

subject matter claimed in the patents-in-suit described below) in this Judicial District, or by transacting other business in this Judicial District. VAC has been served and has appeared of record in this matter.

4. This is an action for patent infringement arising under the patent laws of the United States, Title, 35, United States Code, including 35 U.S.C. §§ 271 and 281-285. Subject Matter Jurisdiction is conferred on this Court pursuant to 28 U.S.C. §§ 1331 and 1338(a).

5. Venue is proper in this District under 28 U.S.C. §§1400(b).

6. Upon information and belief, VAC is transacting business and has committed acts of patent infringement in this State and Judicial District; VAC is therefore subject to the personal jurisdiction of this Court.

FACTS

7. T-NETIX is the owner of United States Patent No. 5,319,702 (hereinafter “the ’702 Patent”), duly and legally issued on June 7, 1994, entitled a “Method and Apparatus for Detecting and Responding to Hook Flash Events Occurring on a Remote Telephone.” A true and correct copy of the ’702 Patent is attached as Exhibit A and is incorporated herein by reference for all purposes.

8. T-NETIX is the owner of United States Patent No. 5,655,013 (“the ’013 Patent”), duly and legally issued on August 5, 1997, entitled “Computer-Based Method and Apparatus for Controlling, Monitoring, Recording and Reporting Telephone Access.” A true and correct copy of the ’013 Patent is attached as Exhibit B and is incorporated herein by reference for all purposes.

9. T-NETIX is the owner of United States Patent No. 6,560,323 B2 (“the ’323 Patent”), duly and legally issued on May 6, 2003, entitled “Computer-Based Method and

Apparatus for Controlling, Monitoring, Recording and Reporting Telephone Access.” A true and correct copy of the ‘323 Patent is attached as Exhibit C and is incorporated herein by reference for all purposes.

10. T-NETIX is the owner of United States Patent No. 6,920,209 B1 (“the ‘209 Patent”), duly and legally issued on July 19, 2005, entitled “Computer-Based Method and Apparatus for Controlling, Monitoring, Recording and Reporting Telephone Access.” A true and correct copy of the ‘209 Patent is attached as Exhibit D and is incorporated herein by reference for all purposes.

11. T-NETIX makes, uses, sells and offers for sale to the telecommunications industry specialized call-processing and billing equipment and services for correctional institutions; direct local and long-distance call processing for correctional facilities; and telecommunications services such as pre-connection restrictions, digital recording, jail and inmate management systems and video booking. Among its many features, T-NETIX’s call processing and call management equipment is specifically designed to prevent 3-way conference calling to unauthorized phone numbers. T-NETIX’s call processing, call management equipment, and other goods and services practice the ’702 Patent.

12. T-NETIX makes, uses, sells, and offers for sale to the telecommunications industry specialized call-processing, management and monitoring equipment which notifies an outside called party that the call they are receiving is from an institutional caller (the “GOTU Technology”). The GOTU Technology allows an outside party receiving a call from an institutional caller to block the call. The GOTU Technology practices the ‘013 Patent, the ‘323 Patent, and the ‘209 Patent.

13. Defendant VAC makes, uses, sells, or offers for sale specialized call-processing and billing equipment and services for institutions in competition with T-NETIX. On information and belief, Defendant has knowingly and willfully infringed and is presently infringing the '702 Patent by making, using, selling, or offering for sale within the United States, or actively inducing others to make, use, sell, or offer for sale within the United States, goods and services that practice the '702 Patent.

14. Further, Defendant VAC makes, uses, sells, or offers for sale specialized call processing and call management equipment, and services for institutions in competition with T-NETIX. On information and belief, Defendant has knowingly and willfully infringed and is presently infringing the '323 Patent, the '013 Patent, and the '209 Patent by making, using, selling, or offering for sale within the United States, or actively inducing others to make, use, sell, or offer for sale within the United States, goods and services that practice the '323 Patent, the '013 Patent, and/or the '209 Patent.

