UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

CheckSum Ventures, LLC,		Case No
V.	Plaintiff,	Patent Case
SpiderOak, Inc.,		Jury Trial Demanded
	Defendant.	

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff CheckSum Ventures LLC ("CheckSum"), through its attorney, complains of SpiderOak, Inc. ("SpiderOak"), and alleges the following:

PARTIES

- Plaintiff CheckSum Ventures LLC is a corporation organized and existing under the laws of Michigan that maintains its principal place of business at 29108 Lorie Ln, Wixom, MI 48393.
- Defendant SpiderOak, Inc. is a corporation organized and existing under the laws of Delaware that maintains its principal place of business at 4741 Central Street, Suite 324, Kansas City, MO 64112.

JURISDICTION

- This is an action for patent infringement arising under the patent laws of the United States,
 Title 35 of the United States Code.
- 4. This Court has exclusive subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

5. This Court has personal jurisdiction over SpiderOak because it has engaged in systematic and continuous business activities in the Northern District of Illinois. Specifically, SpiderOak provides its full range of services to residents in this District. As described below, SpiderOak has committed acts of patent infringement giving rise to this action within this District.

VENUE

6. Venue is proper in this District under 28 U.S.C. § 1400(b) because SpiderOak has committed acts of patent infringement in this District and has a regular and established place of business in this District. Specifically, SpiderOak provides its full range of services to residents in this District. In addition, CheckSum has suffered harm in this district.

PATENT-IN-SUIT

7. CheckSum is the assignee of assignee of all right, title and interest in United States Patent No. 8,301,906 (the "'906 Patent" or the "Patent-in-Suit"), including all rights to enforce and prosecute actions for infringement and to collect damages for all relevant times against infringers of the Patent-in-Suit. Accordingly, CheckSum possesses the exclusive right and standing to prosecute the present action for infringement of the Patent-in-Suit by SpiderOak.

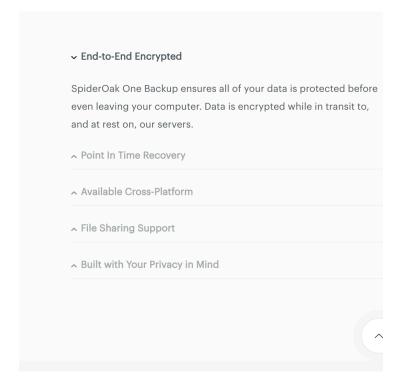
The '906 Patent

- 8. On October 30, 2012, the United States Patent and Trademark Office issued the '906 Patent. The '906 Patent is titled "Apparatus for Writing Information on a Data Content on a Storage Medium." The application leading to the '906 Patent was filed on July 27, 2007 and is a national stage entry and continuation of the PCT application PCT/EP2007/003658 filed on April 25, 2007. A true and correct copy of the '906 Patent is attached hereto as Exhibit A and incorporated herein by reference.
- 9. The '906 Patent is valid and enforceable.

- 10. The invention in the '906 Patent provides an apparatus for storing a checksum over each file that is recorded on an optical disc in a file system independent way. Ex. A at 2:37-38.
- 11. The inventors recognized that there was a need for storing data allowing users to verify an origin of the data and its integrity. *Id.* at 1:30-36.

COUNT I: INFRINGEMENT OF THE '906 PATENT

- 12. CheckSum incorporates the above paragraphs herein by reference.
- 13. **Direct Infringement.** SpiderOak has been and continues to directly infringe at least claim 1 of the '906 Patent in this District and elsewhere in the United States by providing products, for example, SpiderOak's ONE Backup platform, which writes checksum data and encrypts data before and while the data is stored on SpiderOak's servers. SpiderOak and/or its customers cause the storage solution to write checksum information (such as a SHA-256 hash value) for stored content on the ONE Backup platform. *See* Figure 1; https://spideroak.com/one/.



PRIVACY USING STRONG ENCRYPTION

Cryptographic protections are a requirement for every byte of your data you send across a network, and we have been implementing strong encryption for years.

Your Password is hashed with multi-round and salted PBKDF2. PBKDF2 uses SHA-256 with over 16000 rounds, and a 32 byte Salt of random data.

Your Keys are unlocked with your password. Created with AES-256 in CFB mode and HMAC-SHA-256.

