IN THE UNITED STATES DISTRICT COURT FOR DISTRICT OF DELAWARE

SMART LOCKING TECHNOLOGIES LLC)
Plaintiff,))) Civil Action No
v.)
) JURY TRIAL DEMANDED
LOCKSTATE, INC.)
Defendant.)
)

COMPLAINT

For its Complaint, Plaintiff Smart Locking Technologies LLC ("Smart Locking Technologies"), by and through the undersigned counsel, alleges as follows:

THE PARTIES

- 1. Smart Locking Technologies is a Delaware limited liability company with a place of business located at 3511 Silverside Road, Suite 105, Wilmington, Delaware 19810.
- 2. Defendant LockState, Inc. d/b/a RemoteLock is a Delaware company, with, upon information and belief, a place of business located at 2170 South Delaware Street, Denver, Colorado 80223.

JURISDICTION AND VENUE

- 3. This action arises under the Patent Act, 35 U.S.C. § 1 *et seq.*
- 4. Subject matter jurisdiction is proper in this Court under 28 U.S.C. §§ 1331 and 1338.
- 5. Upon information and belief, Defendant conducts substantial business in this forum, directly or through intermediaries, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct and/or deriving substantial revenue from goods and services provided to individuals in

this district.

6. Venue is proper in this district pursuant to 28 U.S.C. § 1400(b).

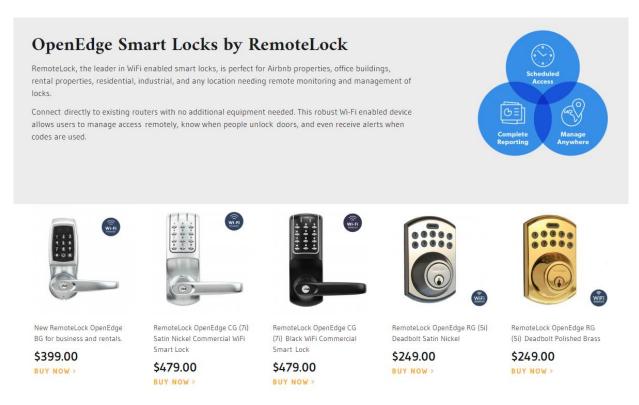
THE PATENTS-IN-SUIT

- 7. On February 24, 2014, U.S. Patent No. 6,696,918 (the "'918 patent"), entitled "Locking Mechanism for Use with Non-Permanent Access Code," was duly and lawfully issued by the U.S. Patent and Trademark Office. A true and correct copy of the '918 patent is attached hereto as Exhibit A.
- 8. On October 9, 2001, U.S. Patent No. 6,300,873 (the "'873 patent"), entitled "Locking Mechanism for Use with One-Time Access Code," was duly and lawfully issued by the U.S. Patent and Trademark Office. A true and correct copy of the '873 patent is attached hereto as Exhibit B.
- 9. Smart Locking Technologies is the assignee and owner of the right, title and interest in and to the '918 and '873 patents, including the right to assert all causes of action arising under said patents and the right to any remedies for infringement of them.

COUNT I – INFRINGEMENT OF U.S. PATENT NO. 6,696,918

- 10. Smart Locking Technologies repeats and realleges the allegations of paragraphs 1 through 8 as if fully set forth herein.
- 11. Without license or authorization and in violation of 35 U.S.C. § 271(a), Defendant is liable for infringement of at least claim 32 of the '918 patent by making, using, importing, offering for sale, and/or selling systems and methods for operating a mobile communication device associated with a user, including, but not limited to, OpenEdge Smart Locks, because each and every element is met either literally or equivalently.

- 12. Upon information and belief, Defendant used the OpenEdge Smart Locks via its internal use and testing in the United States, directly infringing one or more claims of the '918 patent.
- 13. For example, to create its video "Door Lock, Meet the Internet" (available at https://youtu.be/BX2i6nv16mo), Defendant used OpenEdge Smart Locks.
 - 14. More specifically, OpenEdge Smart Locks are locking mechanisms.



https://www.remotelock.com/smart-locks.

