

United States District Court
Northern District of California

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Attorneys for Estech Systems IP, LLC

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

ESTECH SYSTEMS IP, LLC,

Plaintiff,

v.

INTERMEDIA.NET, INC.,

Defendant.

CASE NO. 3:24-cv-2526

COMPLAINT

DEMAND FOR JURY TRIAL

Plaintiff Estech Systems IP, LLC (“Estech”) files this original complaint against Intermedia.net, Inc. (“Intermedia”) alleging, based on its own knowledge as to itself and its own actions, and based on information and belief as to all other matters, as follows:

PARTIES

1. Estech Systems IP, LLC is a Texas corporation, with its principal place of business at 3701 East Plano Parkway, Suite 300, Plano, Texas 75074.

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1 9. Since 1987, ESI has sold more than 400,000 solutions to its customers, working
2 with more than 1,500 certified partners nationwide. Its customers include small and large
3 businesses across the country.

4 10. Recognizing that business doesn't get done without communication, ESI provides
5 powerful products that are easy and simple to use. ESI's products are engineered to make
6 intelligent technology that is intuitive and user-friendly, empowers employee productivity, and
7 fuels customer satisfaction.

8 11. ESI's technology is American-engineered. From its Plano, Texas headquarters,
9 ESI provides a full solutions portfolio of modern business phone systems, including Cloud,
10 Hybrid, Pure IP, and SIP dial tone products. Given ESI's end-to-end product offerings, its
11 customers are empowered to choose the product features they need and want.

12 12. ESI's products include the most integrated cloud PBX in the market—the award-
13 winning ESI Cloud PBX; Voice over IP (VoIP) products and systems; and on-premises products.
14 A cloud-based PBX is a sophisticated telephone exchange system that uses a cloud infrastructure
15 to provide communication services, such as telephony services.

16 13. VoIP transmits and receives voice communications over data networks, such as the
17 Internet or private networks, using the Internet Protocol (IP).

18 14. VoIP systems offer several advantages over traditional phone systems including,
19 but not limited to, lower cost and more efficient network management.

20 15. VoIP systems also enable integration of additional communication services.

21 16. ESI cloud-based VoIP products have handled billions of call minutes.

22 17. ESI also provides U.S.-based, best-in-class technical support for its customers.

23 18. The patents-in-suit, U.S. Patent Nos. 8,391,298 (the "'298 Patent"), 7,068,684 (the
24 "'684 Patent"), and 7,123,699 (the "'699 Patent") (collectively, the "Estech Asserted Patents"),
25 are generally directed to systems and methods for providing robust, feature-rich communications
26 systems including, but not limited to, VoIP telephony and additional communication services that
27 can be integrated with a VoIP telephony system.

1 19. The Estech Asserted Patents have been widely licensed in relevant industries,
2 including 21 different license agreements consummated to date, including with Cisco Systems,
3 Microsoft, Mitel, and Avaya.

4 20. Products and services of or provided by Cisco, Microsoft, Avaya, Mitel,
5 RingCentral, 3CX, or their Affiliates, including any portions thereof, alone or in combination with
6 one or more other products, services, processes, or other items, are not alleged to satisfy, in whole
7 or in part, any element or a step of any claim in the Estech Asserted Patents.

8 **THE ACCUSED INSTRUMENTALITIES**

9 21. On information and belief, Intermedia has and continues to at least design, make,
10 manufacture, sell, or offer to sell communication equipment and services and system-design
11 services, including but not limited to, for example, Intermedia telephony devices (e.g., Unite
12 X303W, Unite V64, Polycom VVX 250, Polycom VVX 150, Yealink T33G, Polycom VVX 350,
13 Polycom VVX 450, Yealink T53W, Yealink T54W, Yealink T57W, Yealink CP925, Yealink
14 CP965, Yealink DECT IP W70B), Intermedia software telephony products (e.g., Intermedia
15 Connect, Intermedia Frontdesk, Intermedia Work, Intermedia Work for Desktop, Intermedia Work
16 for Web Browser, Intermedia Work for Mobile Application, Intermedia Unite Desktop App,
17 Intermedia Unite Mobile App), Intermedia VoIP telephony servers and services (e.g., Intermedia
18 Unite and the Intermedia Unite Platform, Intermedia's Voice Cloud network, Intermedia Contact
19 Center), and products and services that incorporate the same or similar technology, that employ
20 VoIP to perform various functions including, but not limited to, voice calling, voicemail, directory
21 services, quality of service, and others using multiple components including, but not limited to, for
22 example, hubs, switches, routers, session border controllers, servers and the like, and the software
23 for operating such components ("Intermedia Products and Services").

