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9 PAXONET COMMUNICATIONS, INC. and  
RAZA MICROELECTRONICS, INC.

E-filing

11 UNITED STATES DISTRICT COURT  
12 NORTHERN DISTRICT OF CALIFORNIA

WDB

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15 PAXONET COMMUNICATIONS, INC. and  
RAZA MICROELECTRONICS, INC.,

16 Plaintiffs,

17 v.

18 TRANSWITCH CORPORATION, and DOES 1  
19 to 10,

20 Defendants.

C 03 4204  
Case No.

COMPLAINT FOR PATENT  
INFRINGEMENT, DECLARATORY  
JUDGMENT AND INJUNCTIVE  
RELIEF

DEMAND FOR JURY TRIAL

CERTIFICATION OF INTERESTED  
ENTITIES, PURSUANT TO N.D.  
CAL. CIVIL LOCAL RULE 3-16

22  
23 PAXONET COMMUNICATIONS, INC. ("Paxonet") and RAZA  
24 MICROELECTRONICS, INC. ("Raza Microelectronics" and collectively with Paxonet,  
25 "Plaintiffs") file this Complaint for patent infringement against TRANSWITCH  
26 CORPORATION ("TranSwitch") and DOES 1 to 10, and allege as follows:  
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28

**THE PARTIES**

1  
2 1. Paxonet is a corporation organized and existing under the laws of the State  
3 of Delaware and maintaining its principal place of business at 4046 Clipper Court, Fremont,  
4 California 94538. Paxonet provides customer-specific silicon services to other systems or  
5 semi-conductor companies predominantly in the area of telecommunications and  
6 networking. Paxonet also markets its Viti product to a restrictive set of customers.

7 2. Raza Microelectronics is a corporation organized and existing under the laws  
8 of the State of Delaware and maintaining its principal place of business at 3080 North First  
9 Street, Suite 600, San Jose, California 95134. Raza Microelectronics is a developer of  
10 highly integrated next-generation microprocessor solutions. Paxonet is a contractor  
11 designer for Raza Microelectronics.

12 3. Plaintiffs are informed and believe and thereon allege that defendant  
13 TranSwitch is a corporation organized and existing under the laws of the State of Delaware  
14 and maintaining its principal place of business at 3 Enterprise Drive, Shelton, Connecticut  
15 06484. Plaintiffs are further informed and believe and thereon allege that TranSwitch  
16 maintains a Customer Technical Support Center in this judicial district in the city of San  
17 Jose, California.

18 4. Defendants DOES 1 to 10, inclusive, are sued herein under fictitious names.  
19 Their true names and capacities are unknown to Plaintiffs. When their true names and  
20 capacities are ascertained, Plaintiffs will amend this Complaint by inserting their true  
21 names and capacities herein. Plaintiffs are informed and believe and thereon allege that  
22 each of the fictitiously named defendants is responsible in some manner for the occurrences  
23 herein alleged, and that Plaintiffs' damages as herein alleged were proximately caused by  
24 those defendants.

25 5. Plaintiffs are informed and believe and thereon allege that at all times herein  
26 mentioned each of the defendants was the agent and/or employee of each of the remaining  
27 defendants, and in doing the things alleged below, was acting within the scope of such  
28 agency and/or employment.

1 **JURISDICTION AND VENUE**

2 6. This action arises under the Patent Laws of the United States, 35 U.S.C. § 1,  
3 et seq. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and  
4 1338(a).

5 7. Venue is proper in this Court and judicial District, pursuant to 28 U.S.C. §§  
6 1391 and 1400, based on the fact that the matters in controversy arise out of activities  
7 undertaken in this judicial district.

8 **INTRADISTRICT ASSIGNMENT**

9 8. As this action involves claims for patent infringement, pursuant to Civil  
10 Local Rule 3-2(c), it is in a category of cases that the Clerk of the Court is to assign to a  
11 Courthouse on a district-wide basis.

12 **FIRST CLAIM FOR RELIEF**

13 (Infringement of U.S. Patent No. 6,069,893)

14 9. Plaintiffs Paxonet and Raza Microelectronics incorporate by reference  
15 paragraphs 1 through 8 of this Complaint, as though fully stated herein.