15. OpenEdge Smart Locks include an actuator configured to unlock in response to entry of an authorized access code.

Access Schedule

Finally, an Access Schedule can be selected from the Access schedule drop-down at the bottom of the Guest Access Screen. This is optional and less common for Guest Access users. Access Schedules are used to limit a users access to the doors & locks they are given access to and can also be applied to Guests. For example, an employer may create a schedule for Monday - Friday from 9 AM to 5 PM each day. Selecting this schedule for the Guest would send this schedule to the lock as part of their credential. When this user's pin number is entered on the lock, the door will only unlock if within the parameters of the schedule.

If providing access to an entire location or group of locks, the schedule that is selected will be sent to all locks and doors within the location or group.

Access Schedules must be created prior to the Access Schedule selection and can be created by going to the Access User main menu, then selecting the Schedules tab.

Note: Access schedule application for Guest Access users does not work on the 500i. This feature is compatible with the 5i, 6i, 7i and ACS system.

https://support.remotelock.com/hc/en-us/articles/360001749712-Access-Guests-and-Users.

Q: How can I lock the door from the keypad?

A: To lock the door, press the "*" key twice from the keypad.

https://support.remotelock.com/hc/en-us/articles/360001773351-OpenEdge-BG-Formerly-3i-

FAQs

STEP 20

Test your lock.

Enter the factory default code **1234**, followed by the # button to unlock the lock.

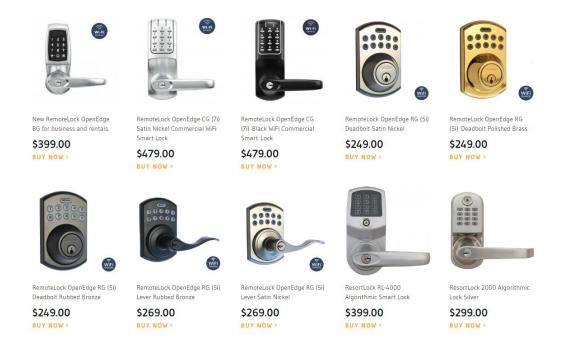
The keypad will flash green and the outside handle will now retract the latch. Auto lock is enabled and the lock will re-lock after 5 seconds. These settings can be configured in the portal after connecting your lock to Wi-Fi.

To lock the lock, press the * button twice.

Please note that, for security purposes, the default access code will be deleted after 24 hours or when your first access user is created. If you do not change the code yourself, it will be set to a randomized code for your protection. You can find this new code in the RemoteLock app.

OpenEdge BG Hardware Installation at p. 26 (available at https://www.remotelock.com/sites/default/files/RemoteLock%20OpenEdge%20BG%20Hardware%20Installation%20(Digital).pdf).

16. OpenEdge Smart Locks include an access code entry unit configured to accept a non-permanent use access code issued by a remote server.



https://www.remotelock.com/smart-locks.



Vacation Rental Smart Lock Management

Eliminate the Hassle of Key Exchanges

Save time and resources by assigning temporary codes for the time of stay. Use keypad instead of downloading an app No more lost keys or rekeying. Manage and monitor the lock from long distance.

Temporary Access Codes

Access codes are temporary so they only work during your guests stay, not before or after. Provide directly the EdgeState by RemoteLock system or with Airbnb, HomeAway or property management software integrations.

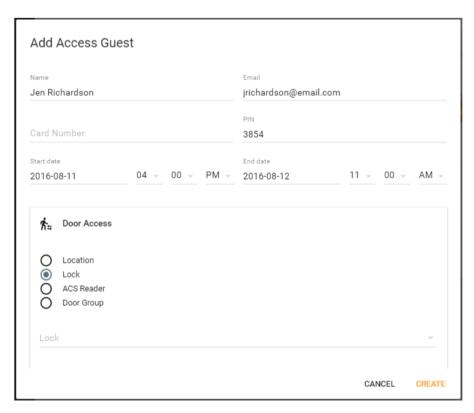
Alerts & Notifications

Stay in the know by receiving email or text alerts when your guest's check-in or cleaner arrives. Get this piece of mind immediately through the EdgeState by Remotel ock

https://www.remotelock.com/rentals.

