

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF CONNECTICUT

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|-----------------------------|---|------------------------|
| _____ |) | |
| SANDATA TECHNOLOGIES, INC., |) | |
| |) | |
| <i>Plaintiff,</i> |) | Civil Action No. _____ |
| |) | |
| v. |) | |
| |) | |
| CAREWATCH, INC., |) | November 8, 2005 |
| |) | |
| <i>Defendant.</i> |) | |
| _____ |) | |

COMPLAINT

Plaintiff Sandata Technologies, Inc. (“Sandata”) for its Complaint herein against defendant CareWatch, Inc. (“CareWatch”), avers as follows:

The Parties

1. Plaintiff Sandata is a corporation organized and existing under the laws of the State of New York with a place of business at 26 Harbor Park Drive, Port Washington, New York 11050.

2. Upon information and belief, defendant CareWatch is a corporation organized and existing under the laws of the State of Georgia with a place of business at 3483 Satellite Blvd, Duluth, Georgia 30096.

3. On information and belief, CareWatch does business in the State of Connecticut on a continuous and systematic basis, including without limitation by offering for sale or use, and/or selling or using, a time and attendance tracking system (“the CareWatch System”) in the State of Connecticut.

Jurisdiction

4. This is an action for patent infringement arising under the Patent Laws of the United States, United States Code, Title 35.

5. This Court has jurisdiction over the subject matter of this action under Title 28, United States Code, §§ 1331 and 1338(a).

6. On information and belief, venue in this Judicial District is proper under Title 28, United States Code, §§1391(b), (c) and 1400(b).

Facts

7. U.S. Patent No. 5,255,183 (“the '183 Patent”), entitled “Telephone-Based Personnel Tracking System,” was duly and legally issued on October 19, 1993. A true and correct copy of the '183 Patent is attached hereto as Exhibit A.

8. U.S. Patent No. 5,646,839 (“the '839 Patent”), entitled “Telephone-Based Personnel Tracking System,” was duly and legally issued on July 8, 1997. A true and correct copy of the '839 Patent is attached hereto as Exhibit B.

9. U.S. Patent No. 5,963,912 (“the '912 Patent”), entitled “Telephone-Based Personnel Tracking System,” was duly and legally issued on October 5, 1999. A true and correct copy of the '912 Patent is attached hereto as Exhibit C.

10. On information and belief, effective December 31, 1999, CareWatch assumed all of Datawatch Inc.’s rights and obligations under an April 1, 1999 License Agreement between MCI Worldcom Network Services, Inc. and Datawatch, Inc. pertaining to the '183, '839 and '912 patents (“License Agreement”).

11. On June 30, 2005, Sandata became the owner by assignment of all right, title and interest in and to the '183, '839 and '912 patents and in any licenses previously granted under those patents, including without limitation the right to sue and to recover for

past and future infringements of the '183, '839 and '912 patents.

12. On September 1, 2005, Sandata's independent auditor requested permission from CareWatch to audit CareWatch's books and records pursuant to the terms of the License Agreement. CareWatch refused to permit the audit to proceed.

13. On September 20, 2005, pursuant to the terms of the License Agreement, Sandata gave CareWatch written notice of default under the License Agreement on account of CareWatch's refusal to permit the audit to proceed, and gave CareWatch thirty (30) days to cure this default. CareWatch failed timely to cure its breach by failing to allow the audit to proceed within the thirty (30) day period. On November 7, 2005, Sandata terminated the License Agreement including all of CareWatch's license rights under the '183, '839 and '912 patents.

14. On information and belief, since termination of the License Agreement, CareWatch has been and is, within this Judicial District and elsewhere, making, using, selling, and/or offering for sale or use the CareWatch System without license or authorization from Sandata.

Count One – Infringement of U.S. Patent 5,255,183

15. Sandata incorporates by reference herein the averments set forth in paragraphs 1-14, above.

16. CareWatch has infringed, and is continuing to infringe, one or more claims of the '183 patent by making, using, selling and/or offering for sale, the CareWatch System.