COUNT ONE – INFRINGEMENT OF THE '702 PATENT

15. T-NETIX re-alleges and incorporates by reference each of the preceding paragraphs as if set forth in full and for all purposes.

16. Defendant VAC has infringed and continues to willfully infringe the '702 Patent, either directly and/or through acts of contributory infringement or inducement, in violation of 35 U.S.C. § 271.

COUNT TWO – INFRINGEMENT OF THE '013 PATENT

17. T-NETIX re-alleges and incorporates by reference each of the preceding paragraphs as if set forth in full and for all purposes.

18. Defendant VAC has infringed and continues to willfully infringe the '013 Patent, either directly and/or through acts of contributory infringement or inducement, in violation of 35 U.S.C. § 271.

COUNT THREE – INFRINGEMENT OF THE '323 PATENT

19. T-NETIX re-alleges and incorporates by reference each of the foregoing paragraphs as if set forth in full and for all purposes.

20. Defendant VAC has infringed and continues to willfully infringe the '323 Patent, either directly and/or through acts of contributory infringement or inducement, in violation of 35 U.S.C. § 271.

COUNT FOUR – INFRINGEMENT OF THE '209 PATENT

21. T-NETIX re-alleges and incorporates by reference each of the preceding paragraphs as if set forth in full and for all purposes.

22. Defendant VAC has infringed and continues to willfully infringe the '209 Patent, either directly and/or through acts of contributory infringement or inducement, in violation of 35 U.S.C. § 271.

REMEDIES

23. T-NETIX has been damaged as a result of VAC's infringing activities and will continue to be damaged unless this court enjoins such infringement.

24. Pursuant to 35 U.S.C. § 284, T-NETIX is entitled to damages adequate to compensate for the infringing activities of VAC relative to the '702 Patent, the '323 Patent, the '013 Patent, and/or the '209 Patent including, *inter alia*, lost profits and/or a reasonable royalty.

25. On information or belief, VAC's infringement of the '702 Patent has been and is willful.

26. On information or belief, VAC's infringement of the '323 Patent has been and is willful.

27. On information or belief, VAC's infringement of the '013 Patent has been and is willful.

28. On information or belief, VAC's infringement of the '209 Patent has been and is willful.

29. T-NETIX has given VAC actual notice of its rights in the '702 Patent, the '323 Patent, the '013 Patent, and the '209 Patent and VAC's infringement thereof by written notice, by filing suit or otherwise or, in the alternative, has given constructive notice pursuant to 35 U.S.C. § 287(a).

30. T-NETIX will be irreparably harmed if VAC's infringement of the '702 Patent, the '323 Patent, the '013 Patent, and/or the '209 Patent continues. T-NETIX, therefore, requests a preliminary and permanent injunction prohibiting VAC, its directors, officers, employees, agents, parents, subsidiaries, affiliates, and anyone else in active concert or participation with it, from taking any other actions that would infringe the '702 Patent, the '323 Patent, the '013 Patent, and/or the '209 Patent.

JURY DEMAND

31. T-NETIX requests a jury trial of all issues in this action.

WHEREFORE, Plaintiff T-NETIX respectfully requests that the Court:

- (a) enter judgment for T-NETIX and against VAC on this Complaint;
- (b) enter a preliminary and a permanent injunction to enjoin VAC and its officers, directors, agents, employees, representatives, distributors, servants, attorneys and all persons in active concert or participation within active concert or participation

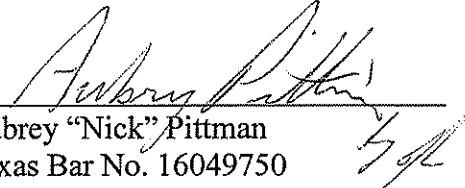
with VAC from infringing the '702 Patent during the remainder of the term of the '702 Patent;