24 22. Upon information and belief, Intermedia designs telecommunication and
25 information handling systems for its customers by incorporating the Intermedia Products and
26 Services into their customers' existing network infrastructure.

1 28. The claims of the '298 Patent are not directed to an abstract idea. For example,
2 claim 13 of the '298 Patent recites a specific arrangement of devices and networking components.
3 Together those devices and networking components enable a user of a first telecommunications
4 device to observe a list of a plurality of telecommunications extensions. The list of extensions is
5 stored in a server within a specific networking configuration, and the user can select to view a
6 subset of the extensions. Taken as a whole, the claimed inventions of the '298 Patent are not
7 limited to well-understood, routine, or conventional activity. Rather, the claimed inventions
8 include inventive components that improve upon the functioning and operation of information
9 processing systems.

10 29. The written description of the '298 Patent describes in technical detail each of the
11 limitations of the claims, allowing a skilled artisan to understand the scope of the claims and how
12 the non-conventional and non-generic combination of claim limitations is patently distinct from
13 and improved upon what may have been considered conventional or generic in the art at the time
14 of the invention.

15 30. Intermedia has infringed the '298 Patent by at least making, having made, using,
16 importing, providing, supplying, distributing, selling, or offering the Accused Instrumentalities for
17 sale.

18 31. The Accused Instrumentalities provide VoIP-based voice calling and data-
19 networking services to VoIP telephony devices.

20 32. The Accused Instrumentalities use first, second, and third LANs that are coupled
21 with a WAN.

22 33. The Accused Instrumentalities include VoIP telephony devices connected to LANs,
23 the VoIP telephony devices having telecommunications extensions associated therewith, the
24 telecommunications extensions being coupled to the second and third LANs.

25 34. The VoIP telephony devices include circuitry (i) enabling users of VoIP telephony
26 devices to observe a list of telecommunications extensions; (ii) to automatically call one of the
27 telecommunications extensions in response to a user selecting one of the telecommunications
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1 extensions from the list; and (iii) enabling the user to select between observing the list of
2 telecommunications extensions coupled to the second LAN or the third LAN.

3 35. The Accused Instrumentalities include servers in the second LAN that store
4 telecommunications extensions accessed across the WAN.

5 36. As described above, Intermedia has directly infringed (literally or under the
6 doctrine of equivalents) at least Claim 13 of the '298 Patent. Intermedia's infringement in this
7 regard is ongoing.

8 37. Estech has been damaged as a result of the infringing conduct by Intermedia alleged
9 above. Thus, Intermedia is liable to Estech in an amount that compensates it for such
10 infringements, which by law cannot be less than a reasonable royalty, together with interest and
11 costs as fixed by this Court under 35 U.S.C. § 284.

12 38. Estech or its predecessors-in-interest have satisfied all statutory obligations
13 required to collect pre-filing damages for the full period allowed by law for infringement of the
14 '298 Patent.

15 39. Intermedia has also indirectly infringed the '298 Patent by inducing others to
16 directly infringe the '298 Patent. Intermedia has induced end-users, including Intermedia's
17 customers, partners, personnel, clients, and contractors, to directly infringe (literally or under the
18 doctrine of equivalents) the '298 Patent by making and using the Accused Instrumentalities.
19 Intermedia took active steps, directly or through contractual relationships with others, with the
20 specific intent to cause them to use the Accused Instrumentalities in a manner that infringes one
21 or more claims of the '298 Patent, including, for example, Claim 13 of the '298 Patent. Such steps
22 by Intermedia included, among other things, advising or directing customers, partners, personnel,
23 contractors or end-users to make or use the Accused Instrumentalities in an infringing manner;
24 advertising and promoting the use of the Accused Instrumentalities in an infringing manner; or
25 distributing instructions that guide users to use the Accused Instrumentalities in an infringing
26 manner. Intermedia is performing these steps, which constitute induced infringement with the
27 knowledge of the '298 Patent and with the knowledge that the induced acts constitute infringement.

