IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

TELINIT TECHNOLOGIES, LLC	§	
Plaintiff,	§ § §	CIVIL ACTION NO. 2:12-cv-697
v.	§	JURY TRIAL DEMANDED
RINGCENTRAL INC.	\$ \$ 8	
Defendant.	§	

COMPLAINT FOR INFRINGEMENT OF PATENT

COMES NOW, Plaintiff Telinit Technologies, LLC ("Telinit"), through the undersigned attorneys, and respectfully alleges, states, and prays as follows:

NATURE OF THE ACTION

1. This is an action for patent infringement under the Patent Laws of the United States, Title 35 of the United States Code ("U.S.C.") to prevent and enjoin Defendant RingCentral Inc. (hereinafter "RingCentral" or "Defendant") from infringing and profiting, in an illegal and unauthorized manner and without authorization and/or consent from Telinit, from U.S. Patent No. 6,192,123 (the "123 patent", attached hereto as Exhibit "A") pursuant to 35 U.S.C. §271, and to recover damages, attorneys fees, and costs.

THE PARTIES

- 2. Plaintiff Telinit is a Texas corporation with its principal place of business at 2500 Dallas Parkway, Suite 260, Plano, Texas 75093-4871.
- 3. Upon information and belief, Defendant RingCentral is a California corporation with a principal place of business at 1450 Fashion Island Blvd, Suite 680, San Mateo, CA,

94404. Upon information and belief, RingCentral maintains a registered agent at Incorp. Services, Inc., 5716 Corsa Ave, Suite 110, Westlake Village, CA 91362.

JURISDICTION AND VENUE

- 4. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§1331 and 1338(a) because the action arises under the Patent Laws of the United States, 35 U.S.C. §§ 1 *et seq*.
- 5. This Court has personal jurisdiction over RingCentral by virtue of its systematic and continuous contacts with this jurisdiction, as alleged herein, as well as because of the injury to Telinit, and the cause of action Telinit has risen, as alleged herein.
- 6. Upon information and belief, RingCentral is subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute, due at least to its substantial business in this forum, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Texas and in this Judicial District.
- 7. Upon information and belief, RingCentral has conducted and does conduct business within the state of Texas, including the geographic region within the Eastern District of Texas, directly or through intermediaries, resellers or agents, or offers for sale, sells, advertises (including the use of interactive web pages with promotional material) products or services, or uses or induces others to use services or products in Texas that infringe the '123 Patent, knowingly induces others to infringe and/or contribute to infringement of the '123 Patent occurring within Texas and elsewhere.

- 8. In addition to RingCentral's continuously and systematically conducting business in Texas, the causes of action against RingCentral are connected (but not limited) to RingCentral's purposeful acts committed in the state of Texas, including the geographic region within the Eastern District of Texas, including RingCentral's making, using, offering for sale, or selling network-based products and services for initiating telephony communications systems which include features that fall within the scope of at least one claim of the '123 Patent.
 - 9. Venue lies in this judicial district pursuant to 28 U.S.C. §§1391 and 1400(b).

FACTUAL ALLEGATIONS

- 10. On February 20, 2001, the United States Patent and Trademark Office ("USPTO") duly and legally issued the '123 patent, entitled "Method and apparatus for initiating telephone calls using a data network" after a full and fair examination. A true and correct copy of the '123 patent is attached hereto as Exhibit "A". Telinit is presently the owner of the patent, having received all right, title and interest in and to the '123 patent from the previous assignee of record. Telinit possesses all rights of recovery under the '123 patent, including the exclusive right to recover for past infringement. The '123 patent is valid and enforceable.
- 11. The '123 patent contains two independent claims and six dependent claims. RingCentral uses methods that perform one or more steps of the claims, and also makes, uses and sells or offers for sale products that encompass one or more of the claims.
- 12. The invention claimed in the '123 patent includes a system and process for initiating a telephone call using a data network request, that request signaling a switch, and that switch triggering a means of monitoring and providing status updates to a user of the telephone system.

13. The above described network-based method and process of connecting and monitoring communication by telephony is often accomplished when a user of a computer encounters a web-based interface with a button that it can push in order to be connected with another person, such as another user of the service or a contact stored in a compatible computer application. Meanwhile, the status of their call is monitored for such things as quality and connectivity.

RINGCENTRAL'S PRODUCTS

- 14. RingCentral is a company offering VoIP products and solutions for businesses. RingCentral's products allow users to call contacts either by manually inputting a telephone number into a telephonic interface or accessing a contact's phone number from a database connected to a compatible computer application. These various cloud-based applications can be referred to as "RingCentral's Products".
- 15. The RingCentral Products are systems and components of devices for initiating telephone calls on a voice network in response to requests from a data network.
- 16. RingCentral products facilitate communication between devices such as cellular phones and computers.
- 17. When deployed with such devices, the RingCentral Products provide an interface that solicits generation of a network request to initiate telephone call connections based on a user telephone number that it then connects with stored telephone numbers. Call status is monitored by RingCentral Products and reported to users based on the status of such calls.
- 18. The cloud-based web applications infringing the '123 Patent include, but are not limited to, products called "RingCentral Office" and "RingCentral Professional" and provide RingCentral customers with access to functionality (for example, via a web-based API) that

RingCentral Customers use to provide cloud-based services to third parties (hereinafter "RingCentral Users").