Add Access Guest

To add an Access Guest, click on the Add Access Guest button.

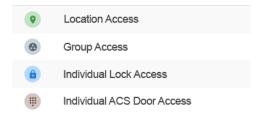


https://support.remotelock.com/hc/en-us/articles/360001772491-Door-Locks-Access-Guests.

Door Access List

The Door Access list shows all access currently granted to the user. To add new access, click on Add Door Access and follow the instructions above for Add Access User.

Each access granted in the list is accompanied by a logo to show the type of access granted.



- Location Access: Gives the User access to all of the locks and doors associated with a particular location. The user's credentials are then sent to all locks assigned to that Location. If a new lock is added to the Location, the Access User will be automatically added to the new lock.
- Door Group: Provides access to a specific group of locks and doors. If a new lock is added to the Group, the Access User will be automatically added to the new lock.
- Individual Lock: Provides access to an individual door lock.
- ACS Reader: If you have an account with the Building Access Control System module (ACS), this
 selection will provide access to an individual ACS door.

https://support.remotelock.com/hc/en-us/articles/360001749672-Access.



Cut costs and save time.

Everything In One Dashboard

Don't waste time managing different software and systems. EdgeState's centralized, easy to use dashboard puts everything in one place.

Automate Access

Take advantage of EdgeState's robust integrations to automate guest access.

No Lost Keys, No Rekeying

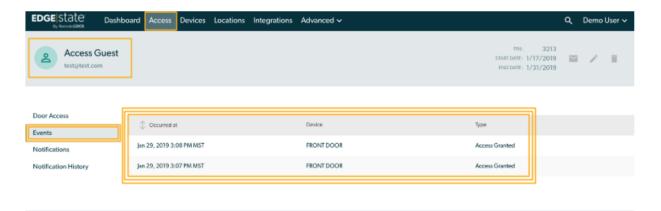
Remove the hassle of rekeying doors and handing off keys to employees and quests.

Use Your Existing WiFi Network

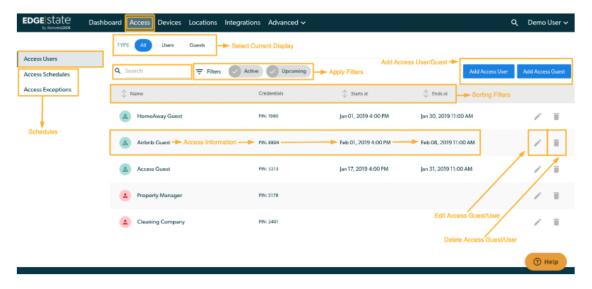
No need for additional gateways or a secondary network in your buildings. RemoteLock OpenEdge locks directly connect to WiFi.

https://www.remotelock.com/access-control-remotelock.

Events



https://support.remotelock.com/hc/en-us/articles/360001749672-Access.



Access & Guest User creation can be initiated either from an individual lock's management page or via the 'Access' section.

Select the current view you would like displayed by selecting 'All', 'Guests', or 'Users'.

Access Users can be viewed separately from Access Guests in order to provide a clear distinction between users that are given long-term access (Access Users) and those with temporary access (Access Guests). They are also differentiated by a red icon (users) or green icon (guests).

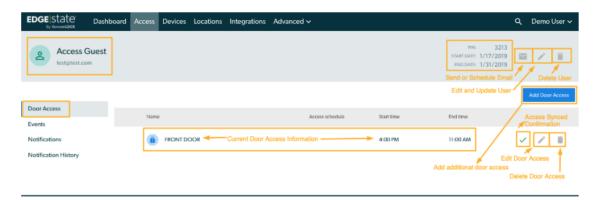
Id.

Temporary access should be given to Access Guests. This allows property owners and managers to provide temporary access codes that start and expire on a specific date and time. For example, a rental property owner may want to create an Access Guest who's guest code will start working on the lock this upcoming Friday at 4 PM and expire 2 days later at 11 AM.

https://support.remotelock.com/hc/en-us/articles/360001749712-Access-Guests-and-Users.

