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

CASSIDIAN COMMUNICATIONS, INC., PLAINTIFF, V. MICRODATA GIS, INC., MICRODATA, LLC, AND TELECOMMUNICATION SYSTEMS, INC., BEFENDANTS.

CIVIL ACTION NO. 2:12-CV-162-JRG

JURY TRIAL DEMANDED

SECOND AMENDED COMPLAINT FOR PATENT INFRINGEMENT

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Plaintiff Cassidian Communications, Inc., pursuant to the Court's November 5, 2012 First Amended Docket Control Order (Doc. 42), hereby respectfully submits its Second Amended Complaint for Patent Infringement against microDATA GIS, Inc., microDATA, LLC, and TeleCommunication Systems, Inc. and alleges:

PARTIES

1. Plaintiff Cassidian Communications, Inc. ("Cassidian") is a California corporation with its principal place of business at 42505 Rio Nedo in Temecula, California 92590.

2. Defendant microDATA GIS, Inc. ("microDATA") is a Vermont corporation with a place of business at 1016 U.S. Route 5, St. Johnsbury, Vermont 05819.

3. Defendant Telecommunication Systems, Inc. ("TCS") is a Maryland corporation with its principal office at 275 West Street, Suite 400, Annapolis, Maryland 21401. TCS is registered to do business in the State of Texas and maintains a registered agent at 211 E. 7th Street, Suite 620, Austin, TX 78701.

4. Defendant microDATA, LLC is a Maryland limited liability company with its principal office at 275 West Street, Suite 400, Annapolis, Maryland 21401.

5. On July 6, 2012, TCS, through microDATA, LLC, acquired all of the issued and outstanding capital stock of microDATA GIS, Inc., and microDATA became as a wholly-owned subsidiary of TCS. microDATA GIS, Inc., microDATA, LLC, and TCS are referred to collectively as "Defendants."

JURISDICTION AND VENUE

This is an action arising under the patent laws of the United States, Title 35,
United States Code, § 100 et seq. Accordingly, this Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

7. Defendants have admitted that they are subject to personal jurisdiction in this State. Defendants have established minimum contacts with the State of Texas, including in this judicial district, have regularly conducted and continue to regularly conduct business in the State of Texas, and have purposefully availed themselves of the privilege of conducting business activities within the State of Texas. Defendants' activities include, upon information and belief, the use, offer for sale, and/or sale in the State of Texas of emergency communications systems that infringe one or more claims of a United States patent owned by Cassidian, causing injury to Cassidian in Texas and this judicial district. Therefore, the exercise of jurisdiction over each of the Defendants is appropriate under applicable jurisdictional statutes and would not offend traditional notions of fair play and substantial justice.

8. Venue is proper in the Eastern District of Texas pursuant to 28 U.S.C. §§ 1391(b), 1391(c) and 1400(b) because, *inter alia*, the Defendants are subject to personal jurisdiction in this judicial district.

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FACTS

9. Cassidian is the sole and exclusive owner of all rights, title and interest in and to United States Patent No. 6,744,858 titled *System and Method for Supporting Multiple Call Centers*, which the United States Patent and Trademark Office ("USPTO") duly and legally issued on June 1, 2004.

10. A true and correct copy of United States Patent No. 6,744,858 is attached to Docket Nos. 1 and 36 as Exhibit A.

11. The USPTO re-examined United States Patent No. 6,744,858 and, on December 2, 2008, issued its Reexamination Certificate (the "Reexamination Certificate" and, together with United States Patent No. 6,744,858, the "858 Patent").

12. True and correct copies of the USPTO's Reexamination Certificate and its assignment of record for the '858 Patent are attached to Docket Nos. 1 and 36 as Exhibit B and Exhibit C, respectively.

13. On November 24, 2010, Cassidian provided microDATA with written notice of the '858 Patent. Upon information and belief, microDATA had actual knowledge of the '858 Patent before that date.

14. Upon information and belief, TCS had actual knowledge of the '858 Patent on or before November 9, 2011.

15. Since at least 2009, microDATA and AT&T have worked together to make microDATA's products available for AT&T's Emergency Services Internet Protocol Networks ("ESInet") projects. The microDATA products made available include its infringing X-Solution[™] products and services (collectively, "X-Solution[™]).