16 10. Plaintiffs are co-owners of United States Patent No. 6,069,893, entitled  
17 “Asynchronous transfer mode switching architectures having connection buffers” (the  
18 “‘893 Patent”). The ‘893 Patent duly and legally issued on May 30, 2000. A true and  
19 correct copy of the ‘893 Patent is attached to this Complaint as Exhibit A.

20 11. Pursuant to 35 U.S.C. § 282, the ‘893 Patent is presumed valid.

21 12. TranSwitch has been and continues to infringe the ‘893 Patent, either  
22 directly, contributorily, and/or by inducement, in violation of 35 U.S.C. § 271, by  
23 performing proscribed activities, including making, using, selling, offering for sale, and/or  
24 importing infringing device(s) that are covered by the ‘893 Patent, including but not limited  
25 to its TranSwitch OMNI Transport Processor, to customers throughout the United States.

26 13. Plaintiffs are informed and believe and thereon allege that TranSwitch’s  
27 infringement of the ‘893 Patent has been and continues to be willful, wanton, deliberate,  
28 without license, and with full knowledge and awareness of Plaintiffs’ rights.



1           21.     On February 4, 2003, TranSwitch issued a press release announcing its filing  
2 of a lawsuit against Galazar Networks Incorporated (“Galazar”) for infringement of a  
3 “number” of TranSwitch’s patents that “cover the technology for systems on a chip that  
4 perform mapping, switching and cross connection of synchronous optical networks  
5 (SONET) and synchronous digital hierarchy (SDH) signals.” TranSwitch also stated in its  
6 February 4, 2003 press release that “[w]e aggressively enforce our patent portfolio to  
7 protect the interests of our customers and shareholders.” TranSwitch’s complaint against  
8 Galazar alleges infringement of the ‘405, ‘242, and ‘170 Patents. Raza Microelectronics is  
9 informed and believes and thereon alleges that this complaint was filed without providing  
10 advance notice to Galazar of its alleged infringement of TranSwitch’s patents. A true and  
11 correct copy of the February 4, 2003 press release issued by TranSwitch is attached to this  
12 Complaint as Exhibit E.

13           22.     In a letter dated February 11, 2003, to Chetan Sanghvi of Paxonet, counsel  
14 for TranSwitch asserted to Paxonet that its Viti-48 product and IP core products may be  
15 infringing one or more claims of the ‘405 Patent, the ‘242 Patent, and/or the ‘170 Patent. In  
16 its letter, counsel for TranSwitch stated that “TranSwitch is currently enforcing its  
17 intellectual property rights against others in your field” and referenced the Complaint for  
18 patent infringement TranSwitch filed against Galazar, a copy of which was enclosed with  
19 TranSwitch counsel’s February 11, 2003 letter. A true and correct copy of the February 11,  
20 2003 letter is attached to this Complaint as Exhibit F.

21           23.     In a letter dated February 19, 2003, counsel for Paxonet responded to  
22 TranSwitch counsel’s letter of February 11, 2003. A true and correct copy of the February  
23 19, 2003 letter is attached to this Complaint as Exhibit G.

24           24.     In a letter dated February 25, 2003, counsel for TranSwitch responded to  
25 Paxonet counsel’s letter of February 19, 2003 and indicated that if it did not receive  
26 confirmation by March 3, 2003 that Paxonet will provide the requested data sheets or a  
27 detailed substantive response, TranSwitch would “turn to other alternatives to resolve this  
28

1 matter expeditiously.” A true and correct copy of the February 25, 2003 letter is attached to  
2 this Complaint as Exhibit H.

3 25. In a letter dated March 6, 2003 counsel for Paxonet addressed the assertions  
4 of infringement of the ‘405, ‘242, and ‘170 Patents set forth in TranSwitch counsel’s letter  
5 of February 11, 2003. A true and correct copy of the March 6, 2003 letter is attached to this  
6 Complaint as Exhibit I.