1 Intermedia is aware that the normal and customary use of the Accused Instrumentalities by others
2 would infringe the '298 Patent. Intermedia's inducement is ongoing.

3 40. Intermedia has also indirectly infringed by contributing to the infringement of the
4 '298 Patent. Intermedia has contributed to the direct infringement of the '298 Patent by its
5 customers, partners, personnel, contractors, clients, and suppliers. The Accused Instrumentalities
6 have special features that are specially designed to be used in an infringing way and that have no
7 substantial uses other than ones that infringe one or more claims of the '298 Patent, including, for
8 example, Claim 13 of the '298 Patent. The special features include, for example, the devices and
9 networking components recited in Claim 13, including the interrelation between those devices and
10 networking components, that allow the claimed server to provide a list of extensions and for the
11 user to select to view a subset of the extensions. The special features constitute a material part of
12 the invention of one or more of the claims of the '298 Patent and are not staple articles of commerce
13 suitable for substantial non-infringing use. Intermedia's contributory infringement is ongoing.

14 41. Furthermore, on information and belief, Intermedia has a policy or practice of not
15 reviewing the patents of others (including instructing its employees to not review the patents of
16 others), and thus has been willfully blind of Estech's patent rights.

17 42. Intermedia's actions are at least objectively reckless as to the risk of infringing a
18 valid patent and this objective risk was either known or should have been known by Intermedia.

19 43. Intermedia's direct and indirect infringement of the '298 Patent is, has been, and
20 continues to be willful, intentional, deliberate, or in conscious disregard of Estech's rights under
21 the patent.

22 44. Estech has been damaged as a result of the infringing conduct by Intermedia alleged
23 above. Thus, Intermedia is liable to Estech in an amount that compensates it for such
24 infringements, 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 45. Estech has suffered irreparable harm, through its loss of market share and goodwill,
27 for which there is no adequate remedy at law. Estech has and will continue to suffer this harm by
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1 virtue of Intermedia’s infringement of the ’298 Patent. Intermedia’s actions have interfered with
2 and will interfere with Estech’s ability to license technology. The balance of hardships favors
3 Estech’s ability to commercialize its own ideas and technology. The public interest in allowing
4 Estech to enforce its right to exclude outweighs other public interests, which supports injunctive
5 relief in this case.

6 **COUNT II**

7 **INFRINGEMENT OF U.S. PATENT NO. 7,068,684**

8 46. Estech repeats and re-alleges the allegations in paragraphs 1-45 as though fully set
9 forth in their entirety.

10 47. Estech owns all substantial rights, interest, and title in and to the ’684 Patent,
11 including the sole and exclusive right to prosecute this action and enforce the ’684 Patent against
12 infringers, and to collect damages for all relevant times. The United States Patent and Trademark
13 Office duly issued the ’684 Patent on June 27, 2006. A copy of the ’684 Patent is attached as
14 Exhibit B.

15 48. The ’684 Patent is titled “Quality of Service in a Voice Over IP Telephone System.”
16 The ’684 Patent describes information handling systems used to transmit voice using VoIP
17 technology. The information handling systems throttle the amount of data being transferred from
18 a workstation connected to the VoIP telephone.

19 49. The method claims of the ’684 Patent are not directed to an abstract idea. For
20 example, claim 42 of the ’684 Patent recites specific steps performed by a specific arrangement of
21 devices and networking components and operations performed by those components. Together,
22 those devices and networking components provide quality of service to audio information by
23 throttling the amount of data being transferred through a VoIP telephony device. Taken as a whole,
24 the claimed inventions of the ’684 Patent are not limited to well-understood, routine, or
25 conventional activity. Rather, the claimed inventions include inventive components that improve
26 upon the function and operation of information processing systems.

