

ORIGINAL

THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION

U.S. DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS  
FORT WORTH

2000 DEC 15 PM 3:36

PHONETEL COMMUNICATIONS, INC.,

§  
§  
§  
§  
§  
§  
§  
§  
§  
§  
§  
§  
§  
§  
§

Plaintiff,

CLERK OF COURT

*[Handwritten signature]*

CIVIL ACTION NO. 4-00-CV-1750-E

v.

(JURY TRIAL DEMANDED)

DIALOGIC CORPORATION, 3COM  
CORPORATION, U.S. ROBOTICS  
CORPORATION, VERIZON  
COMMUNICATIONS, INC., QWEST  
COMMUNICATIONS CORPORATION,  
MICROSOFT CORPORATION, DIGICOM  
SYSTEMS, INC., UNICAL ENTERPRISES,  
INC., and CANON USA, INC.,

Defendants.

**AMENDED COMPLAINT**

Comes now, Plaintiff PhoneTel Communications, Inc., ("PhoneTel") to complain of defendants Dialogic Corporation ("Dialogic"), 3Com Corporation ("3Com"), U.S. Robotics Corporation ("USR"), Verizon Communications, Inc. ("Verizon"), Qwest Communications Corporation ("Qwest"), Microsoft Corporation ("Microsoft"), Digicom Systems, Inc. ("Digicom"), Unical Enterprises, Inc. ("Unical") and Canon USA, Inc. ("Canon") (collectively, "Defendants") and for cause of action would show the Court as follows:

**RIGHT TO AMEND**

PhoneTel amends the Complaint of record as of right under Fed. R. Civ. P. 15. No leave of court is necessary because no pre-existing defendant (i.e., Dialogic, 3Com and USR) has yet answered or otherwise pled.

### **JURISDICTION AND VENUE**

1. Jurisdiction exists under 28 U.S.C. §1338(a) because each of the defendants is charged with patent infringement under 35 U.S.C. § 271.
2. The defendants each transact business in this judicial district by manufacturing, selling or offering to sell devices or services that are the subject of one or more of the patents at issue in this lawsuit or by practicing methods covered by one or more of those patents or by inducing others to infringe the patents or by conducting other business in this judicial district.
3. Venue is proper under 28 U.S. C. § 1400(b).

### **RELATED CASES**

This case is related to the following Civil Action Nos. filed in this district:

*PhoneTel Communications, Inc. v. AT&T Corp., et al*, Civil Action No. 4-98-CV-0019 E  
*PhoneTel Communications, Inc. v. Cidco Worldwide, Inc., et al* Civil Action No. 4-98CV-705-E  
*PhoneTel Communications, Inc. v. Thomson Consumer Electronics*, Civil Action No. 99-CV-0008E  
*PhoneTel Communications, Inc. v. IBM, et al*, Civil Action No. 4:99-CV-226-E  
*PhoneTel Communications, Inc. v. Metrocall, et al*, Civil Action No. 4-99-CV-0446-E

This case involves the same plaintiff and the same patents as the cases listed above.

### **PARTIES**

4. PhoneTel is a Texas corporation with its principal place of business in Fort Worth, Tarrant County, Texas.
5. Dialogic is a New Jersey corporation having a principal place of business at 3307 Northland Drive, Ste. 300, Austin, Texas. It may be served with process by serving its registered agent, Prentice Hall Corporation System, 800 Brazos, Austin, Texas 78701.
6. 3Com is or was until recently a Delaware corporation that transacts or transacted business in this judicial district. It (or its successor) may be served with process by serving registered agent, Corporation Service Company, d.b.a. CSC, 800 Brazos, Austin, Texas 78701.

7. USR is a Delaware corporation that transacts business in this judicial district. It may be served with process by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, Texas.

8. On June 7, 2000, 3Com formed a joint venture with two companies to create an independent analog modem company that assumed the U.S. Robotics name – Taiwanese networking equipment maker Accton Technology and Singapore-based electronics contract manufacturer NatSteel Electronics. Each company has approximately 40% ownership interest. U.S. Robotics commenced full operations under this new alliance on September 2, 2000.

9. Verizon is a Delaware corporation that transacts business in this judicial district. It may be served with process by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, Texas.

10. Qwest is a Delaware corporation that transacts business in this judicial district. It may be served with process by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, Texas.

11. Microsoft Corporation is a Delaware corporation having its principal place of business at One Microsoft Way, Redmond, Washington 98052. It transacts business in this judicial district. It may be served with process by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, Texas.

12. Digicom is a California corporation that transacts business in this judicial district. It may be served with process by serving its managing agent(s) at its offices, 188 Topaz Street, Milpitas, California 95035

13. Unical is a California corporation that transacts business in this judicial district. It may be served with process by serving its registered agent, Rebecca K. Tsui, 16960 Gale Avenue, City of Industry, California 91745.