Access Guest and Access User Detail

The Access User and Guest Management views provide complete management of an Access User or Guest, including the ability to modify their information, credentials, Door Access and view their Access Events.



https://support.remotelock.com/hc/en-us/articles/360001749672-Access.

From the Access tab, you can Add Access Guests, Add Access Users, Edit and Delete current Access Guests and Users, View current Access credential information, Search, and Filter your results to narrow your view.

- To Edit: click the pencil icon right of the Access User row to edit the user's information (name and email) and credentials (pin and card #).
- To Delete: click on the trash icon to delete an Access User.
- To View: Click on the user's name to view the Access User and add/or modify their existing access. This
 will bring up the Access User Management view covered below.

Access Schedules and Access Exceptions can also be created in the Access sub-tabs to limit access to specific days of the week and hours of the day.

Id.

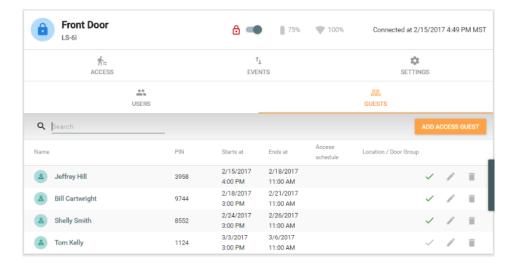
17. The access code includes identification information to indicate who accessed the locking mechanism.

Door Locks: Access Guests



FOLLOW

From the Lock Detail View, click on the Access Guest sub-tab to view, edit or add an Access Guest. Access Guests are intended to be temporary. For example, if you have a rental property and have rented to a guest for the weekend, you can create a limited duration guest code that only provides access within the time and dates specified.



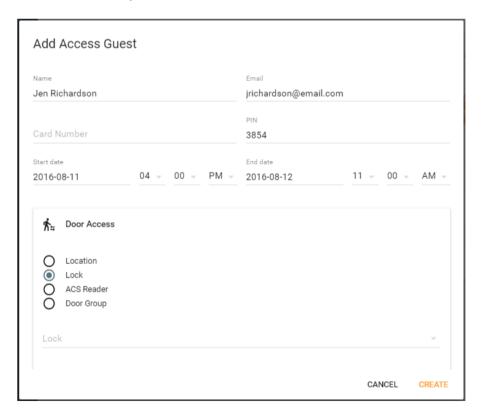
https://support.remotelock.com/hc/en-us/articles/360001772491-Door-Locks-Access-Guests.

Guest Email Template Preview From: Jane Roe Reply to: Cc: Subject: Access instructions for your stay at Denver Holiday House Dear John Doe. Here is the access code for your upcoming stay at Denver Holiday House. Access Code: 1234 Access Dates: 09-11-2016 9:56 PM to 09-18-2016 9:56 PM Address: 1400 Welton St, Denver City: Denver State: CO Lock: Front door The property is equipped with a keyless entry lock (push button). To unlock the door, enter the above access code followed by the "#" key. To lock the door, press the "*" key twice or press the "Lock" button from the inside. If you have any questions, please feel free to call us at 555-333-4422 or email at jane.roe@coloradoholidays.com.

https://youtu.be/VcVXcQlttPk?t=2.

Add Access Guest

To add an Access Guest, click on the Add Access Guest button.



https://support.remotelock.com/hc/en-us/articles/360001772491-Door-Locks-Access-Guests.

Events



The Events tab shows all access attempts made with the specific user's credentials, the time of the attempt Ooccurred at time), the door or lock it was made on (Device), and the result of the access attempt (Type = Access Granted or Denied).

For WiFi door locks with the Wake Wifi on Keypress setting enabled (it is enabled by default), events should appear on this view within 5-10 seconds after the event takes place on the lock.

https://support.remotelock.com/hc/en-us/articles/360001749672-Access.



https://youtu.be/BX2i6nv16mo?t=37.