1 50. The written description of the '684 Patent describes in technical detail each of the
2 limitations of the method claims, allowing a skilled artisan to understand the scope of the method
3 claims and how the non-conventional and non-generic combination of claim limitations is patently
4 distinct from and improved upon what may have been considered conventional or generic in the
5 art at the time of the invention.

6 51. Intermedia has infringed the method claims of the '684 Patent by making, having
7 made, using, importing, providing, supplying, distributing, selling, or offering the Accused
8 Instrumentalities for sale.

9 52. The Accused Instrumentalities provide VoIP-based voice calling and data-
10 networking services to VoIP telephony devices.

11 53. The Accused Instrumentalities include VoIP servers such that audio information
12 for VoIP-based voice calls is communicated between at least VoIP telephony devices and VoIP
13 servers.

14 54. The Accused Instrumentalities include workstations (including, but not limited to,
15 for example, desktop computers, workstations, laptops, embedded devices, point-of-sale devices,
16 and mobile devices) that send and receive data from data servers (including, but not limited to, for
17 example, websites) that transfer data through VoIP telephony devices.

18 55. The Accused Instrumentalities sufficiently throttle data sent from workstations to
19 VoIP telephony devices to increase a rate of transfer of audio information during the
20 communication of audio information, the data throttling comprises reducing a future amount of
21 data from being transferred from the workstation if the amount of data exceeds a predetermined
22 threshold.

23 56. As described above, Intermedia has directly infringed (literally or under the
24 doctrine of equivalents) one or more method claims, including at least Claim 42 of the '684 Patent.
25 Estech does not allege infringement of any non-method claims of the '684 patent.

26 57. Estech has been damaged as a result of the infringing conduct by Intermedia alleged
27 above. Thus, Intermedia is liable to Estech in an amount that adequately compensates it for such
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1 infringements, which by law cannot be less than a reasonable royalty, together with interest and
2 costs as fixed by this Court under 35 U.S.C. § 284.

3 58. Estech or its predecessors-in-interest have satisfied all statutory obligations
4 required to collect pre-filing damages for the full period allowed by law for infringement of the
5 '684 Patent.

6 **COUNT III**

7 **INFRINGEMENT OF U.S. PATENT NO. 7,123,699**

8 59. Estech repeats and re-alleges the allegations in paragraphs 1-58 as though fully set
9 forth in their entirety.

10 60. Estech owns all substantial rights, interest, and title in and to the '699 Patent,
11 including the sole and exclusive right to prosecute this action and enforce the '699 Patent against
12 infringers, and to collect damages for all relevant times. The United States Patent and Trademark
13 Office duly issued the '699 Patent on October 17, 2006. A copy of the '699 Patent is attached as
14 Exhibit C.

15 61. The '699 Patent is titled "Voice Mail in a Voice Over IP Telephone System." The
16 '699 Patent describes an information handling system for storing a voice mail message in a voice
17 mail box in a voice mail system within a first local area network (LAN). A user can access and
18 listen to the voice mail using a VoIP telecommunications device within a second LAN by
19 connecting to the first LAN via a wide-area network (WAN), such as the Internet.

20 62. The method claims of the '699 Patent are not directed to an abstract idea. For
21 example, claim 1 of the '699 Patent recites specific steps performed by a specific arrangement of
22 devices in a networking environment. Together those devices enable a user within a second LAN
23 to access and listen to voice mail messages stored within a first LAN. Taken as a whole, the
24 claimed inventions of the '699 Patent are not limited to well-understood, routine, or conventional
25 activity. Rather, the claimed inventions include inventive components that improve upon the
26 functioning and operation of information processing systems.

1 63. The written description of the '699 Patent describes in technical detail each of the
2 limitations of the method claims, allowing a skilled artisan to understand the scope of the method
3 claims and how the non-conventional and non-generic combination of claim limitations is patently
4 distinct from and improved upon what may have been considered conventional or generic in the
5 art at the time of the invention.

6 64. Intermedia has infringed the method claims of the '699 Patent by making, having
7 made, using, importing, providing, supplying, distributing, selling, or offering the Accused
8 Instrumentalities for sale.