17. On information and belief, CareWatch's infringement of the '183 patent is and has been willful and deliberate.

18. Sandata has suffered damages by reason of CareWatch's infringement

of the '183 patent, and will suffer additional damages and will be irreparably injured unless this Court enjoins CareWatch from continuing such infringement.

Count Two – Infringement of U.S. Patent 5,646,839

19. Sandata incorporates by reference herein the averments set forth in paragraphs 1-14, above.

20. CareWatch has infringed, and is continuing to infringe, one or more claims of the '839 patent by making, using, selling and/or offering for sale the CareWatch System.

21. On information and belief, CareWatch's infringement of the '839 patent is and has been willful and deliberate.

22. Sandata has suffered damages by reason of CareWatch's infringement of the '839 patent, and will suffer additional damages and will be irreparably injured unless this Court enjoins CareWatch from continuing such infringement.

Count Three – Infringement of U.S. Patent 5,963,912

23. Sandata incorporates by reference herein the averments set forth in paragraphs 1-14, above.

24. CareWatch has infringed, and is continuing to infringe, one or more claims of the '912 patent by making, using, selling and/or offering for sale, the CareWatch System.

25. On information and belief, CareWatch's infringement of the '912 patent is and has been willful and deliberate.

26. Sandata has suffered damages by reason of CareWatch's infringement of the '912 patent, and will suffer additional damages and will be irreparably injured unless this Court enjoins CareWatch from continuing such infringement.

Prayer For Relief

WHEREFORE, Sandata requests a judgment:

A. That Sandata is the owner of all right, title and interest in and to United States Patents Nos. 5,255,183, 5,646,839, and 5,963,912, together with all rights of recovery under such patents for past and future infringements thereof;

B. That United States Patents Nos. 5,255,183, 5,646,839, and 5,963,912 are valid and enforceable in law and that CareWatch has infringed these patents;

C. Awarding to Sandata its damages caused by CareWatch's infringement of United States Patents Nos. 5,255,183, 5,646,839, and 5,963,912, including an assessment of pre-judgment and post-judgment interest and costs;

D. That CareWatch's infringement has been willful and said damages be trebled pursuant to 35 U.S.C. § 284;

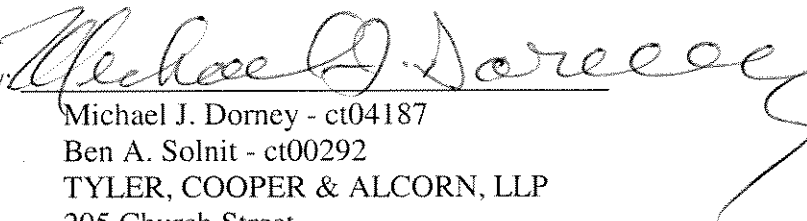
E. Entering a preliminary and permanent injunction against CareWatch, its officers, agents, servants, employees, attorneys, all parent and subsidiary corporations and affiliates, their assigns and successors in interest, and those persons in active concert or participation with any of them who receive notice of the injunction, enjoining them from continuing acts of infringement of United States Patents Nos. 5,255,183, 5,646,839, and 5,963,912, including without limitation from continuing to make, use, sell and/or offer for sale the CareWatch System;

F. That this is an exceptional case and awarding to Sandata its costs, expenses and reasonable attorneys' fees pursuant to 35 U.S.C. § 285; and

G. Awarding to Sandata such other and further relief as this Court may deem just and proper.

Dated: November 8, 2005

Respectfully submitted,

By: 

Michael J. Dorney - ct04187

Ben A. Solnit - ct00292

TYLER, COOPER & ALCORN, LLP

205 Church Street

P. O. Box 1936

New Haven, Connecticut 06509-0906

Telephone: (203) 784-8200

Facsimile: (203) 777-1181

mdorney@tylercooper.com

bsolnit@tylercooper.com

**Attorneys for Plaintiff Sandata Technologies,
Inc.**

OF COUNSEL:

Laurence S. Rogers (LR4393)

William J. McCabe (WM9567)

ROPES & GRAY LLP

1251 Avenue of the Americas

New York, New York 10020

Tel.: (212) 596-9000