## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

Portus Singapore Pte LTD and Portus Pty Ltd.,	
Plaintiffs,	
<b>v.</b>	CASE NO.
August Home, Inc.	Jury Trial Demanded
Defendant.	

## ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

Plaintiffs Portus Singapore Pte Ltd. and Portus Pty Ltd. ("Plaintiffs") file this complaint for patent infringement against Defendant August Home, Inc. ("Defendant" or "August") and in support alleges as follows:

## **NATURE OF THE ACTION**

1. This is a civil action arising under the Patent Laws of the United States, 35 U.S.C. § 271, et seq.

## THE PARTIES

- 2. Plaintiff Portus Singapore Pte Ltd. is a company organized under the laws of the Republic of Singapore.
- 3. Plaintiff Portus Pty Ltd. is a subsidiary of Portus Singapore Pte Ltd., and a company organized under the laws of Australia.

- 4. On information and belief, Defendant August Home, Inc., is a Delaware corporation having a principal place of business at 657 Bryant St, San Francisco, CA 94107. Defendant may be served at Corporation Service Company, 251 Little Falls Drive, Wilmington, DE, 19808.
- 5. Defendant makes, imports, offers to sell, sells, and uses the accused devices in the United States, including in the State of Delaware generally and this judicial district in particular.

## **JURISDICTION AND VENUE**

- 6. This Court has jurisdiction over the subject matter of this action asserted herein under the Patent Laws of the United States, United States Code, Title 35. This is an action for patent infringement that arises under the patent laws of the United States, 35 U.S.C. § 271, et seq.
- 7. This Court has original subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).
- 8. This Court has personal jurisdiction over Defendant. Defendant has sustained and systematic activities in this District and is committing infringing acts in Delaware and this District. Defendant regularly conducts business in the State of Delaware and within this District, including the sales of the accused products that are the subject of this patent infringement lawsuit.
- 9. Venue is proper in this District as to August pursuant to 28 U.S.C. § 1400(b). Defendant is a corporation registered in Delaware and thus resides in this District.
- 10. Infringement is occurring within the State of Delaware and this District through Defendant's distribution and sales of "smart" devices, such as smart locks, cameras, and gateways (the "Accused Products," which are further defined in paragraph 55 below).
- 11. Venue is further proper because Defendant has placed the Accused Products into the stream of commerce knowing or understanding that such products would be used in the United

States, including in the District of Delaware. Defendant has manufactured, distributed, sold, and/or offered to sell the Accused Products to customers for use throughout this District.

12. This Court has personal jurisdiction over Defendant at least because Defendant has made, used, offered to sell and sold the accused products within the District thus committing acts of infringement within the District, and placed infringing products into the stream of commerce knowing or understanding that such products would be used in the United States, including in the District of Delaware.

### **FACTUAL BACKGROUND**

## **Plaintiff Portus**

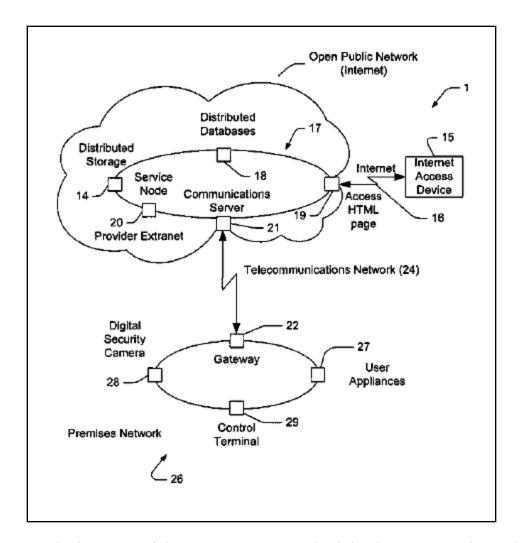
- 13. Portus is the original creator of the smart home. Portus pioneered the technology for viewing your home when you are away, as well as understanding and managing household energy use, so its users could live in more enjoyable, affordable homes.
- 14. With Portus' patented technology, users have the freedom to monitor and control their home from anywhere.
- 15. With Portus' patented technology, Portus enables a home to be safer and more efficient through a connected environment.
- 16. As well as helping households, Portus facilitated utilities by providing insight into their customers' energy use. The understanding of consumers' energy demands the technology gives is invaluable to a household's or company's planning capacity and carbon constraints.
- 17. Further, Portus' technology facilitates utilities' demand management by providing insight into their customers' energy use. The understanding of consumers' energy demands the technology gives is invaluable to companies' planning capacity and carbon constraints.
- 18. Initially founded in Australia, Portus moved to Singapore after winning equity funding through an investment arm of the Singapore government.

- 19. Portus Singapore Pte Ltd. is the owner by assignment from the inventors, Charles Cameron Lindquist and Timothy John Lindquist, of all right, title, and interest in and to Portus is the owner, by assignment, of the two patents-in-suit: U.S. Patent Nos. 8,914,526 (the '526 Patent) attached as Exhibit A; and 9,961,097 (the '097 Patent) attached as Exhibit B.
  - 20. Portus Pty Ltd. is the exclusive licensee of the '526 and '097 Patents.
- 21. Tim Lindquist, one of the Portus founders, is one of the inventors of the asserted patents and is recognized as an inventor of the Connected Home. Tim was proclaimed as a pioneer of the Smart Grid by Smart Grid Today.

### The '526 Patent

- 22. Portus Singapore Pte Ltd. is the owner by assignment from the inventors, Charles Cameron Lindquist and Timothy John Lindquist, of all right, title, and interest in and to United States Patent Number 8,914,526 (the "'526 Patent"), titled "Local and Remote Monitoring Using a Standard Web Browser" including the right to sue for all past infringement.
  - 23. Portus Pty Ltd. is the exclusive licensee of the '526 Patent.
- 24. Attached to this Complaint as Exhibit A is a true and correct copy of the '526 Patent.
- 25. The '526 Patent issued from United States Patent and Trademark Office application no. 09/868,417, which was based on a PCT application no. 99/01128, which was filed on December 17, 1999. That PCT application was based on Australian patent application (PP 7764) filed on December 17, 1998.
- 26. The Patent Office issued the '526 Patent on December 16, 2014, after a full and fair examination.
  - 27. The '526 Patent is valid and enforceable.

28. The '526 Patent abstract describes a home security and control system for monitoring and controlling an external environment such as a home environment comprising: an Internet browser connectable to an external network, e.g., a "cloud," which is an external network located external to the home environment and accessible via the Internet browser; a communications server located in the external network and adapted to interconnect on demand with one of a series of connection gateways located in predetermined home environments; and a connection gateway located in the home environment adapted to control and/or monitor the operation of at least one security device in the home environment; wherein upon accessing a predetermined address by the Internet browser on the external network, the communications server connects to a predetermined one of the connection gateways to control and/or monitor the operation of the security device.



- 29. The inventors of the '526 Patent, recognized that home automation and security systems had become more advanced and that the "[u]sers often have a common need to control and monitor such systems both locally and remotely." '526 Patent at 1:35-36. However, despite the growing complexity of these systems, users "generally must resort to non-visual monitoring and control mechanisms for remote operation [such as] by telephone through codes entered via a telephone handset." *Id.* at 1:38-41.
- 30. The '526 Patent provides several advantages over the prior art such as: a) allowing remote control of a home security system through operation of a website rather than through the cumbersome automated systems and choices provided via telephone; b) providing a geographically

independent standard interface for remote connection to a home security system that is universally accessible and not platform or hardware dependent.

- 31. A person of ordinary skill in the art at the time of the invention would have recognized that the steps (and combination of steps) claimed in the '526 Patent were, at the time of invention, unconventional and describe remote monitoring of home security and automation systems in a way that, at the time of the invention, was not routine.
- 32. A person of ordinary skill in the art at the time of the invention would have understood that, at the time of the invention, there was no conventional manner in which to use a web browser remotely to monitor and control home automation and security systems. A skilled artisan, at the time of the invention, would have recognized the problem that such remote monitoring at the time of the invention could only be accomplished via cumbersome telephone-based input and automation systems.
- 33. The '526 Patent provides technical solutions to this problem not solved in the prior art. The inventions disclosed in the '526 patent achieves that "when a customer connects to their home, their home effectively appears to them as a website, with all devices, security and otherwise, accessible for monitoring and control." '526 Patent at 2:49-52.
- 34. A person skilled in the art at the time of the invention would have understood that the system of using an Internet browser; an external network external to the user premises and accessible via the Internet browser; a plurality of connection gateways that are part of the home network; and a communications server located in the external network and adapted to communicate on-demand with the connection gateways was not, at the time of the invention, conventional, well-understood, nor routine.

- 35. A person of ordinary skill in the art at the time of the invention would have understood that the system described in claim 57 of the '526 Patent was not, at the time of the invention, conventional, well-understood, or routine.
- 36. A person skilled in the art at the time of the invention would have understood that the claims recite steps and structural limitations operating in an unconventional manner to achieve an improved operation of home security and automation.
- 37. These technological improvements provide greater cost savings and efficiencies in allowing remote monitoring of a home security and automation systems through a web browser.
- 38. The novel use and arrangement of the specific system recited in the '526 claims were not well-understood, routine, nor conventional to a person skilled in the relevant field at the time of the inventions.

## The '097 Patent

- 39. Portus Singapore Pte Ltd. is the owner by assignment from the inventors, Charles Cameron Lindquist and Timothy John Lindquist, of all right, title, and interest in and to United States Patent Number 9,961,097 (the "'097 Patent"), titled "System for Remote Access of a User Premises" including the right to sue for all past infringement.
  - 40. Portus Pty Ltd. is the exclusive licensee of the '097 Patent.
  - 41. Exhibit B is a true and correct copy of the '097 Patent.
- 42. The '097 Patent issued from application no. 14/536,784 filed on November 10, 2014.
- 43. The Patent Office issued the '097 Patent on May 1, 2018, after a full and fair examination.
  - 44. The '097 Patent is valid and enforceable.

- 45. The '097 Patent provides several advantages over the prior art such as: a) allowing remote control of a home security system through operation of a website rather than through the cumbersome automated systems and choices provided via telephone; b) providing a geographically independent standard interface for remote connection to a home security system that is universally accessible and not platform or hardware dependent.
- 46. A person of ordinary skill in the art at the time of the invention would have recognized that the steps (and combination of steps) claimed in the '097 Patent were, at the time of invention, unconventional and describe remote monitoring of home security and automation systems in a way that, at the time of the invention, was not routine.
- 47. A person of ordinary skill in the art at the time of the invention would have understood that, at the time of the invention, there was no conventional manner in which to use a web browser remotely to monitor and control home automation and security systems. A skilled artisan, at the time of the invention, would have recognized the problem that such remote monitoring at the time of the invention could only be accomplished via cumbersome telephone-based input and automation systems.
- 48. The '097 Patent provides technical solutions to this problem not solved in the prior art. By using a web browser so that "when a customer connects to their home, their home effectively appears to them as a website, with all devices, security and otherwise, accessible for monitoring and control." '097 Patent at 2:64-67.
- 49. A person skilled in the art at the time of the invention would have understood that the system of using an Internet browser; an external network external to the user premises and accessible via the Internet browser; a plurality of connection gateways that are part of the home network; and a communications server located in the external network and adapted to

communicate on-demand with the connection gateways was not, at the time of the invention, conventional, well-understood, nor routine.