9 65. The Accused Instrumentalities operate under a routable protocol including, but not
10 limited to, for example, TCP/IP or UDP/IP.

11 66. The Accused Instrumentalities include VoIP servers that store a voice mail message
12 in a voice mail box in a voice mail system within a first LAN.

13 67. The Accused Instrumentalities include VoIP telephony devices coupled to the
14 second LAN that provide a sensory indication when the voice message is stored in the voice mail
15 box within the first LAN. The VoIP telephony devices allow a user to access the voice mail system
16 within the first LAN to listen to the voice message stored in the voice mail box. The VoIP
17 telephony devices allow a user to access the voice mail message stored in the voice mail box
18 provided by the VoIP Servers by using communication protocols, including, but not limited to, for
19 example, TCP/IP, UDP/IP, Session Initiation Protocol (SIP), Session Description Protocol (SDP),
20 Real-time Transport Protocol (RTP), and Real-time Transport Control Protocol (RTCP) protocols
21 to: (i) establish a channel between the first and second LANs over the WAN; (ii) couple an audio
22 path over the channel between the telecommunications device and the voice mail box; and (iii)
23 stream voice data containing the voice message from the voice mail box to the telecommunications
24 device over the audio path.

25 68. The VoIP telephony devices and VoIP servers can establish a channel between the
26 first and second LANs over the WAN, wherein the establishing includes: (i) in response to an
27 input at VoIP telephony devices, sending a user mail box connection message from the second
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1 LAN to the first LAN requesting a channel, wherein the user mail box connection message includes
2 an extension associated with VoIP telephony devices and an identification of the voice mail box;
3 (ii) assigning the channel by VoIP servers in the first LAN; and (iii) sending a connection
4 established message from VoIP servers in the first LAN to the second LAN.

5 69. As described above, Intermedia has directly infringed (literally or under the
6 doctrine of equivalents) one or more method claims, including at least Claim 1 of the '699 Patent.
7 Estech does not allege infringement of any non-method claims of the '699 patent.

8 70. Estech has been damaged as a result of the infringing conduct by Intermedia alleged
9 above. Thus, Intermedia is liable to Estech in an amount that adequately compensates it for such
10 infringements, which by law cannot be less than a reasonable royalty, together with interest and
11 costs as fixed by this Court under 35 U.S.C. § 284.

12 71. Estech or its predecessors-in-interest have satisfied all statutory obligations
13 required to collect pre-filing damages for the full period allowed by law for infringement of the
14 '699 Patent.

15 **JURY DEMAND**

16 Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Estech requests a trial by jury
17 on all issues triable by a jury.

18 **PRAYER FOR RELIEF**

19 Estech requests that the Court find in its favor and against Intermedia, and that the Court
20 grant Estech the following relief:

21 a. Judgment that one or more claims of the Estech Asserted Patents have been
22 infringed, either literally or under the doctrine of equivalents, by Intermedia or all others acting in
23 concert therewith;

24 b. A permanent injunction enjoining Intermedia and its officers, directors, agents,
25 servants, affiliates, employees, divisions, branches, subsidiaries, parents, and all others acting in
26 concert therewith from infringement of the '298 Patent; or, in the alternative, an award of a
27 reasonable ongoing royalty for future infringement of the '298 Patent by such entities;

1 c. Judgment that Intermedia accounts for and pays to Estech all damages to and costs
2 incurred by Estech because of Intermedia's infringing activities and other conduct complained of
3 herein;

4 d. Judgment that Intermedia's infringement be found willful, and that the Court award
5 treble damages for the period of such willful infringement pursuant to 35 U.S.C. § 284;

6 e. Pre-judgment and post-judgment interest on the damages caused by Intermedia's
7 infringing activities and other conduct complained of herein;

8 f. That this Court declare this an exceptional case and award Estech its reasonable
9 attorneys' fees and costs in accordance with 35 U.S.C. § 285; and

10
11 All other and further relief as the Court may deem just and proper under the circumstances.

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13 Dated: April 26, 2024

Respectfully submitted,

/s/ Stephen R. Dartt

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