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FINJAN, INC.

10 **IN THE UNITED STATES DISTRICT COURT**
11 **FOR THE NORTHERN DISTRICT OF CALIFORNIA**

13 FINJAN, INC., a Delaware Corporation,

14 Plaintiff,

15 v.

16 QUALYS INC., a Delaware Corporation,

17 Defendant.

Case No.:

**COMPLAINT FOR PATENT
INFRINGEMENT**

DEMAND FOR JURY TRIAL

1 **COMPLAINT FOR PATENT INFRINGEMENT**

2 Plaintiff Finjan, Inc. (“Finjan”) files this Complaint for Patent Infringement and Demand for
3 Jury Trial against Qualys Inc. (“Defendant” or “Qualys”) and alleges as follows:

4 **THE PARTIES**

5 1. Finjan is a Delaware Corporation with its principal place of business at 2000 University
6 Avenue, Suite 600, E. Palo Alto, California 94303.

7 2. Upon information and belief, Qualys Inc. is a Delaware Corporation with its principle
8 place of business at 919 E. Hillsdale Boulevard, 4th Floor, Foster City, California 94404.

9 **JURISDICTION AND VENUE**

10 3. This action arises under the Patent Act, 35 U.S.C. § 101 *et seq.* This Court has original
11 jurisdiction over this controversy pursuant to 28 U.S.C. §§ 1331 and 1338.

12 4. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b) and (c) and/or 1400(b).

13 5. This Court has personal jurisdiction over Defendant. Defendant regularly and
14 continuously does business in this District and has infringed or induced infringement, and continues to
15 do so, in this District. Upon information and belief, Defendant maintains an office within this District
16 in Foster City, California. Upon information and belief, Defendant’s office in Foster City is a regular
17 and established place of business and its principal place of business. In addition, the Court has
18 personal jurisdiction over Defendant because minimum contacts have been established with the forum
19 and the exercise of jurisdiction would not offend traditional notions of fair play and substantial justice.

20 **INTRADISTRICT ASSIGNMENT**

21 6. Pursuant to Local Rule 3-2(c), Intellectual Property Actions are assigned on a district-
22 wide basis.

23 **FINJAN’S INNOVATIONS**

24 7. Finjan was founded in 1997 as a wholly-owned subsidiary of Finjan Software Ltd., an
25 Israeli corporation. In 1998, Finjan moved its headquarters to San Jose, California. Finjan was a
26 pioneer in developing proactive security technologies capable of detecting previously unknown and
27 emerging online security threats, recognized today under the umbrella term “malware.” These
28

1 technologies protect networks and endpoints by identifying suspicious patterns and behaviors of
2 content delivered over the Internet. The United States Patent and Trademark Office (“USPTO”)
3 awarded to Finjan, and Finjan continues to prosecute, numerous patents covering innovations in the
4 United States and around the world resulting directly from Finjan’s more than decades-long research
5 and development efforts, supported by a dozen inventors and over \$65 million in R&D investments.

6 8. Finjan built and sold software, including application program interfaces (APIs) and
7 appliances for network security, using these patented technologies. These products and related
8 customers continue to be supported by Finjan’s licensing partners. At its height, Finjan employed
9 nearly 150 employees around the world building and selling security products and operating the
10 Malicious Code Research Center, through which it frequently published research regarding network
11 security and current threats on the Internet. Finjan’s pioneering approach to online security drew
12 equity investments from two major software and technology companies, the first in 2005 followed by
13 the second in 2006. Finjan generated millions of dollars in product sales and related services and
14 support revenues through 2009, when it spun off certain hardware and technology assets in a merger.
15 Pursuant to this merger, Finjan was bound to a non-compete and confidentiality agreement, under
16 which it could not make or sell a competing product or disclose the existence of the non-compete
17 clause. Finjan became a publicly traded company in June 2013, capitalized with \$30 million. After
18 Finjan’s obligations under the non-compete and confidentiality agreement expired in March 2015,
19 Finjan re-entered the development and production sector of secure mobile products for the consumer
20 market.

21 **FINJAN’S ASSERTED PATENTS**

22 9. On November 28, 2000, the USPTO issued to Shlomo Touboul and Nachshon Gal U.S.
23 Patent No. 6,154,844 (“the ‘844 Patent”), titled “SYSTEM AND METHOD FOR ATTACHING A
24 DOWNLOADABLE SECURITY PROFILE TO A DOWNLOADABLE.” A true and correct copy of
25 the ‘844 Patent is attached to this Complaint as Exhibit 1 and is incorporated by reference herein.