- 50. A person of ordinary skill in the art at the time of the invention would have understood that the system described in claim 1 of the '097 Patent was not, at the time of the invention, conventional, well-understood, or routine.
- 51. A person skilled in the art at the time of the invention would have understood that the claims recite steps and structural limitations operating in an unconventional manner to achieve an improved operation of home security and automation.
- 52. These technological improvements provide greater cost savings and efficiencies in allowing remote monitoring of a home security and automation systems through a web browser.
- 53. The novel use and arrangement of the specific system recited in the '097 claims were not well-understood, routine, nor conventional to a person skilled in the relevant field at the time of the inventions.

## **Defendant's Infringing Products**

- 54. August is a company focusing on the development of various home security devices, including smart locks and related accessories.
- 55. August provides smart home solutions with products such as a series of wirelessly connected locks, such as the August Smart Lock, and Wi-Fi bridges, such as the August Connect, and doorbell cameras. The Accused Products are the August Smart Lock, August Smart Lock Pro, Wi-Fi Smart Lock, August Connect, August Doorbell Cam (aka Doorbell Cam, 1<sup>st</sup> Gen), August Doorbell Cam Pro, August View, August Smart Keypad, Connected by August, Yale Assure Locks, Yale Assure Lock SL connected by August, Yale Assure Lock Touchscreen connect by August, Yale Assure Lock Keypad, and the Connected by August Kit, including any bundles of

those products. Portus reserves its rights to add additional accused products if they are revealed during discovery

- 56. The Accused Products are sold in combination with various other devices and include various models and series numbers—each of those variations is an Accused Product. The Accused Products also include functionality whereby the Defendant is able to access and process the personal data of its users—users are required to agree to provide this information for the benefit of the Defendant in order to use the Accused Products.
- 57. By means of further illustration, the August Accused Products are shown and described below. On information and belief, the Accused Products have operated the same (for at least purposes of infringement) today as they did when they first introduced, and as they did during the entirety of the damages period, beginning in September of 2018 until the patents expired. Thus, any references to August's prior or current marketing and technical descriptions of its products applies equally to all time relevant time periods of infringement.

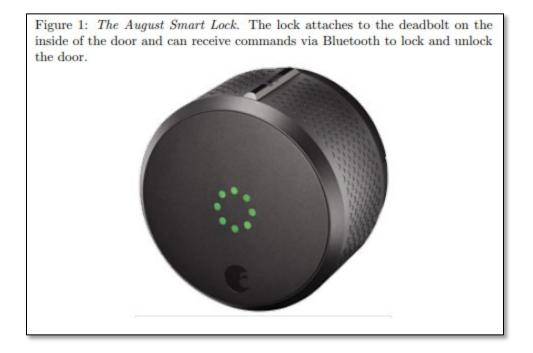


Figure 2: Overview of the August Smart Lock system. The August Smart Lock (a) communicates with a smartphone app (b) via Bluetooth, allowing users to lock and unlock the door. The smartphone app communicates with the August web servers (c) to grant access to other users or change related smart lock settings. The accessory device August Connect (d) allows remote control of the lock.

(a) August Smart Lock

(b) August Connect

(c) Web Server

Source: https://courses.csail.mit.edu/6.857/2017/project/3.pdf



Source: <a href="https://web.archive.org/web/20200605035518/https://august.com/products/august-smart-lock-connect">https://web.archive.org/web/20200605035518/https://august.com/products/august-smart-lock-connect</a>

# The number one smart lock, now even better.

Upgrade your deadbolt with the all-new August Wi-Fi Smart Lock.

Remotely lock or unlock the door, check door status, grant virtual guest keys, and see who's coming and going. Or use your favorite voice assistant to control your door. Our smart lock is easy to install and attaches to your existing deadbolt on the inside of your door so you can keep your original keys. And with built-in Wi-Fi, our lock requires no additional bridge to connect.





#### Connection made simple

Our smart lock requires no additional hardware to connect to Wi-Fi, so you get full voice and remote access functionality without the fuss. It's set and go.



#### Compact design

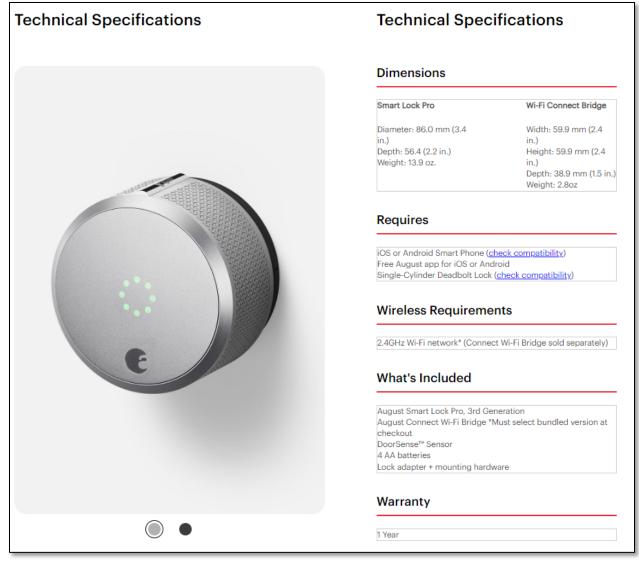
Simple, clean design to fit any home's style. Stunningly beautiful. Amazingly powerful. August Wi-Fi Smart Lock does more with less.



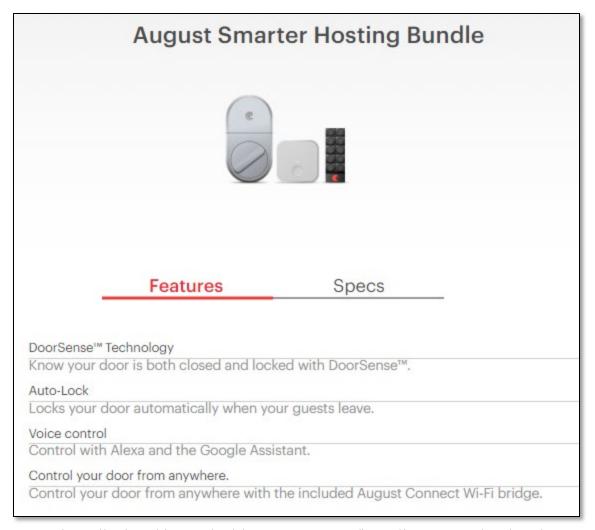
#### Easy install

Intuitive design attaches right to the existing lock on the inside of your door - so you can continue to use your existing keys. Renter friendly with minimal assembly.

Source: <a href="https://web.archive.org/web/20200601234902/https://august.com/products/august-wifismart-lock">https://web.archive.org/web/20200601234902/https://august.com/products/august-wifismart-lock</a>



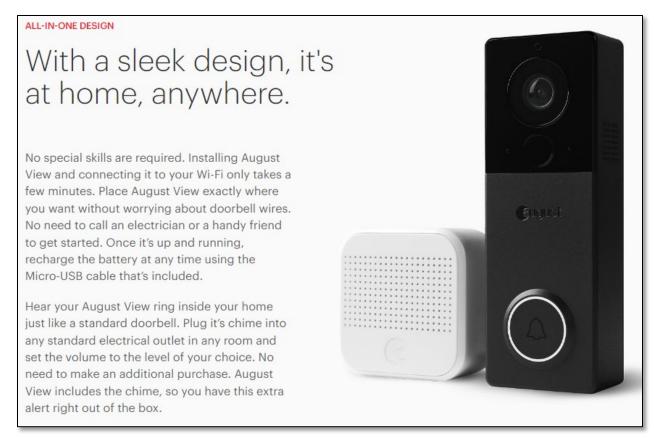
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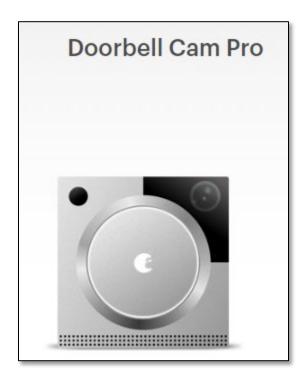
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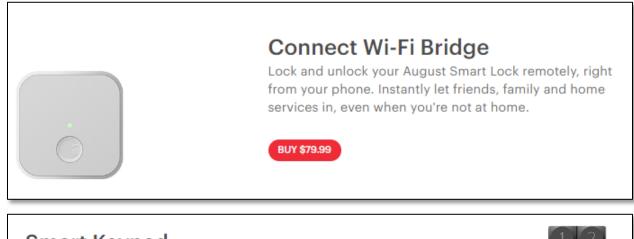
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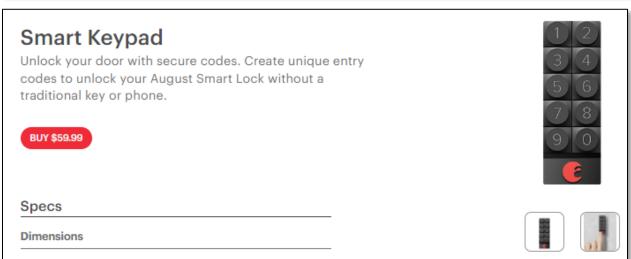


Source: <a href="https://web.archive.org/web/20200605191118/https://august.com/products/august-view-wireless-doorbell-camera">https://web.archive.org/web/20200605191118/https://august.com/products/august-view-wireless-doorbell-camera</a>

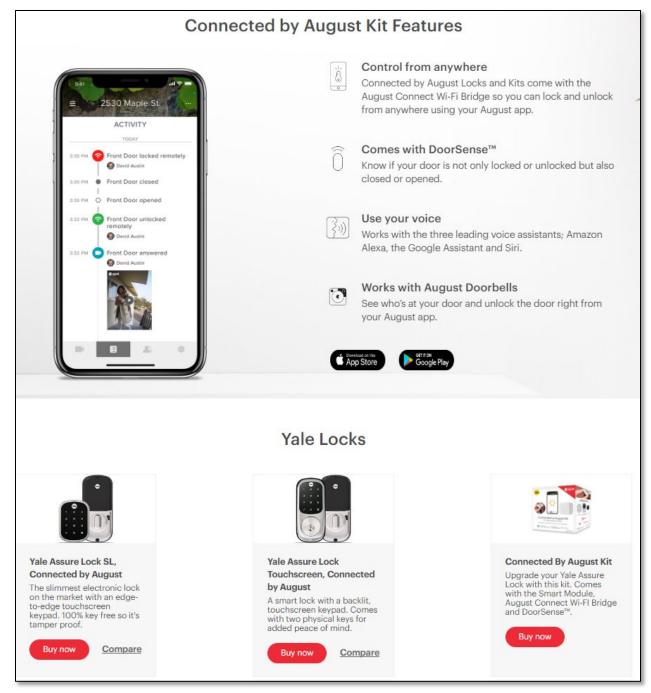


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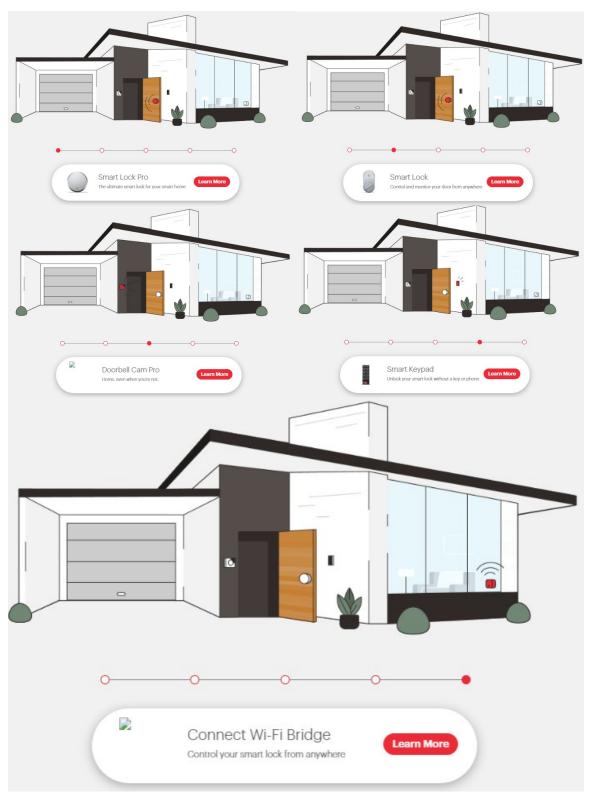