7 26. Raza Microelectronics is informed and believes and thereon alleges that  
8 instead of responding to the analysis of Paxonet’s counsel in the March 6 letter, TranSwitch  
9 filed suit against Paxonet. On or about March 27, 2003, TranSwitch initiated Civil Action  
10 No. 03-10564 NG in the United States District Court for the District of Massachusetts  
11 against Paxonet. In its Complaint, TranSwitch alleged that Paxonet has infringed and  
12 continues to infringe both the ‘242 Patent and the ‘405 Patent.

13 27. TranSwitch did not file suit against Paxonet on the ‘170 Patent; however, it  
14 has not withdrawn the assertion in its February 11, 2003 letter that Paxonet may be  
15 infringing the ‘170 Patent.

16 28. On or about June 13, 2003, Paxonet initiated Civil Action No. C 03-02782  
17 CW in the United States District Court for the Northern District of California against  
18 TranSwitch seeking declaratory judgment that Paxonet has not infringed the ‘405 Patent,  
19 the ‘242 Patent, or the ‘170 Patent, seeking declaratory judgment that the ‘405 Patent, the  
20 ‘242 Patent, and the ‘170 Patent are each invalid, and requesting injunctive relief.

21 29. Raza Microelectronics’ TR3010, TR3020, and TR3040 products are chips  
22 that perform mapping, switching, and cross connection of synchronous optical networks  
23 (SONET) and/or synchronous digital hierarchy (SDH) signals.

24 30. Raza Microelectronics has confidentially shown its TR3010, TR3020, and/or  
25 TR3040 chip products to potential customers, including potential customers that currently  
26 purchase some of the TranSwitch SONET/SDH chip products. Certain networking  
27 products made by these potential customers will use a SONET/SDH chip product, such as  
28 the Raza Microelectronics’ TR3010, TR3020, and TR3040 products or TranSwitch’s

1 SONET/SDH chip products, but each such networking product will generally include only  
2 one type of such SONET/SDH chip product. Accordingly, Raza Microelectronics and  
3 TranSwitch are competitors in the field of technology for systems on a chip that perform  
4 mapping, switching and cross connection of synchronous optical networks (SONET) and  
5 synchronous digital hierarchy (SDH) signals.

6 31. Raza Microelectronics has a reasonable apprehension and belief that it will  
7 be sued by TranSwitch for alleged infringement of the '405 Patent, the '242 Patent, and the  
8 '170 Patent by its TR3010, TR3020, and/or TR3040 chip products. This reasonable  
9 apprehension and belief is based on, among other things, TranSwitch's public  
10 announcements regarding its aggressive enforcement of its patent portfolio covering the  
11 SONET/SDH field; its issuance of a press release announcing its filing of a lawsuit for  
12 patent infringement against Galazar; Raza Microelectronics' belief that Galazar first learned  
13 of TranSwitch's claims of infringement from TranSwitch's press release announcing the  
14 lawsuit; TranSwitch's assertions of infringement against Paxonet; its rapid filing of a  
15 lawsuit against Paxonet for patent infringement without responding to Paxonet's counsel's  
16 analysis of noninfringement of the TranSwitch patents; TranSwitch's allegations in its  
17 complaint against Paxonet for patent infringement that Paxonet is actively inducing  
18 infringement of the '405 and '242 Patents, Paxonet's position as a contractor designer for  
19 Raza Microelectronics; and Raza Microelectronics' competing with TranSwitch in the  
20 SONET/SDH field with its TR3010, TR3020, and TR3040 chip products. Thus, there is an  
21 actual controversy between Raza Microelectronics and TranSwitch regarding the scope and  
22 validity of the claims of the '405 Patent, the '242 Patent, and the '170 Patent, as well as  
23 whether any of Raza Microelectronics' products infringe any claims therein.