26 10. All rights, title, and interest in the ‘844 Patent have been assigned to Finjan, who is the
27 sole owner of the ‘844 Patent. Finjan has been the sole owner of the ‘844 Patent since its issuance.
28

1 11. The '844 Patent is generally directed towards computer networks, and more
2 particularly, provides a system that protects devices connected to the Internet from undesirable
3 operations from web-based content. One of the ways this is accomplished is by linking a security
4 profile to such web-based content to facilitate the protection of computers and networks from
5 malicious web-based content. The '844 Patent discloses and specifically claims inventive concepts
6 that represent significant improvements over conventional network security technology that was
7 available at the time of filing of the '844 Patent and are more than just generic software components
8 performing conventional activities.

9 12. On March 18, 2014, the USPTO issued to Yigal Mordechai Edery, Nimrod Itzhak
10 Vered, David R. Kroll, and Shlomo Touboul U.S. Patent No. 8,677,494 ("the '494 Patent"), titled
11 "MALICIOUS MOBILE CODE RUNTIME MONITORING SYSTEM AND METHODS." A true
12 and correct copy of the '494 Patent is attached to this Complaint as Exhibit 2 and is incorporated by
13 reference herein.

14 13. All rights, title, and interest in the '494 Patent have been assigned to Finjan, who is the
15 sole owner of the '494 Patent. Finjan has been the sole owner of the '494 Patent since its issuance.

16 14. The '494 Patent is generally directed towards a method and system for deriving security
17 profiles and storing the security profiles. One of the ways this is accomplished is by deriving a
18 security profile for a downloadable, which includes a list of suspicious computer operations, and
19 storing the security profile in a database. The '494 Patent discloses and specifically claims inventive
20 concepts that represent significant improvements over conventional network security technology that
21 was available at the time of filing of the '494 Patent and are more than just generic software
22 components performing conventional activities.

23 15. On July 5, 2011, the USPTO issued to Moshe Rubin, Moshe Matitya, Artem Melnick,
24 Shlomo Touboul, Alexander Yermakov and Amit Shaked U.S. Patent No. 7,975,305 ("the '305
25 Patent"), titled "METHOD AND SYSTEM FOR ADAPTIVE RULE-BASED CONTENT
26 SCANNERS FOR DESKTOP COMPUTERS." A true and correct copy of the '305 Patent is attached
27 to this Complaint as Exhibit 3 and is incorporated by reference herein.

1 16. All rights, title, and interest in the ‘305 Patent have been assigned to Finjan, who is the
2 sole owner of the ‘305 Patent. Finjan has been the sole owner of the ‘305 Patent since its issuance.

3 17. The ‘305 Patent is generally directed towards network security and, in particular, rule
4 based scanning of web-based content for exploits. One of the ways this is accomplished is by using
5 parser and analyzer rules to describe computer exploits as patterns of types of tokens. Additionally,
6 the system provides a way to keep these rules updated. The ‘305 Patent discloses and specifically
7 claims inventive concepts that represent significant improvements over conventional network security
8 technology that was available at the time of filing of the ‘305 Patent and are more than just generic
9 software components performing conventional activities.

10 18. On July 17, 2012, the USPTO issued to Moshe Rubin, Moshe Matitya, Artem Melnick,
11 Shlomo Touboul, Alexander Yermakov and Amit Shaked U.S. Patent No. 8,225,408 (“the ‘408
12 Patent”), titled “METHOD AND SYSTEM FOR ADAPTIVE RULE-BASED CONTENT
13 SCANNERS.” A true and correct copy of the ‘408 Patent is attached to this Complaint as Exhibit 4
14 and is incorporated by reference herein.

15 19. All rights, title, and interest in the ‘408 Patent have been assigned to Finjan, who is the
16 sole owner of the ‘408 Patent. Finjan has been the sole owner of the ‘408 Patent since its issuance.

17 20. The ‘408 Patent is generally directed towards network security and, in particular, rule
18 based scanning of web-based content for a variety of exploits written in different programming
19 languages. One of the ways this is accomplished is by expressing the exploits as patterns of tokens.
20 Additionally, the disclosed system provides a way to analyze these exploits by using a parse tree. The
21 ‘408 Patent discloses and specifically claims inventive concepts that represent significant
22 improvements over conventional network security technology that was available at the time of filing of
23 the ‘408 Patent and are more than just generic software components performing conventional
24 activities.

25 21. On November 15, 2005, the USPTO issued to Shlomo Touboul U.S. Patent No.
26 6,965,968 (“the ‘968 Patent”), titled “POLICY-BASED CACHING.” A true and correct copy of the
27 ‘968 Patent is attached to this Complaint as Exhibit 5 and is incorporated by reference herein.

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