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 $Source: \underline{https://web.archive.org/web/20200605091254/https://august.com/pages/connected-by-august}$ 



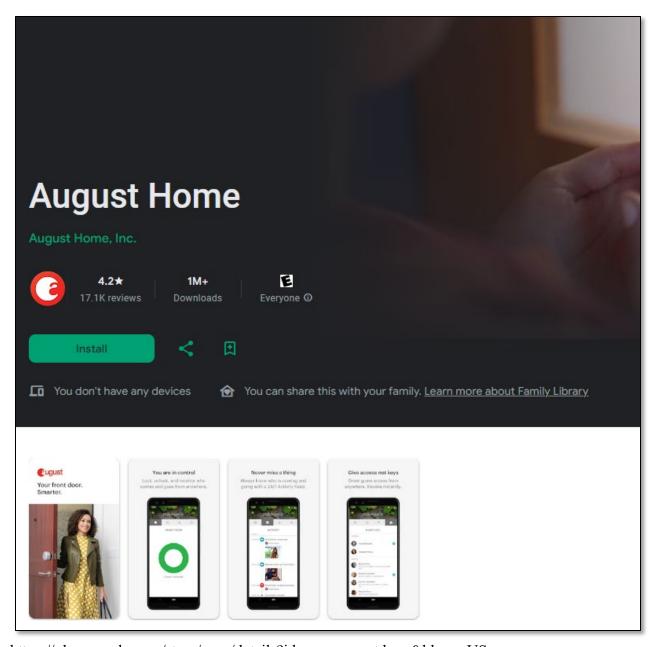
https://web.archive.org/web/20190212151812/https://august.com/products/august-doorbell-cam-pro (showing how each of the user devices (locks, cameras, and keypads) connects with the "Connect Wi-Fi Bridge" to connect those devices to the August cloud and servers, which allows end users to control and monitor their devices).

58. The August System provides an internet web portal for both customers and internal employees, as well as smartphone applications for controlling and monitoring cameras and devices. The portal is available at <a href="https://auth.august.com/login">https://auth.august.com/login</a> (which on information and belief was available prior to the expiration of the asserted patents), or through August's robust APIs for web apps, or through the August Home App and/or other similar smartphone application (collectively, the "August System Apps" or "Access Browser Device"). August generates revenue through cloud-based services such as August Video Recording subscriptions and August Access, another August System App.



Source.

 $\frac{https://august.com/pages/app?srsltid=AfmBOoqqBc5Id9FiutUwKhD69eWvU\_zRxQOWmHDeB11a56OaPGvwqiiX}{}$ 



https://play.google.com/store/apps/details?id=com.august.luna&hl=en\_US



August Access enables safe and secure delivery of goods and services into your home.

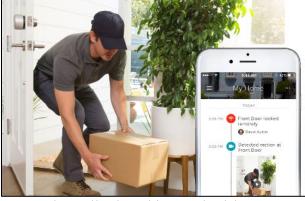


## Your Customer Orders

When checking-out, she simply selects in-home delivery. In the background, August Access generates a one-time PIN code for the delivery person.

## The Delivery Arrives

The driver arrives and enters his secure onetime PIN code.

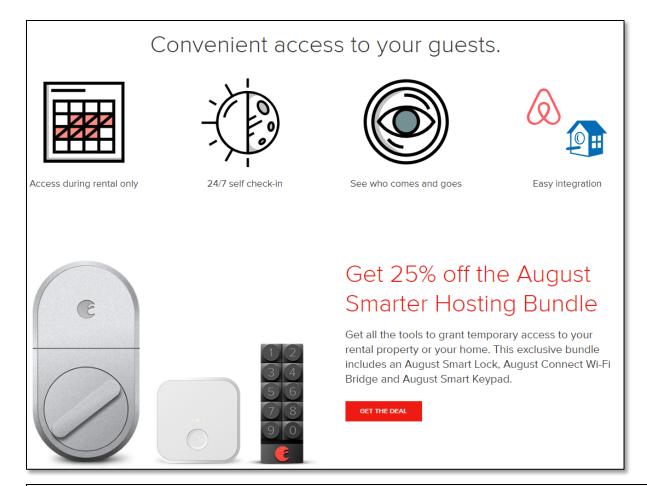


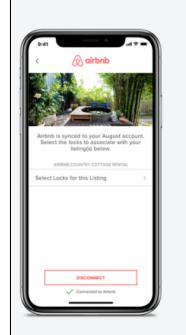


## Your Customer Smiles

From her office, she sees her package delivered safely inside her home.

Source: <a href="https://web.archive.org/web/20180916073632/https://august.com/august-access/">https://web.archive.org/web/20180916073632/https://august.com/august-access/</a>







August Home and Airbnb make hosting even easier.

#### It takes just a few simple steps:

- 1. Hosts connect their Airbnb and August Home accounts.
- 2. Once a guest's booking is confirmed, August Home issues a virtual key or unique PIN code.
- 3. Guest access automatically expires according to check-out date.

LEARN MORE

## HomeAway<sup>®</sup>

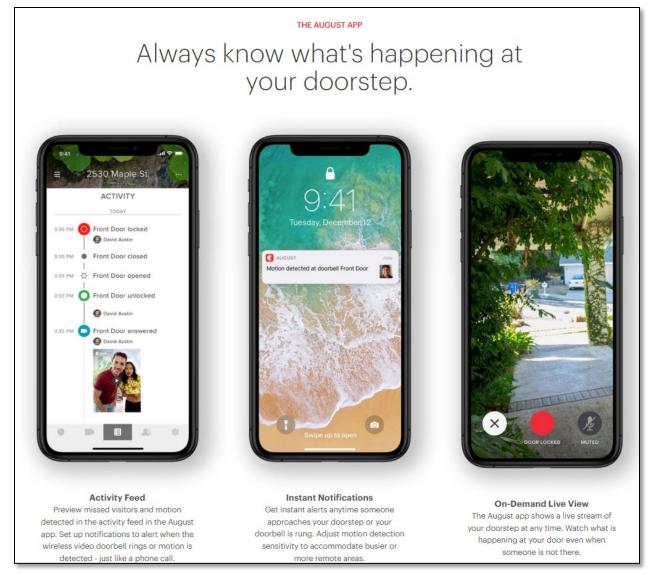
## Easy access with HomeAway.

## Streamline access to your HomeAway property with August Home.

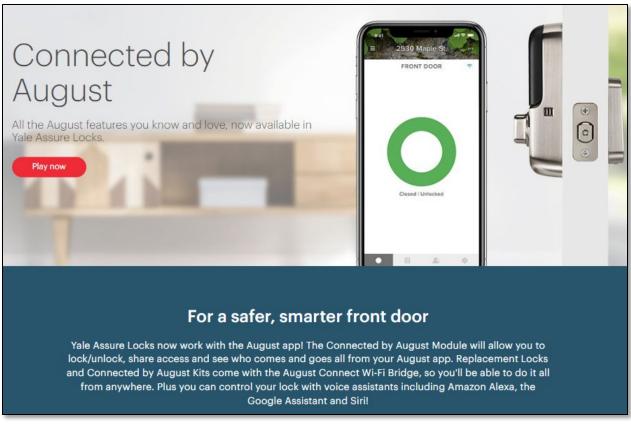
- 1. Hosts connect their HomeAway and August Home accounts in the HomeAway Owner Dashboard.
- 2. Once a guest's booking is confirmed, August Home issues a unique keypad entry code.
- 3. Guest access automatically expires according to check-out date.

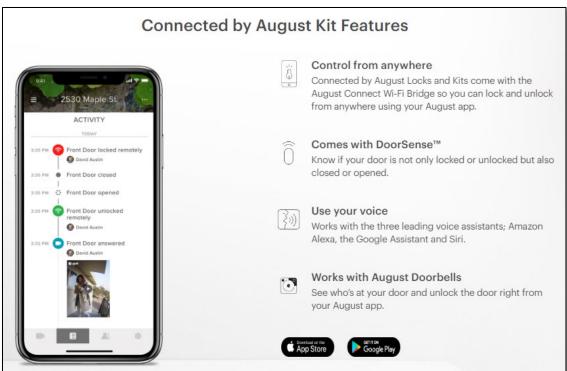


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## Integrate smart lock technology using Yale and August

Contact Us

## A Million Locks, Unlimited Possibilities

Each week, Yale and August have over 1,000,000 active locks, all used to secure homes and businesses. Join our partnership program and integrate cutting-edge smart lock technology into your solutions.

## Robust API for Web

Effortlessly integrate our smart locks with your web app. Our comprehensive API provides you with extensive control and monitoring capabilities, ensuring a secure and smooth user experience.



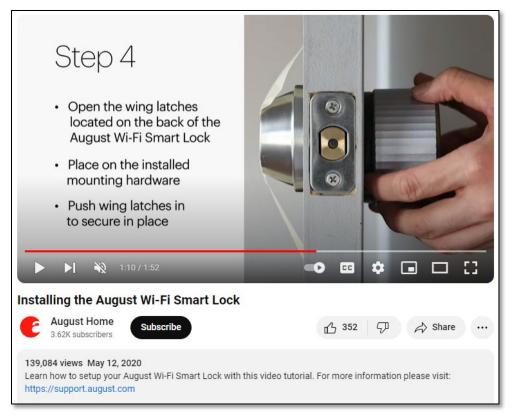


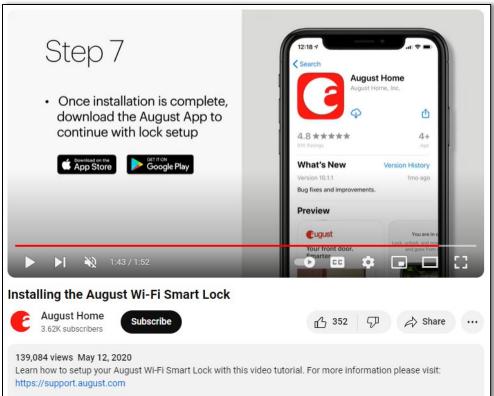
## Powerful SDK for Mobile

Dive into mobile development with our feature-rich SDK. Tailor your mobile app to interact seamlessly with our smart locks over Bluetooth.