18. OpenEdge Smart Locks include a locking mechanism controller programmed to transmit a message to a server and/or user indicating a non-permanent use access code has been accepted.

RemoteLock — the Smartest Lock for Your Property

RemoteLock, the first and leading WiFi keypad door lock, gives hosts, property owners and managers the ability to monitor and manage access control for their guests. With the RemoteLock you can:

- Give temporary codes to guests through the Airbnb booking system's full integration with RemoteLock
- Issue new codes or delete codes from your computer or phone.
- Know who enters your property and when.
- · Receive email or text alerts when codes are used.
- No need for key exchanges or rekeying lock when keys are lost.

Providing security solutions for over a decade, RemoteLock offers multiple locks that will work for Airbnb hosts:

https://www.remotelock.com/blog/airbnb-host-assist-adds-remotelock-wifi-smartlocks.

Notification



The final field in the Add Access Guest information is to select your notification option. Select either None, First Access Only, or Every Access. Your notification details are configured in the Notifications tab but quick select option streamlines the process for new users.

https://support.remotelock.com/hc/en-us/articles/360001749712-Access-Guests-and-Users.

Add Notification

To begin, click on the Add Notification button. In the pop-up screen, select the Contact type (Email, Text message or webhook), then select the contact from the drop-down.



Source

Next, select the "Source". This is the entity that will trigger the notification. You can select "Account" if you want anything from the account to trigger an alert for the chosen event. Or, you can select an individual lock, location, access user, access guest, ACS reader, Thermostat, or Power Plug if you want the events that the user or device trigger to create a notification.

Events

Finally, select the type of Events that you want to be notified on out of the available list. For example, click on Access granted to receive a notification when a particular access user unlocks a door. The list of events available will depend on the source selection.

https://support.remotelock.com/hc/en-us/articles/360001749072-Notifications.



You will see a list of any notifications already created for the account. You can also Add new notifications by clicking the Add Notification button. The Contacts tab allows you to edit or add the email and cell phone numbers where notifications can be sent. The Notification History tab shows a history of any notification sent out from your account.

Id.

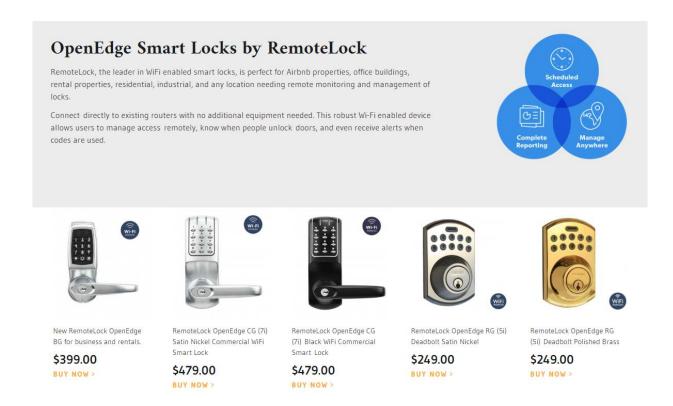


https://youtu.be/BX2i6nv16mo?t=37.

19. Smart Locking Technologies is entitled to recover from Defendant the damages sustained by Smart Locking Technologies as a result of Defendant's infringement of the '918 patent in an amount subject to proof at trial, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

COUNT II – INFRINGEMENT OF U.S. PATENT NO. 6,570,488

- 20. Smart Locking Technologies repeats and realleges the allegations of paragraphs 1 through 19 as if fully set forth herein.
- 21. Without license or authorization and in violation of 35 U.S.C. § 271(a), Defendant is liable for infringement of at least claim 36 of the '873 patent by making, using, importing, offering for sale, and/or selling systems and methods for operating a mobile communication device associated with a user, including, but not limited to, OpenEdge Smart Locks, because each and every element is met either literally or equivalently.
- 22. Upon information and belief, Defendant used the OpenEdge Smart Locks via its internal use and testing in the United States, directly infringing one or more claims of the '918 patent.
- 23. For example, to create its video "Door Lock, Meet the Internet" (available at https://youtu.be/BX2i6nv16mo), Defendant used OpenEdge Smart Locks.
 - 24. More specifically, OpenEdge Smart Locks are locking mechanisms.



https://www.remotelock.com/smart-locks.

