

1 TREVOR Q. CODDINGTON, PH.D. (CSB NO. 243042)

2 tcoddington@insigne.law

3 CHARLES BLAZER (CSB NO. 282495)

4 cblazer@insigne.law

5 DONNY K. SAMPORNA (CSB NO. 316456)

6 dsamporna@insigne.law

7 INSIGNE LLP

8 701 Palomar Airport Rd., Suite 230

9 Carlsbad, CA 92011

10 Telephone: (858) 227-6633

11 Facsimile: (858) 408-4422

12 Attorneys for Plaintiff

13 PlanetID, LLC

14 UNITED STATES DISTRICT COURT

15 NORTHERN DISTRICT OF CALIFORNIA

16 PLANETID, LLC, a Washington limited
17 liability company,

18 *Plaintiff*

19 v.

20 DIGIFY, INC., a Delaware corporation,

21 *Defendant*

Case No.: 3:19-cv-4615

**FIRST AMENDED COMPLAINT
FOR PATENT INFRINGEMENT – 35
U.S.C. § 271**

DEMAND FOR JURY TRIAL

1 Plaintiff PlanetID LLC (“PlanetID” or “Plaintiff”), hereby complains of
2 Defendant Digify, Inc., (hereafter “Digify” or “Defendant”) and alleges as follows:

3 **NATURE OF THE ACTION**

4 1. This is an action for patent infringement under the patent laws of the
5 United States, 35 U.S.C. § 271, *et seq.*

6 **THE PARTIES**

7 2. PlanetID is a Washington limited liability company with a principal place
8 of business in Portola Valley, CA.

9 3. Defendant Digify is a Delaware corporation with a principal place of
10 business at 162 South Park Street, San Francisco, CA 94107.

11 4. PlanetID is ignorant of the true names and capacities of the parties sued
12 herein as DOES 1 through 10, inclusive, whether individual, corporate or otherwise, and
13 therefore sues these defendants by such fictitious names. PlanetID will seek leave to
14 amend the complaint to assert their true names and capacities when they have been
15 ascertained. PlanetID is informed and believes and based thereon alleges that all
16 defendants sued herein as DOES 1 through 10 are in some manner responsible for the
17 acts and omissions alleged herein.

18 **JURISDICTION AND VENUE**

19 5. This Court has original and exclusive subject matter jurisdiction over this
20 action under 28 U.S.C. §§ 1331 and 1338(a) because PlanetID’s claims for patent
21 infringement arises under the laws of the United States, including 35 U.S.C. §§ 271, *et*
22 *seq.*

23 6. This Court has personal jurisdiction over the Defendant because it resides
24 and has its principal place of business in this District and has a continuous, systematic,
25 and substantial presence in this District, because it regularly conducts business and/or
26 solicits business within this District, because it has committed and continues to commit
27 patent infringement in this District, including, without limitation, by selling and offering
28 for sale infringing products and/or services to consumers in this District and by

1 purposefully directing activities at residents of this District, and by placing infringing
 2 products and/or services into the stream of commerce with the knowledge that such
 3 products and/or services would be sold in California and this District, which acts form a
 4 substantial part of the events giving rise to PlanetID's claims.

5 7. Venue is proper in this District under 28 U.S.C. §§ 1391 and 1400(b)
 6 because the Defendant resides, has its principal place of business, or is incorporated in
 7 this District, and has committed and continues to commit patent infringement in this
 8 District, including, without limitation, by selling and offering for sale infringing products
 9 and/or services to consumers and/or retailers in this District and by purposefully directing
 10 activities at residents of this District, and by placing infringing products and/or services
 11 into the stream of commerce with the knowledge that such products and/or services
 12 would be sold in California and this District, which acts form a substantial part of the
 13 events giving rise to PlanetID's claims.