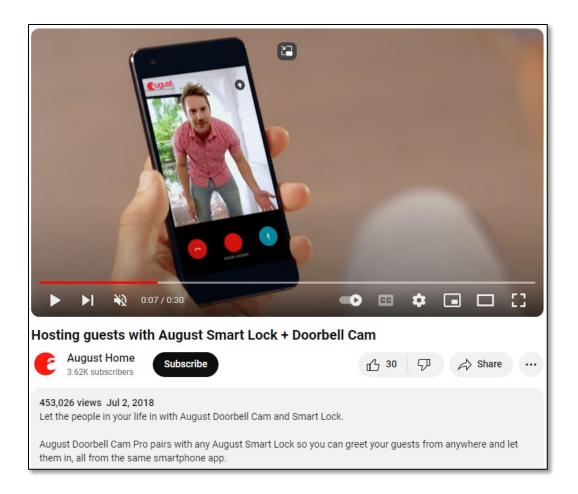
Source: <a href="https://developer.august.com/">https://developer.august.com/</a>

59. August provided promotional and instructional videos promoting the Accused Products online on websites such as youtube.com, as shown below, during the relevant damages period prior to the expiration of the asserted patents.

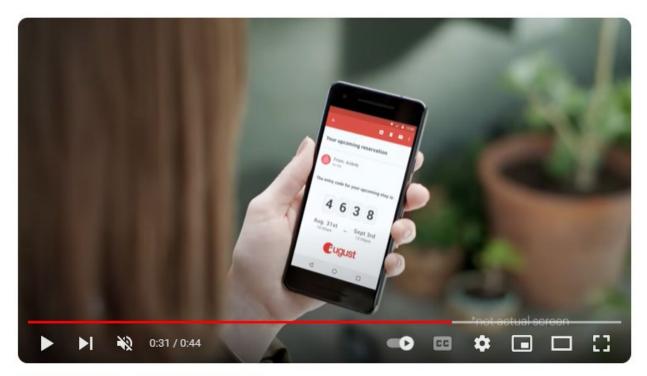




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Source: <a href="https://www.youtube.com/watch?v=wQ9TW12I4X0">https://www.youtube.com/watch?v=wQ9TW12I4X0</a>



## **August Home - Smarter Hosting**

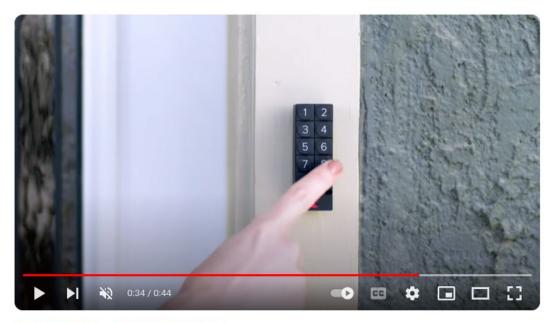


372,584 views Jul 2, 2018 Hosting just got smarter.

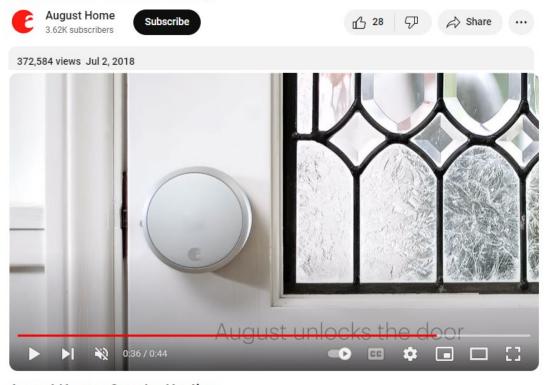
August Smart Locks and Smart Keypads are now integrated with Airbnb and HomeAway to automate check in and check out so you never have to hide keys or work with property managers.

Anyone who books your property automatically receives an email confirmation with an access code valid for their stay. The code goes live at check in and expires at check out. Guests simply enter the PIN code to the August Smart Keypad to gain.

Managing guest access has never been easier with August Home.



## **August Home - Smarter Hosting**



## **August Home - Smarter Hosting**



Source: <a href="https://www.youtube.com/watch?v=h52DP4vmeks">https://www.youtube.com/watch?v=h52DP4vmeks</a>

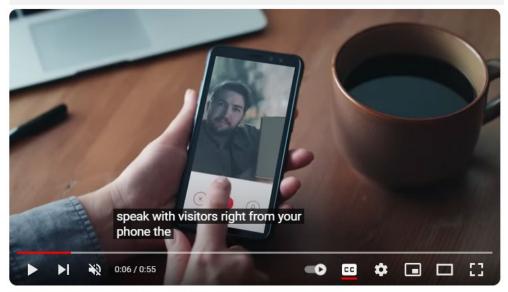


## August Doorbell Cam Pro - Home, even when you're not.



#### 800,276 views Mar 26, 2018

August Doorbell Cam Pro lets you be home, even when you're not. Real-time alerts, HD video and two-way audio make it easy to answer your door from anywhere. HindSight™ constantly monitors your doorway and captures the moments leading up to a motion alert. Never miss a moment with the free, Basic Video Recording subscription, you can replay any videos from the last 24 hours. The built-in floodlight gives clear, full-color, video at night so you can always see who's at your front door. Pair August Doorbell Cam Pro with any August Smart Lock to let guests in from your phone.

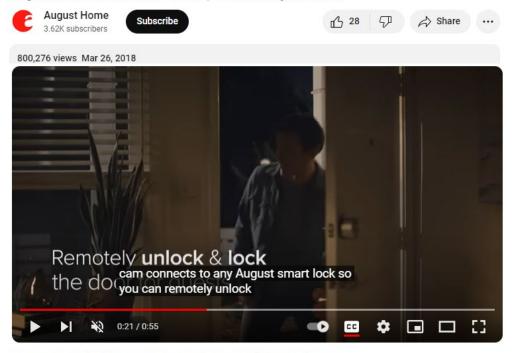


August Doorbell Cam Pro - Home, even when you're not.

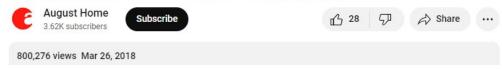


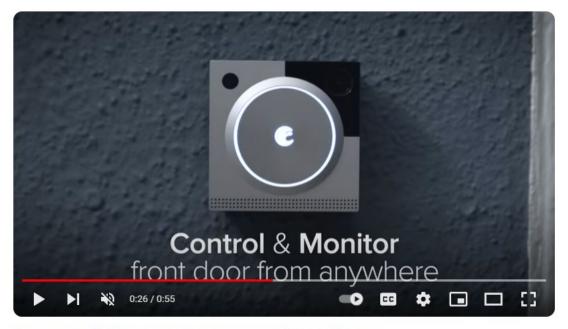


August Doorbell Cam Pro - Home, even when you're not.

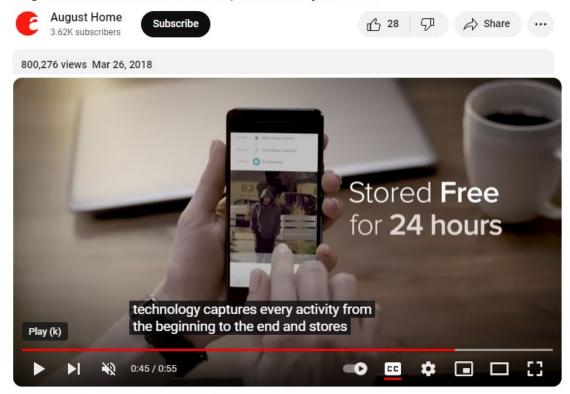


August Doorbell Cam Pro - Home, even when you're not.





August Doorbell Cam Pro - Home, even when you're not.



August Doorbell Cam Pro - Home, even when you're not.



Source: https://www.youtube.com/watch?v=edFvPOMxLr8

- 60. The August System includes August servers that form a network (first network) located external to a user's premises (home) and which is accessible via an Internet browser using August APIs or August Apps (referred to as "August External Network"). The August External Network includes a plurality of communications servers with hardware processing circuitry (first hardware processing circuitry) (referred to interchangeably as "August Communication Servers" or "August Servers").
- 61. The August System includes a plurality of devices, such as the August Smart Locks and Cameras and the corresponding August Connect, which can serve as either or both the user's "devices,"/"network components," and/or "Connection Gateways" (or "second hardware processing circuity"). The August Connection Gateways, in normal operation are located in a user (home/office) premises and are part of a local (home/office) network in such premises (referred to as "August Home Network"). If the user devices (Smart Locks and Cameras) are not Wi-Fi enabled, the August Servers are configured to connect to the August Connect, which are Connection Gateways.

Source: <a href="https://courses.csail.mit.edu/6.857/2017/project/3.pdf">https://courses.csail.mit.edu/6.857/2017/project/3.pdf</a> (showing use of August Connect with a Bluetooth enabled Smart Lock).

- 62. The August Servers are adapted to interconnect on-demand with the August Connection Gateways and are accessible via the August System Apps.
- 63. When an August System App is used to access the August External Network to monitor or control devices in the August Home Network, authorization data is provided by the August System App during the sign in process.

## Setting up in the App

Download and install the August App:

link to app store

Ink to google play

Follow setup instructions for iOS or Android below:

### iOS

- Sign in to your August account, or create an account by choosing "Set up my first August device"
- 2. Tap **Set up a New Device** from the menu in the top left-hand corner
- 3. Choose Set Up a Smart Lock, then Wi-Fi Smart Lock 4th Generation
- 4. Remove the front cover of the lock by pressing on the August logo
- 5. Remove the battery tab to power your lock on
- 6. Scan the QR code that's on the inside of your lock's front cover
- 7. Follow the in-app instructions to install the lock on your deadbolt
- 8. Optionally, install DoorSense to detect whether your door is open or closed
- 9. Name your device and assign it to a house
- 10. Follow the in-app instructions to calibrate your lock and DoorSense
- 11. Optionally, add your lock to a HomeKit home
- 12. Optionally, follow the in-app instructions to connect your lock to Wi-Fi

#### Android

- Sign in to your August account, or create one by choosing "Set up my first August device"
- 2. Tap **Set up a New Device** from the menu in the top left-hand corner
- 3. Choose Set Up a Smart Lock, then Wi-Fi Smart Lock 4th Generation
- 4. Follow the in-app instructions to install the lock on your deadbolt
- 5. Optionally, install DoorSense to detect whether your door is open or closed
- 6. Name your device and assign it to a house
- 7. Follow the in-app instructions to calibrate your lock and DoorSense
- 8. Optionally, follow the in-app instructions to connect your lock to Wi-Fi

If you want to enable door ajar notifications, install DoorSense™ next.

Source: https://support.august.com/how-to-install-august-wi-fi-smart-lock-Sk7i8Q5YL#

## **Setting Up August Connect**

August Connect serves as a Wi-Fi bridge between August Servers and your Smart Lock so you can lock and unlock your Smart Lock remotely, right from your phone. With August Connect, you can instantly let visitors into your home when you're not there. This article on August Wi-Fi bridges explains how August Connect works with your setup.

#### Requirements

- Make sure your device has Wi-Fi turned on (Settings > Wi-Fi)
- Make sure your phone is connected to your home Wi-Fi network (Connect is compatible with 2.4 GHz Wi-Fi)
- August Connect requires an active August Smart Lock and needs to be installed using a compatible phone. Please visit our phone compatibility page to ensure that your phone is compatible.

## To install your August Connect:

For optimal performance and reliability, plug August Connect into a power outlet that is within 15 feet on an opposite or adjacent wall from your August Smart Lock.

- Wait for the flashing green light on your August Connect. If you don't see the flashing green light press and hold the button on your August Connect for 5 seconds.
- 2. In the August App, go to the side menu (upper left), tap Set Up New
- 3. Choose Set Up An August Connect.
- Choose a lock with which to associate your Connect.
- 5. When prompted, plug connect into an outlet near your door and then follow the in-app instructions.