25. OpenEdge Smart Locks include an actuator configured to unlock in response to entry of an authorized access code.

Access Schedule

Finally, an Access Schedule can be selected from the Access schedule drop-down at the bottom of the Guest Access Screen. This is optional and less common for Guest Access users. Access Schedules are used to limit a users access to the doors & locks they are given access to and can also be applied to Guests. For example, an employer may create a schedule for Monday - Friday from 9 AM to 5 PM each day. Selecting this schedule for the Guest would send this schedule to the lock as part of their credential. When this user's pin number is entered on the lock, the door will only unlock if within the parameters of the schedule.

If providing access to an entire location or group of locks, the schedule that is selected will be sent to all locks and doors within the location or group.

Access Schedules must be created prior to the Access Schedule selection and can be created by going to the Access User main menu, then selecting the Schedules tab.

Note: Access schedule application for Guest Access users does not work on the 500i. This feature is compatible with the 5i, 6i, 7i and ACS system.

https://support.remotelock.com/hc/en-us/articles/360001749712-Access-Guests-and-Users.

Q: How can I lock the door from the keypad?

A: To lock the door, press the "*" key twice from the keypad.

https://support.remotelock.com/hc/en-us/articles/360001773351-OpenEdge-BG-Formerly-3i-FAQs

STEP 20

Test your lock.

Enter the factory default code **1234**, followed by the # button to unlock the lock.

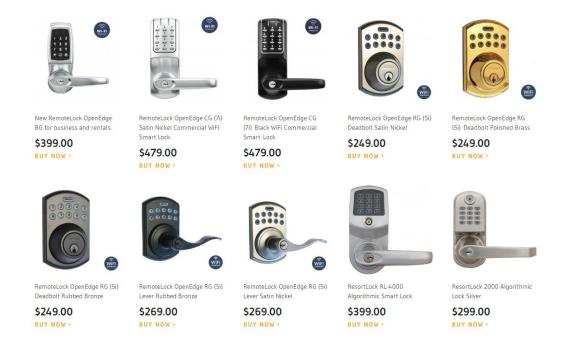
The keypad will flash green and the outside handle will now retract the latch. Auto lock is enabled and the lock will re-lock after 5 seconds. These settings can be configured in the portal after connecting your lock to Wi-Fi.

To lock the lock, press the * button twice.

Please note that, for security purposes, the default access code will be deleted after 24 hours or when your first access user is created. If you do not change the code yourself, it will be set to a randomized code for your protection. You can find this new code in the RemoteLock app.

OpenEdge BG Hardware Installation at p. 26 (available at https://www.remotelock.com/sites/default/files/RemoteLock%20OpenEdge%20BG%20Hardware%20Installation%20(Digital).pdf).

26. OpenEdge Smart Locks include an access code entry unit configured to accept a one-time use access-code issued by a remote server.



https://www.remotelock.com/smart-locks.



Vacation Rental Smart Lock Management

Eliminate the Hassle of Key Exchanges

Save time and resources by assigning temporary codes for the time of stay.

Use keypad instead of downloading an app No more lost keys or rekeying.

Manage and monitor the lock from long distance.

Temporary Access Codes

Access codes are temporary so they only work during your guests stay, not before or after. Provide directly the EdgeState by RemoteLock system or with Airbnb, HomeAway or property management software integrations.

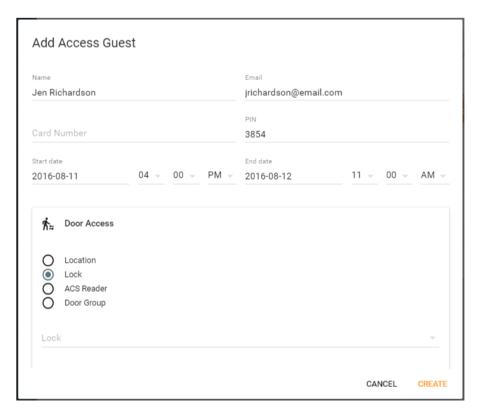
Alerts & Notifications

Stay in the know by receiving email or text alerts when your guest's check-in or cleaner arrives. Get this piece of mind immediately through the EdgeState by RemoteLock.

https://www.remotelock.com/rentals.