- (c) enter a preliminary and a permanent injunction to enjoin VAC and its officers, directors, agents, employees, representatives, distributors, servants, attorneys and all persons in active concert or participation within active concert or participation with VAC from infringing the '323 Patent during the remainder of the term of the '323 Patent;
- (d) enter a preliminary and a permanent injunction to enjoin VAC and its officers, directors, agents, employees, representatives, distributors, servants, attorneys and all persons in active concert or participation within active concert or participation with VAC from infringing the '013 Patent during the remainder of the term of the '013 Patent;
- (e) enter a preliminary and a permanent injunction to enjoin VAC and its officers, directors, agents, employees, representatives, distributors, servants, attorneys and all persons in active concert or participation within active concert or participation within active concert or participation with VAC from infringing the '209 Patent during the remainder of the term of the '209 Patent;
- (f) award T-NETIX damages adequate to compensate for the infringement in an amount not less than T-NETIX's lost profits and/or a reasonable royalty pursuant to 35 U.S.C. §284;
- (g) find that this case is an exceptional case pursuant to 35 U.S. C. §§ 284 and 285;
- (h) increase the damages awarded up to three times pursuant to U.S.C. § 284;

- (i) award T-NETIX its reasonable costs and attorneys' fees pursuant to 35 U.S.C. § 285 and costs pursuant to 35 U.S.C. §284;
- (j) award prejudgment interest, pursuant to 35 U.S.C. § 284, from the date of each act of infringement of the '702 Patent by the VAC to the day a damages judgment is entered, and further award post-judgment interest, pursuant to 28 U.S.C. § 1961, continuing until such judgment is paid;
- (k) award prejudgment interest, pursuant to 35 U.S.C. § 284, from the date of each act of infringement of the '323 Patent by the VAC to the day a damages judgment is entered, and further award post-judgment interest, pursuant to 28 U.S.C. § 1961, continuing until such judgment is paid; and
- (l) award prejudgment interest, pursuant to 35 U.S.C. § 284, from the date of each act of infringement of the '013 Patent by the VAC to the day a damages judgment is entered, and further award post-judgment interest, pursuant to 28 U.S.C. § 1961, continuing until such judgment is paid;
- (m) award prejudgment interest, pursuant to 35 U.S.C. § 284, from the date of each act of infringement of the '209 Patent by the VAC to the day a damages judgment is entered, and further award post-judgment interest, pursuant to 28 U.S.C. § 1961, continuing until such judgment is paid; and
- (n) award T-NETIX such other relief as this Court may deem is just and proper.

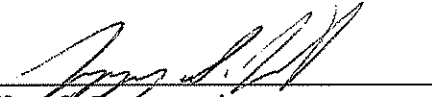
Respectfully submitted,

THE PITTMAN LAW FIRM, P.C.

By: 
Aubrey "Nick" Pittman
Texas Bar No. 16049750

100 Crescent Court, Suite 700
Dallas, Texas 75201-2112
(214) 459-3454 – Telephone
(214) 853-5912 – Facsimile

BELL NUNNALLY & MARTIN LLP

By: 
Jeffrey S. Lowenstein
Texas Bar No. 24007574
Neal J. Suit
State Bar No. 24041988
Gwen I. Walraven
Texas Bar No. 24047065

3232 McKinney Avenue, Suite 1400
Dallas, Texas 75204-2429
Telephone: (214) 740-1400
Telecopy: (214) 740-1499

**ATTORNEYS FOR PLAINTIFF AND
COUNTER-DEFENDANT**

CERTIFICATE OF SERVICE


The undersigned hereby certifies that a true and correct copy of the above and foregoing document was served upon Defendant's counsel via certified mail, return receipt requested, on the 13th day of November, 2006.

VIA CMRRR# 71603901984974581226

Robert W. Turner
Stephanie Newkirk Clouston
Bryan Whittaker
JONES DAY
2727 N. Harwood
Dallas, Texas 75201

VIA CMRRR# 71603901984974581233

John F. Ward
David M. Hill
WARD & OLIVO
708 Third Avenue
New York, New York 10017



Gwen I. Walraven

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