- 19. RingCentral provides access to functionality to RingCentral Customers designed specifically to communicate with servers believed to be owned and/or controlled by RingCentral (hereinafter "RingCentral Servers").
- 20. The RingCentral Servers are accessible over a data network, and perform functions such as receiving data requests over the network enabling RingCentral Users and third parties to initiate telephony communications with each other. The requests include a user telephone number, such as telephone numbers identifying the RingCentral Users and/or third parties.
- 21. The RingCentral Servers also identify stored telephone numbers, such as by handling requests to initiate telephone calls with RingCentral Users at a pre-designated RingCentral User telephone number and/or with third parties.
- 22. The RingCentral Servers signal a switch to call a voice network, such as a PSTN, to other telephone devices identified by stored telephone numbers, such as by initiating telephone calls with a pre-designated RingCentral User telephone number and/or third parties.
- 23. The RingCentral Servers monitor call status and indications of status changes, including providing status indications to RingCentral Customers, RingCentral Users and/or third parties, for example, the call status is monitored and reported to the user with visual and audio signals.
- 24. The RingCentral Servers also include input components designed to receive data requests over the network enabling RingCentral Users and third parties to initiate telephony communications with each other. Those requests include a user telephone number, such as

telephone numbers identifying the RingCentral User and/or third party.

- 25. The RingCentral Servers include processing components designed to identify stored telephone numbers, such as by handling requests to initiate telephone calls with RingCentral Users at a pre-designated RingCentral User telephone number and/or with third parties.
- 26. The RingCentral Servers include a signaling component for signaling a switch to call a voice network, such as a PSTN, to other telephone devices identified by stored telephone numbers, such as by initiating telephone calls with a pre-designated RingCentral User telephone number and/or third parties.
- 27. The RingCentral Servers include monitoring and status components to monitor call status and provide indications of status changes, including providing status indications to Customers, Users and/or third parties.
- 28. RingCentral's Products use methods and processes for network-based communication initiation systems which include features that fall within the scope of at least one claim of the '123 Patent.

DIRECT INFRINGEMENT

- 29. Plaintiff realleges and incorporates by reference the allegations set forth in paragraphs 11-28.
- 30. Taken together, either partially or entirely, the features included in RingCentral's cloud-based web applications including, but are limited to, products called "RingCentral Office", and "RingCentral Professional" perform the process recited in one or more of Claims 1-4 of the '123 Patent.
 - 31. Taken together, either partially or entirely, the features included in RingCentral

cloud-based web applications including, but are limited to, products called "RingCentral Office", and "RingCentral Professional" use the system described in one or more of Claims 5-8 of the '123 Patent.

32. Upon information and belief RingCentral directly infringes one or more of claims 1-8 of the '123 Patent by making, using, selling, offering to sell and/or importing the process and the system for cloud-based services for initiating telephony communications in violation of 35 USC § 271(a).

INDUCING INFRINGEMENT

- 33. Plaintiff realleges and incorporates by reference the allegations set forth in paragraphs 11-32.
- 34. Furthermore, RingCentral has had knowledge of the '123 Patent since public records show that the '123 Patent has been cited as "Prior Art" by at least thirty-eight patents issued by the United States Patent and Trademark Office in the past eleven years.
- 35. Moreover, RingCentral has had knowledge of the '123 Patent and therefore of its infringement at least as of service of the present complaint.
- 36. RingCentral indirectly infringes one or more claims of the '123 Patent by actively inducing the infringement of their respective customers, users, subscribers and licensees who directly infringe by performing the patented process in violation of 35 USC § 271(b).
- 37. RingCentral indirectly infringes the apparatus claims of the '123 patent by actively inducing manufacturers to produce products that enable and implement RingCentral Products and their corresponding processes, in violation of 35 USC § 271(b).

CONTRIBUTORY INFRINGEMENT

- 38. Plaintiff realleges and incorporates by reference the allegations set forth in paragraphs 11-37.
- 39. Products sold by RingCentral for implementation of RingCentral Products are components of a patented device covered by one or more of claims 1-8 of the '123 Patent, constitute a material part of the invention and are not a staple article or commodity of commerce suitable for substantial non-infringing use.
- 40. RingCentral has known that devices that implement RingCentral Products are especially made or especially adapted for use in infringement of the '123 Patent at least as of service of the present complaint.
- 41. RingCentral contributes to the direct infringement by others, such as their customers and licensees, of one or more of Claims 1-8 of the '123 Patent in violation of 35 USC § 271(c).

DEMAND FOR JURY TRIAL

42. Telinit demands a trial by jury of any and all causes of action.

PRAYER FOR RELIEF

WHEREFORE, Telinit prays for the following relief:

- 1. That Defendant be adjudged to have infringed the '123 Patent, directly and/or indirectly, by way of inducement and/or contributory infringement, literally and/or under the doctrine of equivalents;
- 2. That Defendant, its officers, directors, agents, servants, employees, attorneys, affiliates, divisions, branches, parents, and those persons in active concert or participation with

any of them, be preliminarily and permanently restrained and enjoined from directly and/or

indirectly infringing the '123 Patent;

3. An award of damages pursuant to 35 U.S.C. §284 sufficient to compensate Telinit

for the Defendant's past infringement and any continuing or future infringement up until the date

that Defendant is finally and permanently enjoined from further infringement, including

compensatory damages;

4. An assessment of pre-judgment and post-judgment interest and costs against

Defendant, together with an award of such interest and costs, in accordance with 35 U.S.C. §284;

5. That Defendant be directed to pay enhanced damages, including Telinit's

attorneys' fees incurred in connection with this lawsuit pursuant to 35 U.S.C. §285; and

6. That Telinit have such other and further relief as this Court may deem just and

proper.

Dated: October 29, 2012

Respectfully Submitted,

By: /s/ William E. Davis, III

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9

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