.

3 3. Defendant, HUGHES NETWORK SYSTEMS, LLC, is a foreign limited
4 liability company with its headquarters located in Germantown, Maryland. Defendant
5 uses, sells, and/or offers to sell products and services in interstate commerce that infringe
6 the '864 Patent.

7 **SUBJECT MATTER JURISDICTION**

8 4. This court has original jurisdiction over the subject matter of this action,
9 pursuant to 28 U.S.C. §§ 1331 and 1338(a), because this action involves a federal
10 question relating to patents.

11 **PERSONAL JURISDICTION**

12 5. The court has general *in personam* jurisdiction over Defendant because
13 Defendant is found in this state.

14 **VENUE**

15 6. Venue is proper in this court, pursuant to 28 U.S.C. § 1400(b), because
16 Defendant has committed acts of infringement in this district and has a regular and
17 established place of business in this district.

18 **COUNT I**
19 **PATENT INFRINGEMENT**

20 7. Plaintiff repeats and re-alleges paragraphs 2 through 6 by reference, as if
21 fully set forth herein.

22 8. On October 30, 2001, the United States Patent & Trademark Office
23 (USPTO) duly and legally issued the '864 Patent, entitled "Voice Echo Cancellation For
24 SVD Modems." A true and authentic copy of the '864 Patent is attached hereto as
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2 **Exhibit “A”** and incorporated herein by reference.

3 9. The ‘864 Patent, consisting of machines and processes, teaches systems
4 and methods for the use of simultaneous voice and data (SVD) modems to allow the
5 operation of a personal computer and a telephone at home in communication with similar
6 equipment in the workplace. Voice and data signals are modulated together by an SVD
7 modem at a remote site and sent over telephone lines to a second SVD modem at the
8 workplace. The second SVD modem demodulates the voice and data signal for use at the
9 workplace. The voice and data signal may be sent to another extension at the workplace
10 to communicate with other workers or to another telephone outside of the workplace to
11 communicate with customers or other interested parties.

12 10. Traditionally, many telephones used two wires with which to send and
13 receive signals, which are routed over two wire pairs. Four wire transmissions require a
14 two-wire pair to receive voice signals and another two-wire pair to send signals. Hybrid
15 transformers are used to convert signals from four-wire to two-wire, and vice versa.

16 11. The use of such hybrid transformers often creates so-called “talker echo”
17 due to an impedance mismatch. Modern communications attempt to address this problem
18 with echo cancelers.

19 12. The echo cancelers are typically placed in the long-distance components
20 of the public-switching telephone network (“PSTN”). These cancelers typically activate
21 where echo signals occur with a delay of greater than thirty-five milliseconds.

22 13. The use of SVD modems in the remote office configuration created new
23 problems relative to echo cancellation.
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2 14. Because of the importance of remote office technology and as a result of
3 the inadvertent creation of disruptive echo signals in the use of SVD modems in the
4 remote office or similar applications, there was a need for an SVD modem with echo
5 canceling capability to be used in a remote office or similar application to eliminate
6 harmful echo signals. This is what the '864 Patent teaches.

7 15. Plaintiff is the assignee of the entire right, title, and interest in the '864
8 Patent, including the right to assert causes of action arising under the '864 Patent.

9 16. Upon information and belief, Defendant has and continues to directly
10 infringe through at least internally testing the Accused Product as defined below,
11 contributorily infringe, or actively induce the infringement of the '864 Patent by making,
12 using, selling, offering for sale, or importing in the United States, including this judicial
13 district, a product that embodies or uses the invention claimed in the '864 Patent (the
14 "Accused Product"), all in violation of 35 U.S.C. § 271.

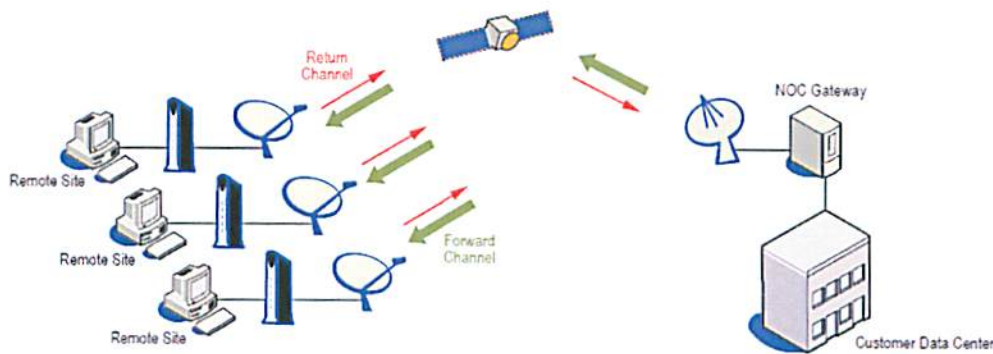
15 17. The Accused Product infringes at least claim 7 of the '864 Patent.