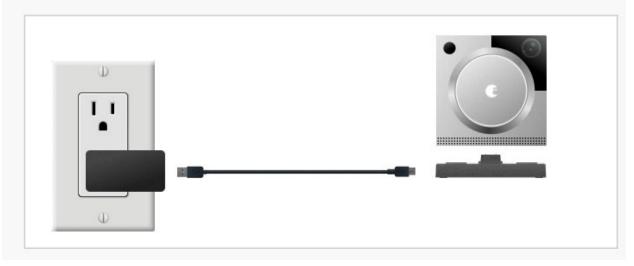
connect blinking green

The accessory setup interface will ask you to choose your home Wi-Fi network. Once your Connect has successfully joined your home Wi-Fi network, the August App will check the signal levels of your Wi-Fi and bluetooth connections. If your signal levels are good, you're almost finished. If your signal levels are low, you will be guided through adjusting the location of your Connect to improve its connection.

Source: https://support.august.com/setting-up-august-connect-rkZxevUy0 z

## I Start with the included USB setup dock

Plug one end of the included USB cable into the Setup Dock, and the other end into a power source such as a computer or smartphone charger. Place your Doorbell Cam Pro onto the dock and press the Reset button on the back. to power it on. Begin setup of your Doorbell Cam Pro using the August mobile app.



Source: <a href="http://in-app-installation-guides.s3-website-us-west-2.amazonaws.com/prod/installation/pdf/installation-guide-dbc-pro.pdf">http://in-app-installation-guides.s3-website-us-west-2.amazonaws.com/prod/installation/pdf/installation-guide-dbc-pro.pdf</a>

# | Set up in the August app first

- Download the August Home app by visiting http://august.com/app.
- · Sign in with your August account, or create one.
- Tap Set up a New Device from the side menu.
- Choose August Doorbell Cam, then August View.
- Name your device and assign it to an August house.
- Follow the instructions to connect your doorbell cam to Wi-Fi.
- Once online, your August View Doorbell Cam is ready to use.

Source: <a href="http://in-app-installation-guides.s3-website-us-west-2.amazonaws.com/prod/installation/pdf/installation-guide-view-chime.pdf">http://in-app-installation-guides.s3-website-us-west-2.amazonaws.com/prod/installation/pdf/installation-guide-view-chime.pdf</a>

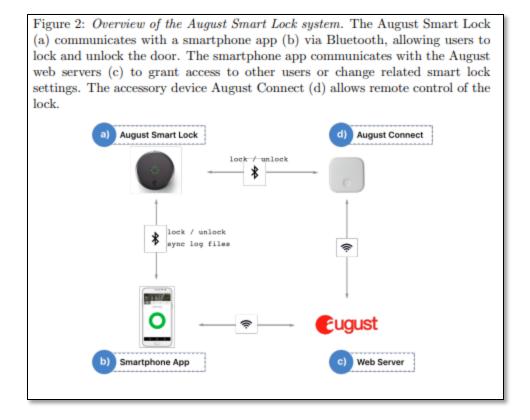
## **COUNT I – DIRECT PATENT INFRINGEMENT OF THE '526 PATENT**

- 64. Portus re-alleges the foregoing paragraphs as if fully set forth herein.
- 65. Defendant's infringing Accused Products are remote monitoring and automation control systems with the same or similar features and functionality that satisfy each element of one or more asserted claims.
- 66. Defendant has directly infringed the '526 Patent in violation of 35 U.S.C. § 271(a) by one or more of the following: (1) making the Accused Products which embody the patented inventions of at least claim 57 of the '526 Patent, by combining all elements of the Accused Products as described above, in a manner that meets each limitation of at least claim 57 of the '526 Patent; and (2) putting into service and by operating the Accused Products when all elements of such system are combined as described above, thus meeting each limitation of at least claim 57 of the '526 Patent.
- 67. The Accused Products satisfy the elements of the claims of the '526 Patent, including certain devices that are Connection Gateways or networked components of the respective home network, or both.
- 68. For example, through the August Accused Products, Defendant infringes claim 57 of the '526 Patent.
  - 69. The language of claim 57 is reproduced here:

- 57. A system for remote access of user premises networks in respective user premises, the system comprising:
  - a) a first network (a) located external to said user premises, (b) including a first arrangement of processing circuitry comprising at least one hardware processor programmed to control network access, and (c) including a hardware user access browser device that comprises a processor running an access browser; and
  - a plurality of second arrangements of processing circuitry each comprising at least one hardware processor programmed to control network access, each of at least a subset of which is located in a respective one of the user premises and part of the respective user premises network of the respective user premises;
  - c) wherein:
  - d) said first circuitry arrangement is adapted by its programming to initiate an establishment of network connections to said second circuitry arrangements;
  - e) the user access browser located on the first network is usable, by input of Uniform Resource Locators (URL), for locating and examining information on said first network and said user premises networks;
  - f) each of the at least the subset of second circuitry arrangements is accessible by the first circuitry arrangement;
  - g) responsive to user-input of a URL in accordance with which said user access browser accesses a predetermined location on said first network to which address the URL corresponds, said first circuitry arrangement subsequently, by execution of its programming:
    - determines which one of said user premises networks in which one of said second circuitry arrangements is located authorization data indicates authority to at least one of monitor and control; and
    - 2. initiates an establishment of a network connection to said one of said second circuitry arrangements to create a new communications session for a temporary interconnection between said first network and said determined one of said user premises networks to at least one of control and monitor operation of at least one of the one or more devices of said user premises network, by which communications session the first network:
    - 3. obtains information contained within the user premises network from the second circuitry arrangement of the determined user premises network; and
    - 4. using a web server, serves to the user access browser the information from the second circuitry arrangement of the determined user premises network;
  - h) the communications session provides a seamless access to information stored on said determined one of said user premises networks from said user access browser; and
  - the at least one of control and monitoring of the at least one device using the first circuitry arrangement is possible only by interaction with information served by said one of said second circuitry arrangements.
- 70. August makes and uses the entire infringing system. The claim is directed to a backend system, which is made by August, that is operating in an environment where the browser device is already "running" an access browser, which is made by August. No other party (e.g., an

August customer) is required to put the system into use, because the claims are directed to a system whereby the access browser is already running, and the backend is system is communicating with and providing access to that access browser. Portus alleges that under a such a reading of the claims, August controls the system, such that it has the ability to, and indeed does, place the system as a whole into service.

- 71. In the paragraphs below, Portus identifies how August infringes each limitation of Claim 57. Portus incorporates by reference all evidence and analysis related to the operations of and infringement by the Accused Products from other portions of this Complaint. On information and belief, certain portions of this claim limitation are carried out by hardware or software. For example, on information and belief, August's source code and/or technical specifications may provide additional relevant evidence for this claim limitation. Portus reserves the right to supplement its allegations and contentions based on August's source code and/or technical specifications once such information is provided.
- 72. The August Accused Products form a system for remote access of user premises networks in respective user premises. For example, August makes and uses a system to remotely access a user's premises network with the Accused Products interfacing with the August back-end network (sometimes referred to herein as the "cloud").



Source: <a href="https://courses.csail.mit.edu/6.857/2017/project/3.pdf">https://courses.csail.mit.edu/6.857/2017/project/3.pdf</a>

73. The August Accused Products include a first network (a) located external to said user premises, (b) including a first arrangement of processing circuitry comprising at least one hardware processor programmed to control network access, and (c) including a hardware user access browser device that comprises a processor running an access browser. For example, the August cloud and other remote access server functionality is located external to the user premises. The Accused Products include a first arrangement of processing circuitry comprising at least one hardware processor programmed to control network access. For example, the August servers have processors programmed to control network access through a username and password or authentication means and data. In the Accused Instrumentalities, when the August cloud and August Communications Server are accessed, the August System Apps or August Access Browser Device transmit to an August Communications Server the authentication data, which data indicates

authority to access (to control or monitor) at least one of the networked components on the August Home Network. The August Communications Server uses the authorization data to control network access to the August Home Networks with the August Connection Gateway indicated by the authorization data. When an August Access Browser Device or August System App is used to access the August cloud, for example as part of the registration process, the August cloud shares information such as user account details, networking configuration details, security PIN or password, etc. When an August System App is used to access the August cloud to monitor or control devices in the August Home Network, authorization data is provided by the August System App and the August Access Browser Device. The Accused Instrumentalities include a hardware user access browser device that comprises a processor running an access browser. For example, August servers and cloud are accessible by a user through the August System Apps or August Access Browser Device. Likewise, the Accused Products (including, for example, locks, cameras, Connect gateways) connect to the internet and are accessible by users through various means, including August apps, such as those shown below and further including apps called August Home app.

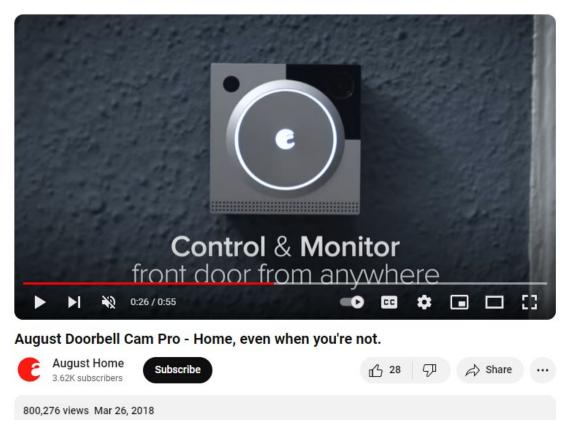
- 74. The August Accused Products include a plurality of second arrangements of processing circuitry each comprising at least one hardware processor programmed to control network access, each of at least a subset of which is located in a respective one of the user premises and part of the respective user premises network of the respective user premises. For example, the August System includes a plurality of connection gateways, such as wireless cameras, locks, Connect devices, and other gateway type devices, which have processors within them.
- 75. The August Accused Products include said first circuitry arrangement is adapted by its programming to initiate an establishment of network connections to said second circuitry

arrangements. For example, the August Servers are configured to connect to the August Connection Gateways.

- 76. The August Accused Products include a user access browser located on the first network is usable, by input of Uniform Resource Locators (URL), for locating and examining information on said first network and said user premises networks. For example, when the access browser is running on the August System Apps or August Access Browser Device, the August cloud and August Communications Servers are accessed through a URL, and the August Communications Servers provide the August System Apps or August Access Browser Device information like lock controls, cloud recordings, images or videos or other information, e.g. user account or registration information, from the cloud. Alternatively, this limitation is met by equivalence. There is an insubstantial difference between inputting a URL on a browser, versus using an app to navigate to the same URL to access August's system.
- 77. In the August Accused Products, each of the at least the subset of second circuitry arrangements is accessible by the first circuitry arrangement. For example, the August Communications Servers are configured to connect to the August Connection Gateways. The August Communications Servers provide the August Connection Gateways information like lock controls, cloud recordings, images or videos or other information, e.g. user account or registration information, from the cloud.
- 78. The August Accused Products are responsive to user-input of a URL in accordance with which said user access browser accesses a predetermined location on said first network to which address the URL corresponds, said first circuitry arrangement subsequently, by execution of its programming. For example, when the access browser is running on the August System Apps or August Access Browser Device, the August cloud and August Communications Servers are

accessed through a URL, and the August System Apps or August Access Browser Device access an address on the August cloud. Alternatively, this limitation is met by equivalence. There is an insubstantial difference between inputting a URL on a browser, versus using an app to navigate to the same URL to access August's system.