Add Access Guest

To add an Access Guest, click on the Add Access Guest button.

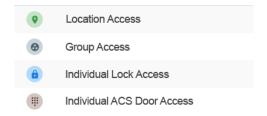


https://support.remotelock.com/hc/en-us/articles/360001772491-Door-Locks-Access-Guests.

Door Access List

The Door Access list shows all access currently granted to the user. To add new access, click on Add Door Access and follow the instructions above for Add Access User.

Each access granted in the list is accompanied by a logo to show the type of access granted.



- Location Access: Gives the User access to all of the locks and doors associated with a particular location. The user's credentials are then sent to all locks assigned to that Location. If a new lock is added to the Location, the Access User will be automatically added to the new lock.
- Door Group: Provides access to a specific group of locks and doors. If a new lock is added to the Group, the Access User will be automatically added to the new lock.
- Individual Lock: Provides access to an individual door lock.
- ACS Reader: If you have an account with the Building Access Control System module (ACS), this
 selection will provide access to an individual ACS door.

https://support.remotelock.com/hc/en-us/articles/360001749672-Access.



Cut costs and save time.

Everything In One Dashboard

Don't waste time managing different software and systems. EdgeState's centralized, easy to use dashboard puts everything in one place.

Automate Access

Take advantage of EdgeState's robust integrations to automate guest access.

No Lost Keys, No Rekeying

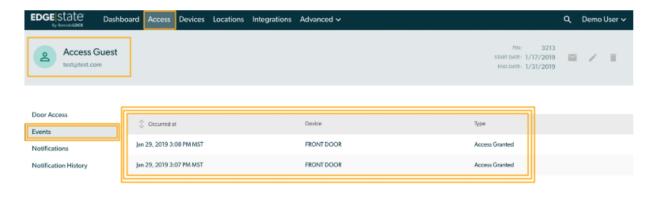
Remove the hassle of rekeying doors and handing off keys to employees and quests.

Use Your Existing WiFi Network

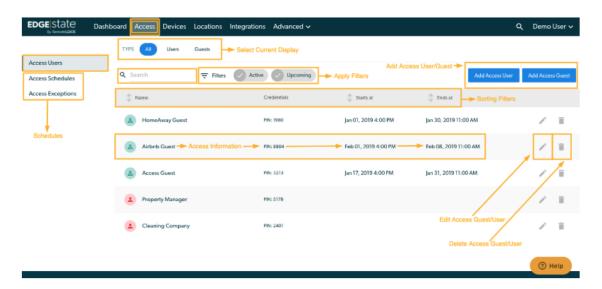
No need for additional gateways or a secondary network in your buildings. RemoteLock OpenEdge locks directly connect to WiFi.

https://www.remotelock.com/access-control-remotelock.

Events



https://support.remotelock.com/hc/en-us/articles/360001749672-Access.



Access & Guest User creation can be initiated either from an individual lock's management page or via the 'Access' section.

Select the current view you would like displayed by selecting 'All', 'Guests', or 'Users'.

Access Users can be viewed separately from Access Guests in order to provide a clear distinction between users that are given long-term access (Access Users) and those with temporary access (Access Guests). They are also differentiated by a red icon (users) or green icon (guests).

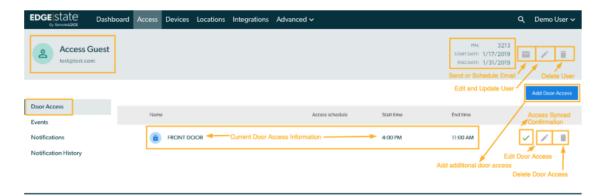
Id.