14. Canon is a New York corporation with its principal place of business in this judicial district at 3200 Regent Blvd., Irving, Texas 75063. It may be served with process by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, Texas.

### **BACKGROUND FACTS**

15. Kazuo Hashimoto was a renowned inventor holding over 1,000 patents worldwide and over 120 in the United States. Dr. Hashimoto is widely recognized as the creator of the telephone answering machine and had a career of invention and creativity spanning 40 years. Among Dr. Hashimoto's more famous inventions are the digital telephone answering machine, fax on demand and caller identification. In 1988, Dr. Hashimoto established the Fontel Foundation of New Jersey to promote research and development in telephony; in his honor, the New Jersey Institute of Technology now grants awards for research in electronics through the Hashimoto Endowment Fund.

16. Dr. Hashimoto and his companies Hashimoto Corporation (USA) and Hashimoto Corporation (Japan) (collectively, "Hashimoto"), previously owned exclusive rights in United States Letters Reissue Patent 31,789, issued January 1, 1985 for telephone equipment that displays the telephone number of a caller; (the "Caller ID Patent"); United States Letters Patent 5,077,786, issued December 31, 1991, for a method of communicating with a facsimile machine from a remote location, i.e., claim 3 only (the "786 Patent") and United States Letters Patent No. 4,974,253, issued November 27, 1990 for an interface for connecting a facsimile apparatus to a telephone line ("the '253 Patent," collectively the "Fax on Demand Patents"); United States Letters Patent 4,821,311,

issued April 11, 1989 for an automatic telephone answering machine that can store messages in digital form (the “Digital TAD Patent”); United States Letters Patent 4,616,110, issues October 7, 1986 for an automatic digital telephone answering apparatus (the “Digital TAD ICM Inhibit Patent”); United States Letters Patent 4,908,849 issued March 13, 1990 for a telephone answering devices capable of repeatedly playing back outgoing message (the “OGM Repeat Feature Patent”); United States Letters Patents Re. 33,507 issued December 25, 1990 for cordless telephone with automatic telephone answering/recording function (the “Cordless TAD Patent”); United States Letters Patents 4,833,704 issued May 23, 1989 for automatic telephone answering and recording voice device with automatic two-way conversation recording function controlled by off/on hook detector (the “Auto Two-Way Record Patent”); United States Letters Patent 4,903,289 issued February 20, 1990 for telephone equipment with multiple function (the “Cordless Remote Feature Patent”); United States Letter Patent 4,263,481 issued April 21, 1981 for automatic telephone answering and recording apparatus (“Toll Saver Patent”); United States Letters Patent No. 4,737,979 issued April 12, 1998 for automatic telephone answering device with paging function (“Paging Notification Patent”); and United States Letters Patent No. 4,821,308 issued April 11, 1989 for automatic telephone answering device with paging function (“Paging Notification Patent”).

17. After Dr. Hashimoto’s death in 1995, a full interest in his patents was assigned to PhoneTel, together with the exclusive right to bring suit for any past or future damages from infringement of his United States patents. By reason of this assignment of rights (including specifically the exclusive right to enforce the patents), PhoneTel has standing to sue for infringement of each of the patents in suit. Further, the Hashimoto entities have conveyed to PhoneTel their entire right to accrued damages for infringement and have granted PhoneTel an exclusive license and right

to file suit for, and grant releases for, patent infringement of each of the patents at issue in the lawsuit.

**COUNT I**  
**PATENT INFRINGEMENT BY THE DEFENDANTS**

18. Each of the defendants has infringed each of the following identified United States patents, either directly or through acts of contributory infringement or inducement in violation of 35 U.S.C. § 271:

**DIALOGIC**

- 4,974,253 ..... Fax on Demand Interface
- 5,077,786 ..... Fax on Demand Method

**3COM**

- 4,974,253 ..... Fax on Demand Interface
- 5,077,786 ..... Fax on Demand Method
- 4,821,311 ..... Digital TAD Memory Management
- 4,737,979 ..... Urgent Paging Notification
- 4,821,308 ..... Paging Notification
- 4,908,849 ..... OGM Repeat Feature
- 4,263,481 ..... Toll Saver

**USR**

- 4,974,253 ..... Fax on Demand Interface
- 5,077,786 ..... Fax on Demand Method
- 4,821,311 ..... Digital TAD Memory Management
- 4,737,979 ..... Urgent Paging Notification

4,821,308 ..... Paging Notification  
4,908,849 ..... OGM Repeat Feature  
4,263,481 ..... Toll Saver