14 **FACTUAL BACKGROUND**

15 8. On August 31, 2010, the United States Patent and Trademark Office
 16 (PTO) duly and lawfully issued United States Patent No. 7,788,222 ("the '222 patent")
 17 entitled "Information Exchange Engine Providing a Critical Infrastructure Layer and
 18 Methods of use Thereof." A true and correct copy of the '222 patent is attached hereto as
 19 **Exhibit 1**. The '222 patent issued from United States Patent Application No. 09/742,699
 20 ("the '699 application"), which was filed on December 20, 2000. The '699 application
 21 was published on March 21, 2002 as United States Patent Application Publication No.
 22 2002/0035556 ("the published '556 application"). The '699 application claimed priority
 23 to United States Provisional Patent Application No. 60/172,977 ("the '977 application"),
 24 which was filed on December 20, 1999. PlanetID owns all rights to the '222 patent via an
 25 Assignment, which was recorded at the PTO on February 4, 2015, at Reel/Frame
 26 044346/0080. Pursuant to 35 U.S.C. § 154(b), the term of the '222 patent is extended by
 27 3,005 days.
 28

1 9. On January 3, 2017, the United States Patent and Trademark Office
2 (PTO) duly and lawfully issued United States Patent No. 9,535,976 (“the ‘976 patent”)
3 entitled “Information Exchange Engine Providing a Critical Infrastructure Layer and
4 Methods of use Thereof.” A true and correct copy of the ‘976 patent is attached hereto as
5 **Exhibit 2**. The ‘976 patent issued from United States Patent Application No. 14/987,716
6 (“the ‘716 application”), which was filed on January 4, 2016. The ‘716 application was
7 published on July 7, 2016 as United States Patent Application Publication No.
8 2016/0196333 (“the published ‘333 application”). The ‘716 application also claimed
9 priority to the ‘977 application. PlanetID owns all rights to the ‘976 patent via an
10 Assignment, which was recorded at the PTO on October 31, 2017, at Reel/Frame
11 044346/0080.

12 10. Facilitating user privacy is a major problem in computer networks. The
13 qualities that make computers such powerful tools for improving efficiency and living
14 standards also give them extraordinary power to collect, store, and distribute sensitive
15 information such as medical data, financial data, and other personal or biographical
16 information. We are told our data is exposed and that we lack complete privacy. More
17 and more data about each of us is being generated faster and faster from more and more
18 devices, and we can’t keep up.

19 11. The inventions claimed in the ‘222 and ‘976 patents improve user
20 privacy in computer networks by automatically terminating the sharing of personal
21 information upon expiration of a time limit set by user. *See, e.g.*, ‘976 patent at col 5:57-
22 60; claim 1 (“wherein the at least a portion of the information is shared for a defined
23 period of time”). Such a management of information exchange solution gives a user
24 control over the dissemination of their personal information, thereby creating user trust in
25 the network. Automatically, terminating access to personal information improves the
26 performance of a computer network by optimizing computer network usage and reducing
27 network storage costs, among other benefits.

1 12. The ‘222 and ‘976 patents are among the oldest and most foundational
2 data privacy patents of the internet age. They both claim priority to PlanetID’s ‘977
3 provisional application, filed on December 20, 1999 – the nascent era of the internet.

4 13. In its own advertising literature, Digify touts automatic expiration as a
5 useful solution in managing information exchanged over computer networks. *See, e.g.*,
6 Digify Blog PDF & Document Expiry and Self-Destruct: Setting One-Time Links
7 attached hereto as Exhibit 3 (“Fortunately, it is possible to give temporary access to files,
8 meaning that recipients only get a short window of time to review them. Examples of
9 when you might like to restrict access include: ... Limiting exposure to personal
10 information such as company credentials.”). “For the expiry to be useful, the date and
11 time often has to be set in advance by a few days, weeks or months.” *Id.*

12 14. The inventions claimed in the ‘222 and ‘976 patents are solely directed
13 on the management of information exchange over a computer network and have no
14 analog in the non-digital world. For example, claim 1 of the ‘976 patent recites a
15 “computerized method for exchanging information over a network” in its preamble,
16 which defines and gives life, meaning, and vitality to the claim by providing physical
17 context for the subsequently recited claim elements in the eyes of a person of ordinary
18 skill in the art at the time of the invention. Proper construction of the claim requires
19 reference to this preamble. A person of ordinary skill in the art at the time of the
20 invention would understand that in the context of the ‘976 patent a computer network is a
21 tangible technological framework, with its own physical and practical limitations, that is
22 not strictly analogous to other structures in the analog world. The written description of
23 the ‘976 patent teaches, by way of example, that a computer network may interface with
24 a number of servers (such as a Sync Server 135 and a Business-to-Business Server 139)
25 and devices (such a Handheld Device 113 and a computer system 102 running a
26 conventional web browser 117). *E.g.*, ‘976 patent at col. 14, ll. 20-46, Fig. 1.