79. The August Accused Products determine which one of said user premises networks in which one of said second circuitry arrangements is located authorization data indicates authority to at least one of monitor and control. For example, when an August System App or August Access Browser Device is running and accesses the August cloud, for example for registration or to monitor or control devices in the August Home Network, the August cloud and August Communications Servers determine the proper user network based on authorization data.



Source: https://www.youtube.com/watch?v=edFvPOMxLr8

- 80. The August Accused Products initiate an establishment of a network connection to said one of said second circuitry arrangements to create a new communications session for a temporary interconnection between said first network and said determined one of said user premises networks to at least one of control and monitor operation of at least one of the one or more devices of said user premises network. For example, the August Server creates a new communications session between itself and the August Connection Gateway in a user's home network that was determined to be indicated by the authorization data. In normal operation of the August System, the new communications session is used to at least monitor or control at least one service or networked component in user's home network. The user must be authenticated before a communication session is established that allows information from the user premises networks to be provided the August apps.
- 81. The August Accused Products include a first network that obtains information contained within the user premises network from the second circuitry arrangement of the determined user premises network. For example, after the new communications session is created, the August cloud obtains/receives information contained within the determined user's home network from the August Connection Gateway (and/or from one of the networked components). This information includes at least authorization information, lock controls, and video information, as described and shown above.
- 82. The August Accused Products include functionality such as *using a web server*, serves to the user access browser the information from the second circuitry arrangement of the determined user premises network. For example, in the newly formed communication session, the system provides such information (e.g., authorization data, lock controls, or videos) to the August System Apps or access browser on the August Access Browser Device.

- 83. The August Accused Products have a communications session provides a seamless access to information stored on said determined one of said user premises networks from said user access browser. For example, the August System and Accused Products have seamless access between the August cloud and servers and the August System Apps or access browser on the August Access Browser Device for information stored on the user premises networks, lock status, images or videos or other information, e.g. user account or registration information.
- 84. The August Accused Products provide functionality of at least one of control and monitoring of the at least one device using the first circuitry arrangement is possible only by interaction with information served by said one of said second circuitry arrangements. For example, the August devices may only be remotely controlled and monitored by providing information from the device to the August cloud.
- 85. Defendant's other Accused Products infringe based on similar functionality as the August Accused Products.
- 86. Defendant directly infringes because it sells and/or provides each and every component of each and every claim limitation of claim 57 of the '526 Patent. For example, it sells the infringing user access browser and user access browser device, it makes and sells the August System Apps, it makes and sells the August Connection Gateways (such as the accused Connect, locks, and camera devices), and it makes and/or provides the back-end August cloud servers and system.
- 87. For example, Defendant directly infringes claim 57 of the '526 Patent when an access browser or an August app is running to access the August cloud, which may be done for instance as part of the registration process. The August Access Browser Device and the August cloud share information such as user account details, networking configuration details, password,

etc. Defendant provides the entire system, maintaining and providing the back-end cloud system and by selling the apps and devices (e.g., locks and cameras) and Connection Gateways (e.g., locks, cameras, and Connect).

- 88. Defendant also directly infringes claim 57 of the '526 Patent through its own use of the system. For example, as shown in the myriad examples above (see paragraphs 57-63), August has published in its instructional and marketing materials instances of August using the Accused Products. In paragraph 59, Portus has provided screenshots from an August video posted on YouTube showing August's own use of the Accused Products through an August System App on a smartphone. Likewise, in paragraphs 57 and 58, Portus has included screenshots from August's own publications showing its use of the Accused Products through August System Apps and access browsers on smartphones, tablets, and computers. Again, in paragraphs 61-63, Portus has provided screenshots from August's promotional and instructional materials showing its use of the Accused Products through August System Apps and access browsers on a smartphone and an August Access Browser Device. August's own use is extremely valuable because it forms the foundation of August's marketing, promotions, and user guides that are necessary to sell its products in the market.
- 89. On information and belief, Defendant also directly infringes claim 57 of the '526 patent through its own use of the system, when, for example, August employees utilize the internal technician portals or system dashboard or OEM portals, which are standard in the industry to access products on its networks for trouble shooting, monitoring, data collection, and product improvement purposes. On information and belief, the dashboard or portal is an access browser running on an August computer. August's employees and engineers may interrogate the status of each customer system and perform management/support functions on those systems, with the

ability to control individual devices and also perform over the air (OTA) firmware and software updates. August's own use is extremely valuable because it forms the technical foundation to its ability to support the system it sells. August's own use of the Accused Products infringes literally and under the doctrine of equivalents.

90. Defendant also directly infringes claim 57 of the '526 Patent through its own testing of the Accused Products. August's own use through testing is also extremely valuable. Testing is required to make a functioning and marketable product. Moreover, without testing, August would not be able to sell its products in the U.S. Market. For example, Defendant has submitted numerous testing documents to the Federal Communications Commission showing its testing and use of the Accused Products. For example, an exemplary test report for the August Wi-Fi Smart Lock can be found here:



# FCC PART 15, SUBPART C ISEDC RSS-247, ISSUE 2, FEBRUARY 2017 TEST REPORT

For

## **August Home**

657 Bryant Street, San Francisco, CA 94107, USA

FCC ID: 2AB6UASL05 IC: 12163A-ASL05

Report Type: Product Type:

Original Report Wi-Fi Smart Lock

Christian McCaig Prepared By: Test Engineer

Report Number: R1907252-247 (DTS)

Report Date: 2019-08-06

Frank Wang Reviewed By:

RF Lead

Bay Area Compliance Laboratories Corp.

1274 Anvilwood Avenue, Sunnyvale, CA 94089, USA Tel: (408) 732-9162

Fax: (408) 732-9164





Frank Wang

https://fccid.io/2AB6UASL05/Test-Report/Test-Report-4458638

- 91. Defendant also directly infringes by putting the claimed system into service. For example, claim 57 of the '526 patent is directed to a back-end cloud system that allows, for example, a user to monitor and control devices in their home from an external location. Claim 57 is directed to the components of the back-end system described in the claims as the "first network." This first network operates in an environment where an access browser is "running" so that the processing circuitry of the first network can communicate with the running access browser. For the Accused Products, in an environment where an access browser is running, Defendant puts the claimed system into use. Defendant owns, possesses, programs, and controls the servers that run the August cloud system and perform the steps of the system claimed in claim 57 of the '526 patent (e.g., claim elements 57(a), (c), (d), (g and its subparts), (h) and (i)). While August sells but may not possess the Connection Gateways or "second arrangements of processing circuitry" (e.g., cameras, socks) in certain claim elements as described above (e.g., claim elements 57(b), (e) and (f)), Defendant controls and benefits from their use. Defendant creates a communications session and is able to retrieve information, such as videos and other user information, from those devices, using the August cloud servers. In doing so, Defendant controls each and every limitation of the claimed system. Likewise, Defendant obtains the benefit of each and every limitation of the claimed system from revenues it receives from the sale of the Accused Products and use of the cloud services for the Accused Products.
- 92. Defendant benefits from and conditions use of the remote access features of the Accused Products and its customers' use of the Accused Products upon performance of the limitations of the asserted claims in the Asserted Patents, and Defendant establishes the manner or timing of that performance. Defendant requires that a user agree to terms and conditions, including a Privacy Policy For August Products & Services, that allow Defendant to track content, use, and

August to access their personal data: "In the course of using the Services, you may provide and we may collect certain personal data and other information." <a href="https://web.archive.org/web/20191210130312/https://august.com/pages/privacy-policy#product">https://web.archive.org/web/20191210130312/https://august.com/pages/privacy-policy#product</a>. The Privacy Policy For August Products & Services describes the personal information that August collects about a user:

. . . your name, phone number, email address, postal addresses, credit card or other billing information and any feedback.

[your] IP address, mobile device identifiers, account user-identifiers, and photographs.

Images and videos associated with our doorbell products. . . .

Information associated with use of our smart lock products such as device status, logs of those who lock/unlock the devices, the guests that you invite, and those people who may invite you as a guest, to use the device and application. . . .

Information about the guests that you invite in order to allow them to have access to your smart lock and Service. Guests should be aware that the person(s) providing access to a specific device may be able to see information about the guest's usage of the device or our Service, and may revoke or limit access rights in their discretion without notice. In connection with the guest invitation process, we may ask for access to your contact list. . . . .

If you choose to connect your August products to each other, through our 'Connected by August' partners, or to third party applications through the 'Works With August' feature, we may collect information about your use of those other products....

The Privacy Policy For August Products & Services goes on to describe all of the different ways August uses and shares its customers information, including to "to provide, administer and improve our website or support services." By conditioning the end customer's use of the Accused Products upon agreement of the terms and conditions provided above, which are set forth for the benefit of the Defendant, Defendant controls and benefits from each and every claim limitation and directly infringes claim 57 of the '526 patent. Not only does August receive

financial benefit from infringement of each limitation, August explicitly tells its customers that it is collecting their data to improve the accused products, which is evidence of August's benefit of each and every limitation of claim 57.

- 93. The Accused Products, when combined and used as described above, satisfy each and every element of each asserted claim of the '526 Patent either literally or under the doctrine of equivalents.
- 94. Defendant's infringing activities are and have been without authority or license under the '526 Patent.
- 95. The preceding discussion of claim 57 in the '526 Patent serves as an example only. The Accused Product infringes other claims in the '526 Patent upon same or similar grounds. Portus reserves its right to identify additional claims and additional infringing products as supported by discovery in the case.
- 96. As a result of Defendant's unlawful infringement of the '526 Patent, Portus has suffered damages. Portus is entitled to recover from Defendant the damages suffered by Portus as a result of Defendant's unlawful acts of infringement.
- 97. Defendant has had actual notice and been aware of its infringement of '526 Patent since September 2016 when they were contacted by a representative of the Plaintiffs and provided with infringement claim charts. See Exhibit C (notice letter from Portus).
- 98. Given Defendant's prior knowledge of the '526 Patent and their own infringement of the same, Defendant has induced their users' and contributed to their users' direct infringement of one or more claims of the '526 Patent through the Defendant's advertisements, instructions, advice, and guidance as provided by user manuals and instructions, the Defendant's websites, and Defendant's support and help services.

- 99. Moreover, Defendant's infringement has been willful and egregious. Because of Defendant's willful and egregious infringement, Portus is entitled to enhanced damages, in the form of treble damages, under 35 U.S.C. § 284.
- 100. To the extent Defendant did not learn of the '526 Patent and their infringement before the filing of this complaint by virtue of its monitoring of prior art and published patents and communications from Portus and its agents, Defendant was willfully blind to their infringement of the '526 Patent.
- 101. Furthermore, because Defendant's infringement of the '526 Patent is willful, this action is "exceptional" within the meaning of 35 U.S.C. § 285, entitling Portus to its attorneys' fees and expenses.

## **COUNT II – INDIRECT PATENT INFRINGEMENT OF THE '526 PATENT**

- 102. Plaintiffs reallege and incorporate by reference the allegations set forth above, as if set forth verbatim herein.
- 103. Alternatively, to the extent that the Court decides that August's customers must make or complete the system of the Accused Products with a smartphone or tablet (or some other customer-provided device), or that it is the customer that puts the system of the Accused Products into use, the customer would be the direct infringer, as described below.
- 104. In that scenario, August also has infringed at least claim 57 of the '526 patent by actively inducing others, such as its customers of the Accused Products, to use, offer for sale, and sell the Accused Products. August's users, customers, agents or other third parties who use those devices in accordance with August's instructions infringe claim 57 of the '526 patent, in violation of 35 U.S.C. § 271(b).