Temporary access should be given to Access Guests. This allows property owners and managers to provide temporary access codes that start and expire on a specific date and time. For example, a rental property owner may want to create an Access Guest who's guest code will start working on the lock this upcoming Friday at 4 PM and expire 2 days later at 11 AM.

https://support.remotelock.com/hc/en-us/articles/360001749712-Access-Guests-and-Users.

Access Guest and Access User Detail

The Access User and Guest Management views provide complete management of an Access User or Guest, including the ability to modify their information, credentials, Door Access and view their Access Events.



https://support.remotelock.com/hc/en-us/articles/360001749672-Access.

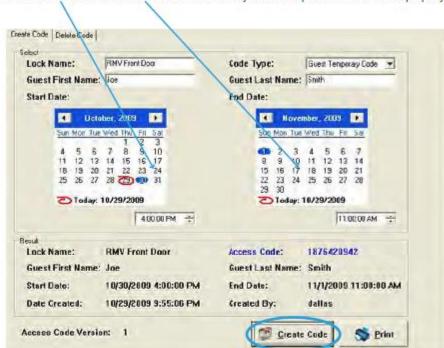
From the Access tab, you can Add Access Guests, Add Access Users, Edit and Delete current Access Guests and Users, View current Access credential information, Search, and Filter your results to narrow your view.

- To Edit: click the pencil icon right of the Access User row to edit the user's information (name and email) and credentials (pin and card #).
- To Delete: click on the trash icon to delete an Access User.
- To View: Click on the user's name to view the Access User and add/or modify their existing access. This will bring up the Access User Management view covered below.

Access Schedules and Access Exceptions can also be created in the Access sub-tabs to limit access to specific days of the week and hours of the day.

Id.

27. Upon information and belief, the one-time use access code comprises a number generated by a cryptographically strong random number generator.



6. Select the Start Date & time and End Date & time that you want to provide access to the property.

Finally, click the Create Code button to generate your temporary code.

The 10 digit (for 30 days or less) or 12 digit (for 31 days or more) Access Code will be generated and displayed in the Results section. Your guest will then enter the access code followed by the # key to unlock the door.

Sub-Access Codes

Your guest can enter a sub-access code (short code) during their stay. Here are the steps to set the sub-access code:

- Press the "*" key until a solid green light appears on the iButton reader.
- Enter the Access code followed by the # key on the lock keypad. The green light will start flashing.
- While the light is flashing, enter the desired code (3 to 6 digits) followed by the # key. You should hear a
 double confirmation beep and see a green light if successful. Up to 10 sub-access codes can be added to
 each temporary remote code.

One Time Service code

Up to 16 one-time service codes can be generated within the same time window. To issue one-time service codes, select "One Time Service Code" in the Code Type drop down box within the remote code window.

Software User Guide at p. 11 (available at https://www.remotelock.com/sites/default/files/RL-SoftwareManual-Web.pdf).

JURY DEMAND

Smart Locking Technologies hereby demands a trial by jury on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Smart Locking Technologies requests that this Court enter judgment

against Defendant as follows:

A. An adjudication that Defendant has infringed the '918 and '873 patents;

В. A judgment that Defendant has induced infringement of the '918 and '873 patents;

C. An award of damages to be paid by Defendant adequate to compensate Smart

Locking Technologies for Defendant's past infringement of the '918 and '873 patents and any

continuing or future infringement through the date such judgment is entered, including interest,

costs, expenses and an accounting of all infringing acts including, but not limited to, those acts not

presented at trial;

D. A declaration that this case is exceptional under 35 U.S.C. § 285, and an award of

Smart Locking Technologies' reasonable attorneys' fees; and

E. An award to Smart Locking Technologies of such further relief at law or in equity

as the Court deems just and proper.

Dated: May 29, 2019

STAMOULIS & WEINBLATT LLC

/s/ Richard C. Weinblatt

Stamatios Stamoulis (#4606)

Richard C. Weinblatt (#5080)

800 N. West Street, Third Floor

Wilmington, DE 19801

(302) 999-1540

stamoulis@swdelaw.com

weinblatt@swdelaw.com

Attorneys for Plaintiff

Smart Locking Technologies LLC

26