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16. In 2010, the Texas Commission on State Emergency Communications ("CSEC") issued a Request for Proposal ("RFP") to acquire and implement a state-level ESInet in Texas ("Texas ESInet"). microDATA offered the X-Solution[™] for use in the Texas ESInet in response to the RFP.

17. Upon information and belief, in 2011, when the Texas CSEC awarded a contract to AT&T to implement the Texas ESInet, microDATA sold the XSolution[™] products and services for use with the Texas ESInet to interconnect Public Safety Answering Points ("PSAPs"). Upon information and belief, participating PSAPs include those in counties located within the Eastern District of Texas. The Texas ESInet is also intended to serve as an ingress and egress point for emergency calls placed in Texas, including for emergency calls placed from within the Eastern District of Texas.

18. microDATA has used and offered for sale its infringing products and services elsewhere in Texas. In May 2009, microDATA demonstrated its infringing products and services at an Industry Collaboration Event ("ICE") held in College Station, Texas. In June 2009, microDATA demonstrated its infringing products and services at the National Emergency Number Association Conference and Trade Show in Fort Worth, Texas. In May 2010, microDATA demonstrated its infringing products and services at an ICE held at the AT&T Center for Learning in Irving, Texas. In April 2011, microDATA offered its infringing products and services for sale to the Central Texas Council of Governments and the Bell County Communications Center by responding to an RFP seeking Next Generation 9-1-1 ("NG-9-1-1") equipment, and included pricing information for microDATA's product and service offerings.

19. microDATA also employs a Regional Account Manager assigned to cover the State of Texas for serving microDATA's customers and partners in Texas.

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20. On or around December 13, 2011, the North Central Council of Governments ("NCTCOG") in Texas awarded TCS a three-year contract to supply NG-9-1-1 products and services (collectively, "TCS's NG-9-1-1 System"). NCTCOG serves a 16-county region of North Central Texas, including Collin and Denton counties located within the Eastern District of Texas.

21. TCS has used and offered for sale its infringing products and services elsewhere in Texas. In May 2010, for example, TCS demonstrated its infringing products and services at an ICE held at the AT&T Center for Learning in Irving, Texas.

<u>COUNT I</u> (Infringement of the '858 Patent)

22. Cassidian incorporates by reference the allegations of paragraphs 1-24 as if fully set forth herein.

23. In violation of 35 U.S.C. § 271(a), Defendants are and have been – for example and without limitation to proof of other infringing acts – directly infringing by making, using, selling, and/or offering to sell in the United States, without authority, products and services that practice the inventions claimed in the '858 Patent, including without limitation microDATA's XSolution[™] and TCS's NG-9-1-1 System. Defendants are infringing claims of the '858 Patent literally and/or pursuant to the doctrine of equivalents.

24. To the extent that Defendants partner with other companies to implement NG-9-1-1 systems and services, upon information and belief, Defendants exert sufficient control and direction over any subcontractors such that infringement of one or more claims of the '858 Patent can be attributed to Defendants.

25. microDATA has had actual knowledge of the '858 Patent since at least November 24, 2010 (if not before).

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26. TCS has had actual knowledge of the '858 Patent since at least November 9, 2011 (if not before).

27. In violation of 35 U.S.C. § 271(b), Defendants are and have been – for example and without limitation to proof of other infringing acts – inducing the infringement of the '858 Patent by, knowingly and with intent, actively inducing customers to use Defendants' infringing products and services in a manner that constitutes direct infringement of one or more claims of the '858 Patent.

28. In violation of 35 U.S.C. § 271(c), Defendants are and have been – for example and without limitation to proof of other infringing acts – contributing to the infringement of the '858 Patent by, knowingly and with intent, actively encouraging customers to use Defendants' infringing products and services in a manner that constitutes direct infringement of one or more claims of the '858 Patent.

29. Defendants sell or offer to sell NG-9-1-1 products and services for use in practicing the inventions claimed in the '858 Patent, which products and services are material to practicing those inventions; Defendants' NG-9-1-1 products and services are especially made or especially adapted for use in the infringement of the '858 Patent; and Defendants' NG-9-1-1 products and services have no substantial non-infringing uses.