27 15. Similarly, claim 1 of the ‘222 patent recites an “information exchange
28 system” in its preamble, which defines and gives life, meaning, and vitality to the claim

1 by providing physical context for the subsequently recited claim elements in the eyes of a
 2 person of ordinary skill in the art at the time of the invention. Proper construction of an
 3 information exchange system necessarily includes a computer network as evident by the
 4 specification of the ‘222 patent. For example, the ‘222 patent refers to the information
 5 exchange system as facilitating “electronic exchange of personal information.” *See, e.g.*,
 6 ‘222 patent at col. 1, ll. 48-52. A person of ordinary skill in the art at the time of the
 7 invention would understand that in the context of the ‘222 patent a computer network is a
 8 tangible technological framework, with its own physical and practical limitations, that is
 9 not strictly analogous to other structures in the analog world. The written description of
 10 the ‘222 patent teaches, by way of example, that a computer network may interface with
 11 a number of servers (such as a Sync Server 135 and a Business-to-Business Server 139)
 12 and devices (such a Handheld Device 113 and a computer system 102 running a
 13 conventional web browser 117). *E.g.*, ‘222 patent at col. 13, l. 62 – col. 14, l. 21, Fig. 1.
 14 The body of claim 1 provides further context and physical limitation, as it requires a
 15 “computing device.”

16 16. Automatically terminating the sharing of personal information over a
 17 computer network upon expiration of a time limit set by user is not a well-understood,
 18 routine, or conventional activity previously known in the industry. To the contrary, the
 19 state of the art at the time of invention of the ‘222 patent and the ‘976 patent, as it
 20 pertained to electronic data sharing, was to save and document everything. *See, e.g.*, Gary
 21 Vaynerchuk, *The History of Snapchat: How Disappearing Photos Changed the Game*,
 22 *Success Magazine* (February 16, 2016), attached hereto as **Exhibit 4** (“The norm of the
 23 Internet age is to create platforms in which everything is saved – everything is stored and
 24 documented digitally.”). At the time of the invention, conventional information exchange
 25 systems created a historical record and stored that record indefinitely. Facebook is such
 26 an example, although it did not come along until 2004. Like Snapchat, which came along
 27 even later, the ‘222 patent and the ‘976 patent’s solution to facilitate user privacy by
 28

1 providing user-definable *ephemeral* access – directly contrary to the conventional
2 approach.

3 17. United States Patent No. 5,987,440, which was cited in the prosecution
4 history of the '222 patent, states: “Thus, people realize that something must be done to
5 protect a person’s personal information and as more individuals join the Internet, there
6 will be more pressure to collect, use, and market the available personal information, and
7 the individual will want to participate in, command, and control this activity.
8 Collectively, these ideas cannot be properly implemented with the Internet tools presently
9 available, and no tool can efficiently incorporate these ideas. Thus, there is a need to
10 provide an Internet utility or tool for the security and exchange of personal information.”

11 18. Defendant offers document security services through secure virtual data
12 rooms. These virtual data rooms correspond to data stored on physical data storage
13 media. Customers have the option to select from a number of Digify’s plans, each of
14 which has varying prices corresponding to the functions provided by the plans. All of the
15 Digify’s products offer applications that support file sharing features. These features have
16 many functions that facilitate communication and sharing among Digify users, one of
17 which is an expiry feature. This feature allows a first user to select a time frame in which
18 a second user can access the first user’s shared information.

19 19. Defendant is and has been making, using, selling, and/or offering for
20 sale, a number of Digify’s plans that infringe the ‘222 and ‘976 patent, including, without
21 limitation, Digify’s “Pro,” “Team,” “Business,” and “Enterprise” plans (collectively, the
22 “Accused Products”). The Accused Products can be purchased directly from the
23 Defendant online through its website (<https://digify.com>).

24 20. Defendant also actively induces direct infringement of the ‘222 and ‘976
25 patents by its customers when it sells the Accused Product to customers who then use the
26 Accused Product without permission from PlanetID.

27 21. On information and belief, Digify has been aware of the ‘222 and ‘976
28 patents since May 14, 2019.

FIRST CLAIM FOR RELIEF

(Infringement of the ‘222 and ‘976 patents)

22. Plaintiff repeats, realleges and incorporates by reference the allegations contained in the previous paragraphs of this Complaint as though fully set forth herein.