**VERIZON**

4,616,110 ..... Digital TAD ICM Inhibit  
4,821,311 ..... Digital TAD Memory Management  
Re. 31,789 ..... Caller ID Display  
4,737,979 ..... Urgent Paging Notification  
4,821,308 ..... Paging Notification  
4,974,253 ..... Fax on Demand Interface  
5,077,786 ..... Fax on Demand Method

**QWEST**

4,821,311 ..... Digital TAD Memory Management  
Re. 31,789 ..... Caller ID Display  
4,737,979 ..... Urgent Paging Notification  
4,821,308 ..... Paging Notification  
4,974,253 ..... Fax on Demand Interface  
5,077,786 ..... Fax on Demand Method

**MICROSOFT**

4,821,311 ..... Digital TAD Memory Management  
4,737,979 ..... Urgent Paging Notification  
4,821,308 ..... Paging Notification  
Re. 33,507 ..... Cordless TAD

4,903,289 ..... Cordless Remote Feature  
4,263,481 ..... Toll Saver  
Re. 31,789 ..... Caller ID Display

**DIGICOM**

4,821,311 ..... Digital TAD Memory Management  
4,737,979 ..... Urgent Paging Notification  
4,821,308 ..... Paging Notification  
4,974,253 ..... Fax on Demand Interface  
5,077,786 ..... Fax on Demand Method

**CANON**

4,974,253 ..... Fax on Demand Interface  
5,077,786 ..... Fax on Demand Method

**UNICAL**

4,821,311 ..... Digital TAD Memory Management  
Re. 33,507 ..... Cordless TAD  
4,833,704 ..... Auto Two-Way Record  
4,616,110 ..... Digital TAD ICM Inhibit

19. Each of Dialogic’s, 3Com’s and USR’s infringement has occurred through the manufacture, use, sale, offer for sale, importation (and/or the inducement/contribution to the foregoing acts by others) of voice/fax modems and/or voice/fax boards for computers. While the full scope of the infringement is solely in the possession of Defendants and will be exposed through discovery, at least the Dialogic VFX/PCI and the 3Com/USR Sportster line constitute the infringement.



20. Verizon's infringement has occurred through the manufacture, use, sale, offer for sale, importation (and/or the inducement/contribution to the foregoing acts by others) of Bell Atlantic offerings including: Business Answer Call/Voice Mail; Answer Call with Fax/Voice Mail with Fax; Fax Mailbox; Broadcast Fax; Fax on Demand; Home Voice Mail; Home Voice Mail/Get the Message; Home Voice Mail/Paging; Follow Me Service; Wireless Voice Mail. Such infringement has also occurred through GTE offerings, including Business Voice Messaging and Home Voice Mail. While the full scope of the infringement is solely in the possession of Verizon and will be exposed through discovery, at least these products and services constitute the infringement.

21. Qwest's infringement has occurred through the manufacture, use, sale, offer for sale, importation (and/or the inducement/contribution to the foregoing acts by others) of U.S. West offerings, including: Business Fax Mail Plus; Business Voice Messaging; Business Voice Messaging/Integrated Messaging; Caller ID; Integrated Messaging; and Residential Voice Messaging. While the full scope of the infringement is solely in the possession of Qwest and will be exposed through discovery, at least these products and services constitute the infringement.

22. Microsoft's infringement has occurred through the manufacture, use, sale, offer for sale, importation (and/or the inducement/contribution to the foregoing acts by others) of cordless telephones, including the model number MP-900. While the full scope of the infringement is solely in the possession of Microsoft and will be exposed through discovery, at least these products and services constitute the infringement.

23. Digicom's infringement has occurred through the manufacture, use, sale, offer for sale, importation (and/or the inducement/contribution to the foregoing acts by others) of voice/fax modems and/or voice/fax boards for computers. While the full scope of the infringement is solely

in the possession of Digicom and will be exposed through discovery, at least the Digicom Modem Blaster Flash 56 II External and the Modem Blaster v.90 products constitute the infringement.

24. Canon's infringement has occurred through the manufacture, use, sale, offer for sale, importation (and/or the inducement/contribution to the foregoing acts by others) of fax machines with fax/voice interfaces. While the full scope of the infringement is solely in the possession of Canon and will be exposed through discovery, at least the Canon Cannon's product numbers B-640, C-635, CFX-L3500, Image Class 1100, B-650, L-6000, C-545, C-560 constitute the infringement.

25. Unical's infringement has occurred through the manufacture, use, sale, offer for sale, importation (and/or the inducement/contribution to the foregoing acts by others) of digital telephone answering devices, with and without cordless phones. While the full scope of the infringement is solely in the possession of Unical and will be exposed through discovery, at least the Northwestern Bell-branded product ID numbers constitute the infringement

26. The infringement of each of the patents alleged above has injured PhoneTel and, thus, PhoneTel is entitled to recover damages adequate to compensate for defendants' infringement, which in no event can be less than a reasonable royalty.