30. Defendants lack any justifiable belief that there is no infringement or that the infringed claims are invalid. Defendants have therefore continued their actions despite an objectively high likelihood that their actions constitute infringement of a valid patent, making Defendants' infringement of the '858 Patent willful. As a result, this is an exceptional case pursuant to 35 U.S.C. § 285, and Cassidian is entitled to an award of exemplary damages, attorneys' fees, and costs in bringing this action.

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31. Defendants intend to continue their unlawful infringing activity related to the '858 Patent.

32. Defendants' acts of infringement have caused damage to Cassidian, and Cassidian is entitled to recover from Defendants the damages sustained by Cassidian as a result of Defendants' wrongful acts in an amount subject to proof at trial.

DAMAGES

33. Defendants' acts of infringement are and were committed intentionally, knowingly, and with callous disregard of Cassidian's legitimate rights. Cassidian is therefore entitled to and now seeks to recover exemplary damages in an amount not less than the maximum amount permitted by law.

34. As a result of Defendants' acts of infringement, Cassidian has suffered actual and consequential damages; however, Cassidian does not yet know the full extent of the infringement and its extent cannot be ascertained except through discovery and special accounting. To the fullest extent permitted by law, Cassidian seeks recovery of damages at least for lost profits, reasonable royalties, unjust enrichment, and benefits received by the Defendants as a result of using the misappropriated technology. Cassidian further seeks any other damages to which Cassidian would be entitled in law or in equity.

ATTORNEYS' FEES

35. Cassidian is entitled to recover reasonable and necessary attorneys' fees under applicable law.

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PRAYER FOR RELIEF

Plaintiff Cassidian respectfully requests that this Honorable Court enter preliminary and final orders and judgments against the Defendants as are necessary to provide Cassidian with the following relief:

- a. A judgment that Defendants infringe one or more claims of the '858 Patent;
- b. Actual damages;
- c. Exemplary treble damages as allowed by law;
- d. An injunction;
- e. Attorneys' fees;
- f. Pre-judgment and post-judgment interest as allowed by law;
- g. Costs of suit; and
- h. Such other and further relief in law or in equity to which Cassidian may show itself justly entitled.

DEMAND FOR JURY TRIAL

Cassidian respectfully demands a trial by jury as to all matters so triable pursuant to Rule 38 of the Federal Rules of Civil Procedure.

Dated: March 13, 2013

Respectfully submitted,

<u>/s/ Denise M. De Mory</u>

Henry C. Bunsow California State Bar No. 60707 Denise M. De Mory California State Bar No. 168076 Matthew F. Greinert California State Bar No. 239492 BUNSOW, DE MORY, SMITH & ALLISON LLP 55 Francisco Street, 6th Floor San Francisco, CA 94133

Telephone: (415) 426-4747 Facsimile: (415) 426-4744 Email: hbunsow@bdiplaw.com Email: ddemory@bdiplaw.com Email: mgreinert@bdiplaw.com

Elizabeth L. DeRieux State Bar No. 05770585 S. Calvin Capshaw State Bar No. 03783900 D. Jeffrey Rambin State Bar No. 00791478 CAPSHAW DERIEUX, LLP 114 E. Commerce Avenue Gladewater, Texas 75647 Telephone: 903-236-9800 Facsimile: 903-236-9800 Facsimile: 903-236-8787 Email: ederieux@capshawlaw.com Email: ccapshaw@capshawlaw.com

Attorneys for Plaintiff CASSIDIAN COMMUNICATIONS, INC.

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing **SECOND AMENDED COMPLAINT FOR PATENT INFRINGEMENT** was filed electronically in compliance with Local Rule CV-5(a). Therefore, this document was served on all counsel who are deemed to have consented to electronic service. Local Rule CV-5(a)(3)(A). Pursuant to Fed.R.Civ.P. 5(d) and Local Rule CV-5(e), all other counsel of record not deemed to have consented to electronic service were served with a true and correct copy of this document via email, facsimile and/or U.S. Mail.

/s/ Denise M. De Mory

Denise M. De Mory