24 32. Raza Microelectronics has not infringed and is not presently infringing the  
25 '405 Patent, the '242 Patent, or the '170 Patent for reasons that include but are not limited  
26 to the following:

27 a. the products or methods used by Raza Microelectronics do not  
28 infringe the claims of the '405 Patent, the '242 Patent, or the '170 Patent;





- 1 f. Award Plaintiffs their costs, expenses, and disbursements in this
- 2 action, including reasonable attorneys' fees, pursuant to 35 U.S.C. §§
- 3 284 & 285, due to the exceptional circumstances presented by
- 4 TranSwitch's willful infringement of the '893 Patent;
- 5 g. Award Plaintiffs interest on the amount of damages found, including
- 6 pre-judgment and post-judgment interest, pursuant to 35 U.S.C. §
- 7 284; and
- 8 h. Award Plaintiffs such other and further relief as this Court may deem
- 9 just and proper.

10 On the Second Claim for Relief, Plaintiff Raza Microelectronics requests that this  
11 Court:

- 12 i. Enter a judgment declaring that United States Patent No. 4,967,405 is
- 13 invalid, in whole or in part;
- 14 j. Enter a judgment declaring that Raza Microelectronics has not
- 15 infringed United States Patent No. 4,967,405;
- 16 k. Enter a judgment declaring that Raza Microelectronics has not
- 17 contributed to nor induced the infringement of United States Patent
- 18 No. 4,967,405;
- 19 l. Enter a judgment declaring that United States Patent No. 4,998,242 is
- 20 invalid, in whole or in part;
- 21 m. Enter a judgment declaring that Raza Microelectronics has not
- 22 infringed United States Patent No. 4,998,242;
- 23 n. Enter a judgment declaring that Raza Microelectronics has not
- 24 contributed to nor induced the infringement of United States Patent
- 25 No. 4,998,242;
- 26 o. Enter a judgment declaring that United States Patent No. 5,040,170 is
- 27 invalid, in whole or in part;
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- p. Enter a judgment declaring that Raza Microelectronics has not infringed United States Patent No. 5,040,170;
- q. Enter a judgment declaring that Raza Microelectronics has not contributed to nor induced the infringement of United States Patent No. 5,040,170;
- r. Award Raza Microelectronics its costs of suit and reasonable attorneys' fees to the extent permitted by law; and
- s. Award Raza Microelectronics such other and further relief as this Court may deem just and proper.

Dated: September 15, 2003.

PILLSBURY WINTHROP LLP  
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NICOLE M. TOWNSEND

By   
Albert J. Boro, Jr.

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PAXONET COMMUNICATIONS, INC.  
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**DEMAND FOR JURY TRIAL**

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiffs Paxonet Communications, Inc. and Raza Microelectronics, Inc. hereby demand a trial by jury for all issues which are so triable.

Dated: September 15, 2003.

PILLSBURY WINTHROP LLP  
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NICOLE M. TOWNSEND

By Albert J. Boro, Jr.  
Albert J. Boro, Jr.

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PAXONET COMMUNICATIONS, INC.  
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**CERTIFICATION OF INTERESTED ENTITIES OR PERSONS**

**PURSUANT TO LOCAL RULE 3-16**

Pursuant to Civil L.R. 3-16, the undersigned certifies that the following listed persons, associations of persons, firms, partnerships, corporations (including parent corporations), or other entities (i) have a financial interest in the subject matter in controversy or in a party to the proceeding, or (ii) have non-financial interest in that subject matter or in a party that could be substantially affected by the outcome of this proceeding:

Chetan Sanghvi, and entities affiliated with Mr. Sanghvi; Atiq Raza, and entities affiliated with Mr. Raza; Bipin Shah; KK Nohria, and entities affiliated with Mr. Nohria; Alliance Select Investor Series, Technology Portfolio; the following investment funds affiliated with American Express Trust Company, a subsidiary of American Express Company: AXP Strategy Aggressive Fund, a series of AXP Strategy Series, Inc. and AXP Variable Portfolio - AXP Strategy Aggressive Fund, a series of AXP Strategy Series, Inc.; Yu Hao Lin; Bidyut Parruch; Rothchild Technology Partners, LP; Chidambaram Sambasivam; Dave Family Trust; Warburg Pincus, and entities affiliated with Warburg Pincus; Bruce Dunlieve; Henry Kressel; Beau Vrolyk; Matthew Tolomeo; and L. William Caraccio.

Dated: September 15, 2003.

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