23. This claim is for patent infringement arising under the Patent Laws of the United States, Title 35.

24. The Defendant, by and through its agents, officers, directors, resellers, retailers, employees, and servants, have been and are currently infringing the ‘222 and ‘976 patents by making, using, offering to sell, selling, exporting, and/or importing into the United States the Accused Products, which embody one or more claims set forth in the ‘222 and ‘976 patents.

25. As shown in **Exhibit 5**, which is incorporated herein, Defendant’s Accused Products infringe each limitation of at least claims 1 and 10 of the ‘222 patent. Digify’s Accused Products constitute “an information exchange system...” which comprises “a computing device having a processor executing instructions stored in memory to determine an identity of a first party to be provided personal information...” as recited in claim 1. The specification of the ‘222 patent states that the system “provides a storage mechanism for registered individual users of the system to store information about themselves.” The specification further describes this information as their “name, home and office address.” The specification further indicates the personal information could include a user’s “internal account ID and password.” For example, in order for the Accused Products to work they must use a computing device having a processor executing instructions stored in memory. The Accused Products can run on a number of physical devices including; smartphones, tablets, laptops and desktop computers. Each party using the Accused Products has a Digify account, which has a profile or identity associated with the account. In order for a first party to gain access to a specific Digify account, they have to provide proper credentials associated with the specific account. For

1 example, a password may be required to ensure the party requesting access to an account
2 is authorized to use said account.

3 26. The Accused Products “determine whether a selected field of the
4 personal information of a second party can be provided to the first party...” as recited in
5 claim 1. For example, a first party using an Accused Product can share message content
6 with another party. Message content may include texts, files, images, photos, videos
7 and/or audio information. Message content shared with Digify is encrypted using
8 Advanced Encryption Standard-254 (AES-254). Only users with the correct credentials
9 are able to access the stored encrypted files. A third user, who is not an intended
10 recipient, will not be able to access the message content.

11 27. The Accused Products “determine whether the first party is attempting to
12 access the selected field of personal information of the second party during a defined
13 period of time as defined by the second party...” as recited in claim 1. For example, a
14 first party using an Accused Product is able to control retention of their message content
15 by other parties. That party is able to restrict access to their message content for a defined
16 timeframe. When another party attempts to access the message content of the first party,
17 the Accused Products determine if the other party is accessing the message content
18 during a defined period of time as defined by the party that shared the content.

19 28. “If the first party is determined to have access to the selected field of the
20 personal information of the second party within the defined period of time...” the
21 Accused Products “provide the selected field of the personal information of the second
22 party to the first party...” as recited in claim 1. As discussed above, a party using the
23 Accused Product is able to designate an intended recipient to have access to their shared
24 message content. Further, a party can restrict the time of access to the message content to
25 a predetermined amount of time. If another party is the designated recipient and attempts
26 to access the message content within the defined timeframe, the Accused Products will
27 allow my to have access to the shared message content.
28

29. As shown in **Exhibit 6**, which is incorporated herein, Defendant's Accused Products infringe each limitation of at least claims 1, 3 and 6 of the '976 patent. Digify's Accused Products direct and control a server to perform the claimed steps of "facilitating communication with a user through the network..." and "managing storage of information of the user in a data repository in a manner such that a type of information is instantiated substantially instantaneous..." as recited in claim 1. The type of information that is instantiated substantially instantaneously is identified in claim 1 as of the '976 patent as "information of the user." The specification of the '976 patent states that through operation of an "exchange engine layer, which comprises the account manager . . . manages account information about each registered user." This information includes, but is not limited to "their internal account ID and password." For example, the Accused Products can run on a number of physical devices including smartphones, tablets, laptops and desktop computers. These devices all use a network to communicate with other devices using the Accused Products. Digify requires that each party using the Accused Products has a Digify account, which has a profile or identity associated with the account. In order for a party to gain access to a specific Digify account, the party has to provide proper credentials associated with the specific account. For example, a password may be required to ensure the party using the account is authorized to use said account. Once a user is granted access, they can store information on their account, such as message content, substantially instantaneously.