16 18. Through claim 7, the '864 Patent claims a method of electrical
17 communication via a first simultaneous voice and data modem associated with a
18 switching hub of a communications network, comprising the steps of: (a) transmitting
19 and receiving a modulated simultaneous voice and data signal using said first
20 simultaneous voice and data modem to and from a second simultaneous voice and data
21 modem located at an endpoint of said communications network; (b) transmitting and
22 receiving a voice signal using said first simultaneous voice and data modem to and from
23 a communications device via a switching network; (c) transmitting and receiving a data
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 2 signal using said first simultaneous voice and data modem; and (d) canceling a voice
 3 echo originating in said switching network using an echo canceler associated with said
 4 first simultaneous voice and data modem, said voice echo experiencing a delay resulting
 5 from the modulation and demodulation of said simultaneous voice and data signal in said
 6 first simultaneous voice and data modem and said second simultaneous voice and data
 7 modem.

8 19. Defendant’s product, identified as the Hughes HN7740S Satellite Router,
 9 infringes claim 7.

10 20. The HN7740S Satellite Router is a system that practices a method of
 11 electrical communication that provide simultaneous high-speed data and voice
 12 communications associated with a switching hub of a communications network (e.g., the
 13 HN Network Operations Center), as follows:
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 21 Figure 1. System Overview

22 21. The HN7740S, part of Hughes’ HN7000S family, is a high- performance
 23 broadband satellite router with an integrated Analog Telephone Adapter (ATA) designed
 24 to provide integrated voice capabilities, as well as high-speed access for the large
 25 enterprise, government, and small/medium enterprise (SME) markets. With support for

1
2 two simultaneous LAN subnets as well as two simultaneous two-wire FXS analog voice
3 ports, the HN7740S has the flexibility to handle a wide range of enterprise IP networking
4 requirements.

5 22. The Hughes HN Network Operations Center routes voice calls to the
6 PSTN via an H.323 voice gateway. The voice gateway performs the conversion from the
7 H.323 protocol and the PSTN signaling. A gatekeeper provides the address resolution
8 between the HN7740S and multiple voice gateways.

9 23. The Hughes HN7740s infringes claim 7 because it transmits and receives
10 a modulated simultaneous voice and data signals by using a voice and data modem to and
11 from a second voice and data modem located at an endpoint of a communications
12 network at a second Hughes HN7740s device, such as when two or more Hughes
13 HN7740s devices communicate with each other and each Hughes HN7740s device has a
14 simultaneous voice and data modem.
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16 24. The Hughes HN7740s infringes claim 7 because it transmits and receives
17 a voice signal using its first voice and data modem to and from a communications device
18 such as a second Hughes HN7740s via a switching network.

19 25. The Hughes HN7740s infringes claim 7 because it transmits and receives
20 data signals by using a voice and data modem.

21 26. The Hughes HN7740s infringes claim 7 because it cancels a voice echo
22 originating in a switching network by using an audio echo cancelation feature associated
23 with its first simultaneous voice and data modem, which causes the voice echo to
24 experience a delay resulting from the modulation and demodulation of the simultaneous
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2 voice and data signal in a first voice and data modem and a second voice and data modem
3 in a second Hughes HN7740s device, when two or more Hughes HN7740s devices
4 simultaneously communicate voice and data signals to each other.

5 27. Upon information and belief, Defendant has known of the existence of the
6 '864 Patent, and its acts of infringement have been willful and in disregard for the '864
7 Patent, without any reasonable basis for believing that it had a right to engage in the
8 infringing conduct.

9 28. Defendant's acts of infringement of the '864 Patent have caused and will
10 continue to cause Plaintiff damages for which Plaintiff is entitled to compensation
11 pursuant to 35 U.S.C. § 284.

12 29. Defendant's acts of infringement of the '864 Patent have caused and will
13 continue to cause Plaintiff immediate and irreparable harm unless such infringing
14 activities are also enjoined by this court pursuant to 35 U.S.C. § 283. Plaintiff has no
15 adequate remedy at law.
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17 30. Upon information and belief, the '864 Patent, at all times material, was
18 and is in compliance with 35 U.S.C. § 287.

19 31. Plaintiff retained the law firm of WATSON LLP to represent its interests
20 in this action, and is obligated to pay such firm reasonable attorneys' fees for its services.
21 Plaintiff may recover its attorneys' fees and costs from Defendant, pursuant to 35 U.S.C.
22 § 285.

23 **WHEREFORE**, Plaintiff, PACKET TREAD LLC, demands judgment against
24 **sues** Defendant, HUGHES NETWORK SYSTEMS, LLC, and respectfully seeks the
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2 entry of an order (i) adjudging that Defendant has infringed the '864 Patent, in violation
3 of 35 U.S.C. § 271; (ii) granting an injunction enjoining Defendant, its employees,
4 agents, officers, directors, attorneys, successors, affiliates, subsidiaries and assigns, and
5 all of those in active concert and participation with any of the foregoing persons or
6 entities from infringing, contributing to the infringement of, or inducing infringement of
7 the '864 Patent; (iii) ordering Defendant to account and pay damages adequate to
8 compensate Plaintiff for Defendant's infringement of the '864 Patent, with pre-judgment
9 and post-judgment interest and costs, pursuant to 35 U.S.C. § 284; (iv) ordering that the
10 damages award be increased up to three times the actual amount assessed, pursuant to 35
11 U.S.C. § 284; (v) declaring this case exceptional and awarding Plaintiff its reasonable
12 attorneys' fees, pursuant to 35 U.S.C. § 285; and, (vi) awarding such other and further
13 relief as this court deems just and proper.
14

15 **DATED** on December 19, 2017

16
17 Respectfully submitted,

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