105. The customer benefits from each of the claim limitation of claim 57 of the '526 patent, which is directed to a back-end cloud system that allows, for example, a user to monitor and control devices in their home from an external location. Claim 57 is directed to the components of the back-end system described in the claims as the "first network." By putting the system into use, an August customer controls the servers that run the August cloud system and perform the steps of the system claimed in claim 57 of the '526 patent (e.g., claim elements 57(a), (c), (d), (g and its subparts), (h) and (i)). Likewise, an August customer has bought and possesses the Connection Gateways or "second arrangements of processing circuitry" (e.g., cameras, socks) in certain claim elements as described above (e.g., claim elements 57(b), (e) and (f)), and the customer controls and benefits from their use. Likewise, in this alternative reading, it is the customer that creates a communications session and is able to retrieve information, such as videos and other information, from those devices, using the August cloud servers. In doing so, the August customer controls each and every limitation of the claimed system. Likewise, the August customer obtains the benefit of each and every limitation of the claimed system from the making and use of the Accused Products because the customer is able to monitor its baby's vitals and see videos of the baby.

106. August knows that the Accused Products are especially designed for and marketed toward infringing use by August's customers, to implement smart home solution features. August induced, caused, urged, encouraged, aided and abetted its direct and indirect customers to make, use, sell, offer for sale and/or import one or more of the Accused Products. August provides step-by-step instructions for installation, setup, and use of the Accused Products to infringe, either literally or under the doctrine of equivalents, at least claim 57 of the '526 patent. These instructions are provided by August as user manuals and online content made available by August through its

website and other online locations. Such conduct by August was intended to and actually did result in direct infringement by August's direct and indirect customers, including the making, using, selling, offering for sale and/or importation of the Accused Products in the United States. August knows that its customers are infringing by performing the steps of claim 57 because it operates the servers and cloud that store the data and information and communicate with the user devices.

107. August contributes to the infringement of at least claim 57 of the '526 patent by its customers and end users of at least the Accused Products and is therefore liable for indirect infringement under 35 U.S.C. § 271(c). The Accused Products are especially designed for controlling and monitoring use of smart home devices in the manner described above. Upon information and belief, the Accused Products have no substantial non-infringing use, as they are specifically designed and marketed for use by customers for controlling and monitoring use of smart home devices. Setup and use of the Accused Products by August's customers in the manner constitutes direct infringement, either literally or under the doctrine of equivalents, of at least claim 57 of the '526 Patent. August knows that its customers are infringing by performing the steps of claim 57 because it operates the servers and cloud that store the data and information and communicate with the user devices.

108. By way of further examples of August's intent to infringe, August intentionally instructs customers to infringe through training videos, demonstrations, brochures and user guides. For example, as shown in the myriad examples above (see paragraphs 57-63), August has published in its instructional and marketing materials instances of August using the Accused Products. In paragraph 59, Portus has provided screenshots from an August video posted on YouTube showing August's own use of the Accused Products through an August System App on a smartphone. Likewise, in paragraphs 57 and 58, Portus has included screenshots from August's

own publications showing its use of the Accused Products through August System Apps and access browsers on smartphones, tablets, and computers. Again, in paragraphs 61-63, Portus has provided screenshots from August's promotional and instructional materials showing its use of the Accused Products through August System Apps and access browsers on a smartphone and an August Access Browser Device.

- 109. August has been on actual notice of its infringement of the '526 patent since at least September 2016. August received and responded to a notice letter from Portus, alerting it of infringement by the Accused Products. Ex. C. In the notice letter, Portus included a detailed claim chart setting forth its infringement accusations for the smart sock and base station, which was representative of other infringing products. *Id.* Thus, there is no doubt that August received the notice letter from Portus, and it was clearly aware of patents-in-suit and is on notice of its own infringement and infringement by its customers.
- 110. By the time of filing the original complaint in this lawsuit, August knew and intended that its continued actions would actively induce and contribute to the infringement of at least claim 57 of the '526 patent, and August is thereby liable for infringement of the '526 patent under 35 U.S.C. § 271(b) and (c).

## **COUNT III – DIRECT PATENT INFRINGEMENT OF THE '097 PATENT**

- 111. Plaintiffs reallege and incorporate by reference the allegations set forth above, as if set forth verbatim herein.
- 112. Defendant's infringing Accused Products and other remote security and automation control systems with the same or similar features and functionality that satisfy each element of one or more asserted claims.

- 113. Defendant has directly infringed the '526 Patent in violation of 35 U.S.C. § 271(a) by one or more of the following: (1) making the Accused Products which embody the patented inventions of at least claim 1 of the '097 Patent, by combining all elements of the Accused Products as described above, in a manner that meets each limitation of at least claim 1 of the '097 Patent; and (2) putting into service and by operating the Accused Products when all elements of such system are combined as described above, thus meeting each limitation of at least claim 1 of the '097 Patent.
- 114. The Accused Products satisfy the elements of the claims of the '097 Patent, including certain devices that are Connection Gateways or networked components of the respective home network, or both.
- 115. For example, through the August Accused Products, Defendant infringes claim 1 of the '097 Patent.
  - 116. The language of claim a is reproduced here:

- 1. A system for remote access of a user premises comprising:
- a) a first hardware processing circuitry running an access browser module;
- b) a second hardware processing circuitry located in a first network; and
- a connection gateway that is located in, and is part of a local network of, the user premises; wherein:
- d) the second hardware processing circuitry is external to the user premises, is accessible via the access browser module, and is configured to communicate on-demand with the connection gateway;
- e) the connection gateway is integrated with or communicatively coupled to one or more networked components of the local network of the user premises; and
- f) the system is configured such that user-input of a Uniform Resource Locator (URL), in accordance with which the first hardware processing circuitry, using the access browser module, accesses an address on the first network, begins a sequence in which the second hardware processing circuitry responsively serves to the first hardware processing circuitry, via the access browser module, information regarding at least one of the one or more networked components of the local network, which information the second hardware processing circuitry obtains from the connection gateway without a direct communicative coupling between the second hardware processing circuitry and the at least one networked component of the local network,
- g) wherein the sequence includes the first hardware processing circuitry transmitting to the second hardware processing circuitry authentication data indicating authority to access the at least one networked component of the local network, the transmission of the authentication data being required for the serving of the information to the first hardware processing circuitry, and wherein:
- h) the user premises is one of a plurality of user premises;
- i) the connection gateway is one of a plurality of connection gateways, each of which is located in, and is part of a respective local network of, a respective one of the plurality of user premises, and to each of which the second hardware processing circuitry is configured to connect; and
- j) the sequence further including the second hardware processing circuitry determining which one of the local networks the authentication data indicates authority to access,
- k) the sequence further including the second hardware processing circuitry establishing a new communication session between the first hardware processing circuitry and the connection gateway of the respective local network that the authentication data indicates authority to access upon verification of the authentication data, and
- wherein the second hardware processing circuitry receives, via the connection gateway, selected
  information from at least one of the networked components of the local network of the user
  premises, and stores the selected information in the first network for subsequent review by a user
  associated with the user premises, without requiring the user to provide the authentication data,
  and
- m) wherein the authority to access the at least one networked component of the local network by transmitting the authentication data also provides authority to access and review the previously stored selected information in the first network via the access browser module.
- 117. August makes and uses the entire infringing system. The claim is directed to a backend system, which is made by August, that is operating in an environment where the browser

device is already "running" an access browser, which is made by August. No other party (e.g., an August customer) is required to put the system into use, because the claims are directed to a system whereby the access browser is already running, and the backend is system is communicating with and providing access to that access browser. Portus alleges that under a such a reading of the claims, August controls the system, such that it has the ability to, and indeed does, place the system as a whole into service.

- 118. In the paragraphs below, Portus identifies how August infringes each limitation of Claim 1. Portus incorporates by reference all evidence and analysis related to the operations of and infringement by the Accused Products from other portions of this Complaint. On information and belief, certain portions of this claim limitation are carried out by hardware or software. For example, on information and belief, August's source code and/or technical specifications may provide additional relevant evidence for this claim limitation. Portus reserves the right to supplement its allegations and contentions based on August's source code and/or technical specifications once such information is provided.
- 119. The August Accused Products form a system for remote access of a user premises. For example, August makes and uses a system to remotely access a user's premises network with the Accused Products interfacing with the August back-end network (sometimes referred to herein as the "cloud").

Figure 2: Overview of the August Smart Lock (a) communicates with a smartphone app (b) via Bluetooth, allowing users to lock and unlock the door. The smartphone app communicates with the August web servers (c) to grant access to other users or change related smart lock settings. The accessory device August Connect (d) allows remote control of the lock.

(a) August Smart Lock

(b) August Connect

(c) Web Server

(c) Web Server

Source: <a href="https://courses.csail.mit.edu/6.857/2017/project/3.pdf">https://courses.csail.mit.edu/6.857/2017/project/3.pdf</a>

- 120. For example, through the August Accused Products, Defendant infringes claim 1 of the '097 Patent. The August Accused Products form a system for remote access of a user premises comprising:
- 121. The August Accused Products have a first hardware processing circuitry running an access browser module (e.g., the Accused Products utilizes an access browser hardware device including, for example, a processor to access the internet through the August System Apps);
- 122. a second hardware processing circuitry located in a first network (e.g., the Accused Products include a second processor in the August External Network that is located external to the user premises); and
- 123. a connection gateway that is located in, and is part of a local network of, the user premises (the Accused Products include a plurality of connection gateways (e.g., August connection gateways, such as the August Camera and base station) each comprising at least one

hardware processor and each of at least a subset of which is located in a respective one of the user premises and is part of the respective home network of the respective user (e.g., connected to the home network via Ethernet);

- 124. the second hardware processing circuitry is external to the user premises, is accessible via the access browser module, and is configured to communicate on-demand with the connection gateway (e.g., the Accused Product includes a communications server (e.g., August Servers) comprising at least one hardware processor and located in said external network and adapted to interconnect on-demand with said connection gateways (e.g., users are able to access their devices through the August System Apps));
- 125. the connection gateway is integrated with or communicatively coupled to one or more networked components of the local network of the user premises (e.g., the connection gateways are accessible by the external network and are integrated with networked components (e.g., a user's August devices) of the respective home network); and
- 126. the system is configured such that user-input of a Uniform Resource Locator (URL), in accordance with which the first hardware processing circuitry, using the access browser module, accesses an address on the first network, begins a sequence in which the second hardware processing circuitry responsively serves to the first hardware processing circuitry, via the access browser module, information regarding at least one of the one or more networked components of the local network, which information the second hardware processing circuitry obtains from the connection gateway without a direct communicative coupling between the second hardware processing circuitry and the at least one networked component of the local network (e.g., the Defendant's web application is responsive to user-input of a Uniform Resource Locator (URL) (e.g., when accessing August System Apps and the August applications) in accordance with which

said app accesses a predetermined address on said external network to which the URL corresponds, in which accessing said app provides information (e.g., lock controls and videos) contained within the home network from the connection gateway of the determined home network and August's servers or external network are not directly communicatively coupleable to a user's August devices (e.g., certain August devices only communicate through connection gateways); in which accessing said app provides authorization data to the external network (e.g., a login and password));