27. On information and belief, each defendant's infringement has been willful and deliberate, and was carried out with actual and/or constructive notice and actual knowledge of each patent.

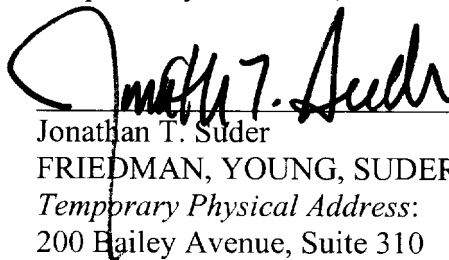
#### **JURY DEMAND**

28. Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, PhoneTel hereby demands a jury on all issues triable of right by a jury.

WHEREFORE, Plaintiff respectfully demand judgment against each defendant, individually and jointly, and against their subsidiaries, affiliates and related companies, as follows:

- A. An award of damages adequate to compensate Plaintiff for the patent infringement that has occurred, together with prejudgment interest and costs;
- B. All other damages permitted by 35 U.S.C. § 284, including increased damages up to three times the amount of compensatory damages found;
- C. A finding that this case is exceptional and an award to Plaintiff of its reasonable attorneys' fees as provided by 35 U.S.C. § 285; and
- D. Such other and further relief as this Court or a jury may deem proper and just.

Respectfully submitted,



Jonathan T. Suder  
FRIEDMAN, YOUNG, SUDER & COOKE  
*Temporary Physical Address:*  
200 Bailey Avenue, Suite 310  
Fort Worth, Texas 76107  
*Mailing Address:*  
P.O. Box 2508  
Fort Worth, Texas 76113  
(817) 334-0400  
(817) 334-0401 (fax)

Raymond P. Niro  
NIRO, SCAVONE, HALLER & NIRO  
181 West Madison, Suite 4600  
Chicago, Illinois 60602  
(312) 236-0733

ATTORNEYS FOR PLAINTIFF

THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION

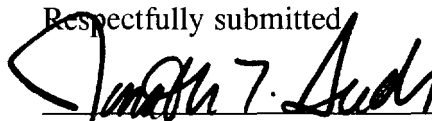
PHONETEL COMMUNICATIONS, INC.,	§	
	§	
Plaintiff,	§	CIVIL ACTION NO. 4-00-CV-1750-E
	§	
v.	§	
	§	(JURY TRIAL DEMANDED)
DIALOGIC CORPORATION, 3COM	§	
CORPORATION, U.S. ROBOTICS	§	
CORPORATION, VERIZON	§	
COMMUNICATIONS, INC., QWEST	§	
COMMUNICATIONS CORPORATION,	§	
MICROSOFT CORPORATION, DIGICOM	§	
SYSTEMS, INC., UNICAL ENTERPRISES,	§	
INC., and CANON USA, INC.,	§	
	§	
Defendants.	§	

**CERTIFICATE OF INTERESTED PERSONS**

Pursuant to Local Rule 3.1(f), Plaintiff PhoneTel Communications, Inc. submits this separately signed certificate identifying the following interested persons:

1. PhoneTel Communications, Inc.
2. Dan Henderson.
3. Each of the named Defendants.
4. Friedman, Young, Suder & Cooke.
5. Niro, Scavone, Haller & Niro.
6. Carrington Coleman Sloman & Blumenthal.
7. Gardere, Wynne & Sewell.
8. Mayer, Brown & Platt.

Respectfully submitted,



Jonathan T. Suder

FRIEDMAN, YOUNG, SUDER & COOKE

*Temporary Physical Address:*

200 Bailey Avenue, Suite 310

Fort Worth, Texas 76107

*Mailing Address:*

P.O. Box 2508

Fort Worth, Texas 76113

(817) 334-0400

(817) 334-0401 (fax)

Raymond P. Niro

NIRO, SCAVONE, HALLER & NIRO

181 West Madison, Suite 4600

Chicago, Illinois 60602

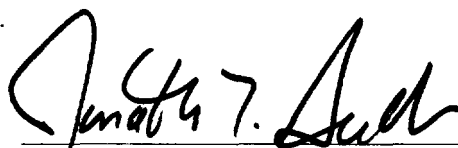
(312) 236-0733

ATTORNEYS FOR PLAINTIFF

**CERTIFICATE OF SERVICE**

This will certify that a true and correct copy of the above and foregoing document is being served along with the Amended Complaint, Summons and Civil Cover Sheet on all named Defendants.

Signed this the 15<sup>th</sup> day of December, 2000.



Jonathan T. Suder