30. The Accused Products perform the step of "providing storage of permissions information describing parties allowed access to at least a portion of the information..." and "wherein the at least a portion of the information is shared for a defined period of time," as recited in claim 1. For example, a first party using an Accused Product can share message content with a second party. The first party can designate a specific second party, which will have permission to access the shared message content. A third user, who is not an intended recipient, will not be able to access the shared message content. Further, a first party is able to restrict access to their message content

1 for a defined timeframe. When a second party attempts to access the message content of
2 the first party, the Accused Products determines if the second party is accessing the
3 message content during a defined period of time as defined by the first party. If a second
4 party is an authorized party and attempts to access the message content within the defined
5 timeframe, the Accused Products will allow the second party to have access to the shared
6 message content.

7 31. The Accused Products perform the step of “providing an alert of
8 notification to at least one of the parties allowed access whenever the information has
9 been updated...” as recited in claim 3. The Accused Products provide notifications to a
10 second user when a first user shares message content designated for the second user. The
11 Accused Products perform the steps described above “wherein one of the parties allowed
12 access is a friend, a relative or a business...” as recited in claim 9. The Accused Products
13 are designated to provide a network where friends, relatives and/or a business are able to
14 communicate with one another.

15 32. Digify has infringed and continues to infringe, and/or induce
16 infringement of the ‘222 and ‘976 patents, either literally or under the doctrine of
17 equivalents. Digify’s infringing activities in the United States and this District include,
18 among other things, using the shared message content deletion feature to allow a first
19 user to limit access to shared content to a second user.

20 33. The infringement charts set forth in Exhibits 5 and 6 are based on
21 PlanetID’s current understanding of the Accused Products, which only considers publicly
22 available information. The charts do not set forth all of PlanetID’s infringement theories
23 – Digify’s use of infringing technology embodies other claims set forth in the ‘222 and
24 ‘976 patents.

25 34. PlanetID reserves the right to amend or supplement its infringement
26 theories upon more information becoming available through formal discovery and/or this
27 Court completing its claim construction proceedings.
28

35. Defendant was aware or should have been aware or were willfully ignorant of the '222 patent by at least September of 2010. Defendant was aware or should have been aware or were willfully ignorant of the '976 patent by at least February of 2017.

36. Upon information and belief, Defendant has generated millions of dollars in annual revenue from the sale of products that practice or use Plaintiff's technology, exposing Digify to significant liability for its infringement of the '222 and '976 patent.

37. Upon information and belief, unless enjoined, Defendant, and/or others acting on behalf of Defendant, will continue their infringing acts, thereby causing irreparable harm to PlanetID for which there is no adequate remedy at law.

38. As a result of Defendant's infringement of the '222 and '976 patents, PlanetID has suffered and will continue to suffer harm and injury, including monetary damages in an amount to be determined at trial, and is entitled to recovery of all said damages.

PRAYER FOR RELIEF

WHEREFORE, PlanetID prays for entry of judgment in its favor and against Defendant as follows:

(a) An Order adjudging Defendant to have infringed, or induced the infringement of the '222 and '976 patents under 35 U.S.C. § 271;

(b) A permanent injunction under 35 U.S.C. § 283 enjoining Defendant, its officers, directors, agents, servants, resellers, retailers, employees and attorneys, and those persons acting in concert or participation with them, from infringing or inducing the infringement of the '222 and '976 patents in violation of 35 U.S.C. § 271;

(c) An award to PlanetID of its lost profits and/or a reasonable royalty for Defendant's use, sale, manufacture of the Accused Products, subject to proof at trial;

(d) An Order adjudicating that this is an exceptional case;

(e) An award to PlanetID of all attorneys' fees and costs incurred by PlanetID in connection with this action under 35 U.S.C. § 285;

1 (f) An award of pre-judgment and post-judgment interest and costs of this
2 action against Defendant;

3 (g) For such other and further relief as the Court deems just and proper.
4

5 Dated: April 10, 2020

INSIGNE LLP

7 By: /s/ Donny Samporna

8 TREVOR Q. CODDINGTON, PH.D.

9 CHARLES A. BLAZER

DONNY K. SAMPORNA

10 Attorneys for Plaintiff,
11 PlanetID, LLC
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DEMAND FOR A JURY TRIAL

Pursuant to Rule 38 of the Federal rules of Civil Procedure, Plaintiff hereby demands a trial by a jury of all issues so triable.

Dated: April 10, 2020

INSIGNE LLP

By: /s/ Donny Samporna

TREVOR Q. CODDINGTON, PH.D.

CHARLES A. BLAZER

DONNY K. SAMPORNA

Attorneys for Plaintiff,
PlanetID, LLC