Your Data is encrypted with a new key for each file, folder, and version of your files. This allows us to backup multiple versions of the same file for historical retrieval and recovery.

Your Traffic is all encrypted over TLS/SSL. All network traffic is also protected by Certificate Pinning to prevent Man-in-the-Middle attacks.

Figure 1. SpiderOak's ONE Backup platform, which writes checksum data and encrypts data before and while the data is stored on SpiderOak's servers. SpiderOak and/or its customers cause the storage solution to write checksum information (such as a SHA-256 hash value) for stored content on the ONE Backup platform.

14. SpiderOak's device has a provider for providing checksum information based on a data content. For example, SpiderOak's ONE Backup platform, which has "No Knowledge," which provides checksum information about passwords, data stored on servers, or metadata in the files. SpiderOak and/or its customers cause the storage solution to calculate checksum information (such as a SHA-256 hash value) for stored content on the ONE Backup platform. *See* Figure 2.

→ Built with Your Privacy in Mind

We built our products from the ground up with end-to-end encryption because we believe you shouldn't have to blindly trust anyone. When you have something worth protecting, privacy and security are everything. Your data is yours, and should always be in your control. Encryption should not sacrifice usability.

We call this No Knowledge, and it's the foundation of our products. We have No Knowledge of your password, any data stored on our servers, or the metadata associated with your files.

- Figure 2. SpiderOak's ONE Backup platform, which has "No Knowledge," which provides checksum information about passwords, data stored on servers, or metadata in the files. SpiderOak and/or its customers cause the storage solution to calculate checksum information (such as a SHA-256 hash value) for stored content on the ONE Backup platform.
- 15. SpiderOak's device has a writer for writing the data content, the checksum information and control information on a physical or logical location of the checksum information on the storage medium, such that a baseline reader and an enhanced reader can read the data content, the enhanced reader can read and process the control information and the checksum information and the baseline reader ignores, skips or does not read the checksum information. For example, SpiderOak's ONE Backup platform encrypts data from the ground up with end-to-end encryption on SpiderOak's servers, allows the user to control their data, and whether it can be read, cause the storage solution to write checksum information (such as a hash value) for stored content in a logical and/or physical location on SpiderOak's storage servers. See Figure 1.
- 16. **Induced Infringement.** SpiderOak has also actively induced, and continues to induce, the infringement of at least claim 1 of the '906 Patent by actively inducing its customers, including merchants and end-users to use SpiderOak's products in an infringing manner as described above. Upon information and belief, SpiderOak has specifically intended that its customers use its products that infringe at least claim 1 of the '906 Patent by, at a minimum, providing access to support for, training and instructions for, its system to its customers to enable them to infringe at least claim 1 of the '906 Patent, as described above. Even where performance of the steps required to infringe at least claim 1 of the '906 Patent is accomplished by SpiderOak and SpiderOak's customer jointly, SpiderOak's actions have solely caused all of the steps to be performed.
- 17. CheckSum is entitled to recover damages adequate to compensate it for such infringement in

- an amount no less than a reasonable royalty under 35 U.S.C. § 284.
- 18. CheckSum will continue to be injured, and thereby caused irreparable harm, unless and until this Court enters an injunction prohibiting further infringement.

JURY DEMAND

19. Under Rule 38(b) of the Federal Rules of Civil Procedure, CheckSum respectfully requests a trial by jury on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, CheckSum asks this Court to enter judgment against SpiderOak, granting the following relief:

- A. A declaration that SpiderOak has infringed the Patent-in-Suit;
- B. An award of damages to compensate CheckSum for SpiderOak's direct infringement of the Patent-in-Suit;
- C. An order that SpiderOak and its officers, directors, agents, servants, employees, successors, assigns, and all persons in active concert or participation with them, be preliminarily and permanently enjoined from infringing the Patent-in-Suit under 35 U.S.C. § 283;
- D. An award of damages, including trebling of all damages, sufficient to remedy SpiderOak's willful infringement of the Patent-in-Suit under 35 U.S.C. § 284;
- E. A declaration that this case is exceptional, and an award to CheckSum of reasonable attorneys' fees, expenses and costs under 35 U.S.C. § 285;
- F. An award of prejudgment and post-judgment interest; and
- G. Such other relief as this Court or jury may deem proper and just.

Respectfully submitted,

/s/ Isaac Rabicoff
Counsel for Plaintiff

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