- to the second hardware processing circuitry authentication data indicating authority to access the at least one networked component of the local network, the transmission of the authentication data being required for the serving of the information to the first hardware processing circuitry (e.g., the connection gateways for the Accused Products require that the user first provide authentication data in which accessing said app provides authorization data to the external network to access the networked components), and wherein:
- 128. the user premises is one of a plurality of user premises (e.g., the system is able to access the premises and devices for a particular user);
- 129. the connection gateway is one of a plurality of connection gateways, each of which is located in, and is part of a respective local network of, a respective one of the plurality of user premises, and to each of which the second hardware processing circuitry is configured to connect (e.g., the system is able to access the connection gateway located in a particular user's premises that connects to a respective local network of the premises); and
- 130. the sequence further including the second hardware processing circuitry determining which one of the local networks the authentication data indicates authority to access

(e.g., Defendant's server is configured to use the user's login credentials to determine which home network is the user's home network and is further configured to provide authorization data to allow the user to access devices in the user's home network);

- 131. the sequence further including the second hardware processing circuitry establishing a new communication session between the first hardware processing circuitry and the connection gateway of the respective local network that the authentication data indicates authority to access upon verification of the authentication data (e.g., Defendant's servers create a new communications session between the app and one of the August Connection Gateways to monitor operation of the August devices contained within the home network, which is determined based on the authentication); and
- 132. wherein the second hardware processing circuitry receives, via the connection gateway, selected information from at least one of the networked components of the local network of the user premises, and stores the selected information in the first network for subsequent review by a user associated with the user premises, without requiring the user to provide the authentication data (e.g., in the Accused Products, information from the August devices, such as video or vitals data, is stored in the first network, which may then be reviewed by a user associated with the user premises without requiring the user to provide the authentication data (e.g., a user in the first network may by automatically logged in to the Accused Products without having to subsequently enter their login information)); and
- 133. wherein the authority to access the at least one networked component of the local network by transmitting the authentication data also provides authority to access and review the previously stored selected information in the first network via the access browser module (e.g., the August user app and August servers communicate such that authority is provided to access an

August device in a local network and review the previously stored selected information via authentication data).

- 134. Defendant's other Accused Products infringe based on similar functionality as the August Accused Products. Defendant directly infringes because it sells and/or provides each and every component of each and every claim limitation of claim 1 of the '097 Patent. For example, it sells the infringing user access browser and user access browser device, it makes and sells the August System Apps, it makes and sells the August Connection Gateways (such as the accused Locks, camera, and Connect devices), and it makes and/or provides the back-end August cloud servers and system.
- 135. For example, Defendant directly infringes claim 1 of the '097 Patent when an access browser on an August app is running to access the August cloud, which may be done for instance as part of the registration process. The August Access Browser Device and the August cloud share information such as user account details, networking configuration details, password, etc. Defendant provides the entire system, maintaining and providing the back-end cloud system and by selling the apps and devices (e.g., locks and cameras) and Connection Gateways (e.g., locks, cameras, and Connect).
- 136. Defendant also directly infringes claim 1 of the '097Patent through its own use of the system. For example, as shown in the myriad examples above (see paragraphs 57-63), August has published in its instructional and marketing materials instances of August using the Accused Products. In paragraph 59, Portus has provided screenshots from an August video posted on YouTube showing August's own use of the Accused Products through an August System App on a smartphone. Likewise, in paragraphs 57 and 58, Portus has included screenshots from August's own publications showing its use of the Accused Products through August System Apps and access

browsers on smartphones, tablets, and computers. Again, in paragraphs 61-63, Portus has provided screenshots from August's promotional and instructional materials showing its use of the Accused Products through August System Apps and access browsers on a smartphone and an August Access Browser Device. August's own use is extremely valuable because it forms the foundation of August's marketing, promotions, and user guides that are necessary to sell its products in the market.

- patent through its own use of the system, when, for example, August employees utilize the internal technician portals or system dashboard or OEM portals, which are standard in the industry to access products on its networks for trouble shooting, monitoring, data collection, and product improvement purposes. On information and belief, the dashboard or portal is an access browser running on an August computer. August's employees and engineers may interrogate the status of each customer system and perform management/support functions on those systems, with the ability to control individual devices and also perform over the air (OTA) firmware and software updates. August's own use is extremely valuable because it forms the technical foundation to its ability to support the system it sells. August's own use of the Accused Products infringes literally and under the doctrine of equivalents.
- 138. Defendant also directly infringes claim 1 of the '097 Patent through its own testing of the Accused Products. August's own use through testing is also extremely valuable. Testing is required to make a functioning and marketable product. Moreover, without testing, August would not be able to sell its products in the U.S. Market. For example, Defendant has submitted numerous testing documents to the Federal Communications Commission showing its testing and use of the

Accused Products. For example, an exemplary test reports for the August Wi-Fi Smart Lock can be found here:



# FCC PART 15, SUBPART C ISEDC RSS-247, ISSUE 2, FEBRUARY 2017 TEST REPORT

For

## **August Home**

657 Bryant Street, San Francisco, CA 94107, USA

FCC ID: 2AB6UASL05 IC: 12163A-ASL05

Report Type:	Product Type:
Report Lype.	Troudet Type.

Original Report

Wi-Fi Smart Lock

Frank Wang

Prepared By: Christian McCaig Test Engineer

Test Engineer

**Report Number:** R1907252-247 (DTS)

**Report Date:** 2019-08-06

Reviewed By: Frank Wang RF Lead

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## https://fccid.io/2AB6UASL05/Test-Report/Test-Report-4458638

Defendant also directly infringes by putting the claimed system into service. For 139. example, claim 1 of the '097 patent is directed to a back-end cloud system that allows, for example, a user to monitor and control devices in their home from an external location. Claim 1 is directed to the components of the back-end system. This backend system operates in an environment where an access browser is "running" so that the processing circuitry of the backend system can communicate with the running access browser. For the Accused Products, in an environment where an access browser is running, Defendant puts the claimed system into use. Defendant owns, possesses, programs, and controls the servers that run the August cloud system and perform the steps of the system claimed in claim 1 of the '097 patent (e.g., claim elements 1(b), (d), (f-h), (jm)). While August sells but may not always possess the "first hardware processing circuitry" or Connection Gateways or networked components in certain claim elements as described above (e.g., claim elements 1(a), (c), (e), and (i)), Defendant controls and benefits from their use. Defendant creates a communications session and is able to retrieve information, such as videos and other user information, from those devices, using the August cloud servers. In doing so, Defendant controls each and every limitation of the claimed system. Likewise, Defendant obtains the benefit of each and every limitation of the claimed system from revenues it receives from the sale of the Accused Products and use of the cloud services for the Accused Products.

140. Defendant benefits from and conditions use of the remote access features of the Accused Products and its customers' use of the Accused Products upon performance of the limitations of the asserted claims in the Asserted Patents, and Defendant establishes the manner or timing of that performance. Defendant requires that a user agree to terms and conditions, including

a Privacy Policy For August Products & Services, that allow Defendant to track content, use, and performance information of user and the Accused Products. For example, users must agree to allow August to access their personal data: "In the course of using the Services, you may provide and we may collect certain personal data and other information." <a href="https://web.archive.org/web/20191210130312/https://august.com/pages/privacy-policy#product">https://web.archive.org/web/20191210130312/https://august.com/pages/privacy-policy#product</a>. The Privacy Policy For August Products & Services describes the personal information that August collects p about a user:

. . . your name, phone number, email address, postal addresses, credit card or other billing information and any feedback.

[your] IP address, mobile device identifiers, account user-identifiers, and photographs.

Images and videos associated with our doorbell products. . . .

Information associated with use of our smart lock products such as device status, logs of those who lock/unlock the devices, the guests that you invite, and those people who may invite you as a guest, to use the device and application. . . .

Information about the guests that you invite in order to allow them to have access to your smart lock and Service. Guests should be aware that the person(s) providing access to a specific device may be able to see information about the guest's usage of the device or our Service, and may revoke or limit access rights in their discretion without notice. In connection with the guest invitation process, we may ask for access to your contact list. . . . .

If you choose to connect your August products to each other, through our 'Connected by August' partners, or to third party applications through the 'Works With August' feature, we may collect information about your use of those other products....

The Privacy Policy For August Products & Services goes on to describe all of the different ways

August uses and shares its customers information, including to "to provide, administer and
improve our website or support services." By conditioning the end customer's use of the

Accused Products upon agreement of the terms and conditions provided above, which are set
forth for the benefit of the Defendant, Defendant controls and benefits from each and every claim

limitation and directly infringes claim 1 of the '097 patent. Not only does August receive financial benefit from infringement of each limitation, August explicitly tells its customers that it is collecting their data to improve the accused products, which is evidence of August's benefit of each and every limitation of claim 1.

- 141. The Accused Products satisfy each and every element of each asserted claim of the '097 Patent either literally or under the doctrine of equivalents.
- 142. Defendant's infringing activities are and have been without authority or license under the '097 Patent.
- 143. The preceding discussion of claim 1 in the '097 Patent serves as an example only. The Accused Product infringes other claims in the '097 Patent upon same or similar grounds. Portus reserves its right to identify additional claims and additional infringing products as supported by discovery in the case.
- 144. As a result of Defendant's unlawful infringement of the '097 Patent, Portus has suffered and will continue to suffer damage. Portus is entitled to recover from Defendant the damages suffered by Portus as a result of Defendant's unlawful acts of infringement.
- 145. On information and belief and at a minimum, Defendant has been aware that the claims in the application that became the '097 Patent were allowed since 2016 before the filing of this complaint.
- 146. On information and belief, given Defendant's prior knowledge of the '097 Patent and their own infringement of the same, Defendant has induced their users' and contributed to their users' direct infringement of one or more claims of the '097 Patent through the Defendant's advertisements, instructions, advice, and guidance as provided by user manuals and instructions, the Defendant's websites, and Defendant's support and help services.

- 147. Moreover, on information and belief, Defendant's infringement has been willful and egregious. Because of Defendant's willful and egregious infringement, Portus is entitled to enhanced damages, in the form of treble damages, under 35 U.S.C. § 284.
- 148. Because of Defendant's willful and egregious infringement, Portus is entitled to enhanced damages, in the form of treble damages, under 35 U.S.C. § 284.
- 149. To the extent Defendant did not learn of the '097 Patent and their infringement before the filing of this complaint by virtue of its monitoring of prior art and published patents and communications from Portus and its agents, Defendant was willfully blind to their infringement of the '097 Patent.
- 150. Furthermore, because Defendant's infringement of the '097 Patent is willful, this action is "exceptional" within the meaning of 35 U.S.C. § 285, entitling Portus to its attorneys' fees and expenses.

### **JURY DEMAND**

151. Portus hereby demands a trial by jury.

### **PRAYER**

WHEREFORE, Portus prays for judgment in its favor and against Defendant as follows:

- a. A judgment that Defendant has infringed, directly or indirectly, either literally or under the doctrine of equivalents, one or more claims of the Asserted Patents;
- b. An award of damages adequate to compensate for the infringements, but in no event less than a reasonable royalty made for use of the inventions of the Asserted Patents, together with interest and costs as determined by the Court;
- c. An award of enhanced damages under 35 U.S.C. § 284, in the form of treble damages;

- d. An award of Plaintiff's reasonable attorneys' fees, costs, and expenses pursuant to
   35 U.S.C. §§ 284 and 285 or as otherwise permitted by law;
- e. Such other and further relief at law or in equity as the Court determines is just and proper.

Dated: September 20, 2024 STAMOULIS & WEINBLATT LLC

## /s/ Richard C. Weinblatt

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