

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

NETWORK-1 TECHNOLOGIES, INC., a
Delaware corporation,

Plaintiff,

vs.

FORTINET, INC., a Delaware corporation,

Defendant.

C.A. No. 22-cv-1319-MN

JURY TRIAL DEMANDED

AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Network-1 Technologies, Inc. (“Network-1”) sues Defendant Fortinet, Inc. (“Fortinet”) and, on information and belief, alleges as follows:

INTRODUCTION

1. Plaintiff Network-1 owns the invention described and claimed in United States Patent No. 6,218,930 entitled “Apparatus and method for remotely powering access equipment over a 10/100 switched ethernet network” (the “‘930 Patent”).

2. Defendant, without Plaintiff’s permission,

(a) used Plaintiff’s patented technology in connection with products that it made, used, sold, and offered to sell which distributed or used power transferred through Ethernet cables (“Power over Ethernet” or “PoE”), including Power Sourcing Equipment (“PSEs”) and Powered Devices (“PDs”) that are compliant with the IEEE 802.3af and 802.3at standards, and

- (b) contributed to or induced others, including Defendant's customers who purchase Power over Ethernet products from Defendant, to infringe the method claims of the '930 Patent.

Plaintiff Network-1 seeks damages for patent infringements of the method claims of the '930 Patent.

THE PARTIES

3. Plaintiff Network-1 Technologies, Inc. is a Delaware corporation, with its principal place of business in New Canaan, Connecticut.

4. Upon information and belief, Fortinet, Inc. is a Delaware corporation, with its principal place of business in Sunnyvale, California.

JURISDICTION AND VENUE

5. This is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. §§ 271 and 281, *et seq.*

6. The Court has original jurisdiction over this patent infringement action under 28 U.S.C. §§ 1331 and 1338(a).

7. Venue is proper in this District under 28 U.S.C. §§ 1391(b) and (c), and 1400(b) because Defendant is incorporated under the laws of the State of Delaware, Defendant does business in Delaware, Defendant is responsible for acts of infringement in Delaware in this District, and Defendant delivered or caused to be delivered products that infringed in this District.

THE '930 PATENT

8. The United States Patent and Trademark Office issued the '930 Patent on April 17, 2001. A copy of the '930 Patent is attached as Exhibit 1.

9. Through assignment, Plaintiff Network-1 is the owner of all right, title, and interest in the '930 Patent, including all rights for damages for past infringements.

10. The validity of the '930 Patent has been confirmed in multiple proceedings in multiple forums.

11. Five parties accused of infringing the '930 Patent (all of them have since licensed the '930 Patent) filed five *Inter Partes* Reviews and one Covered Business Method Review challenging the validity of the '930 Patent. The Patent Trial and Appeal Board issued a final written decision, holding that none of the challenged claims of the '930 Patent were unpatentable. The Federal Circuit affirmed the PTAB's final written decision holding that none of the challenged claims of the '930 Patent were unpatentable. *Avaya Inc. v. Network-1 Techs., Inc.*, 612 F. App'x 613, 614 (Fed. Cir. 2015).

12. The '930 Patent was also reexamined twice before the Patent Office.

13. In the first reexamination, the Patent Office issued a reexamination certification confirming the patentability of all challenged claims and adding fourteen new claims. Exhibit 2.

14. In the second reexamination, the Patent Office issued a reexamination certificate confirming the patentability of all challenged claims. Exhibit 3.

15. The '930 Patent has been extensively licensed. Prior to the expiration of the '930 Patent, twenty-eight companies that made, used, and sold PoE products that comply with the IEEE 802.3af and 802.3at standards have licensed the '930 Patent. Licensees of the '930 Patent include Cisco Systems, Inc., Alcatel-Lucent USA, Sony Corporation, ShoreTel Inc., Microsemi Corporation, Motorola Solutions, Inc., NEC Corporation, Samsung Electronics Co., Ltd., and other companies that made or sold PoE networking products. Network-1 licensed its '930 Patent both in the context of litigation and outside of litigation.

16. To date, licensees have paid Network-1 more than \$187,000,000 to license the ‘930 Patent.¹

17. Although not required under any RAND or FRAND obligation, Network-1 has been, and continues to be, willing to license its ‘930 Patent on reasonable and non-discriminatory terms.

18. The claims of the ‘930 Patent are directed to patent-eligible subject matter. Generally speaking, the ‘930 Patent claims an electronic detection circuit that (a) determines whether a remote access device connected to an Ethernet data cable (e.g., a VoIP telephone) is capable of accepting power over the Ethernet cable (“remote power”), and (b) delivers operating power to remote devices that can accept remote power.

19. The ‘930 Patent addresses the problem of detecting whether a device attached to an Ethernet data cable can accept remote power before delivering remote power that might otherwise damage equipment that is not designed to receive remote power.

20. Determining whether a remote device in an Ethernet environment can accept remote power is a central aspect of the invention claimed in the ‘930 Patent because the devices that connect to Ethernet cables include both devices that can accept remote power (such as a VoIP phone) and devices that cannot (such as a computer).

21. As set forth in the claims of the ‘930 Patent, the claimed invention makes these determinations using a “low level current”—a current delivered from the “data node” (e.g., an Ethernet switch or hub) to the access device (e.g., a VoIP phone) over the “data signaling pair” that is insufficient to operate the access device. The delivered “low level current” generates a

¹ See <https://ir.network-1.com/press-releases/detail/208/> (“Network-1’s Remote Power Patent generated licensing revenue in excess of \$187,000,000.”)

voltage level on the return path that identifies the electronic characteristics of the attached remote access device. The resulting voltage level can be sensed by the internal circuitry of the data node. If the sensing based on the “low level current” reveals that the access device can accept remote power, then the detection circuit controls the power by providing remote operating power over the data signaling pairs (the Ethernet cable) to the access device (the VoIP phone).

22. The Federal Circuit described the ‘930 Patent as follows:

The ‘930 patent is titled “Apparatus and Method for Remotely Powering Access Equipment over a 10/100 Switched Ethernet Network.” It discloses an apparatus and methods for allowing electronic devices to automatically determine if remote equipment is capable of accepting remote power over Ethernet. *See* ‘930 patent col. 1 ll. 13-17. According to the patented method, a “low level current” is delivered over a data signaling pair to an access device (also called remote equipment or remote access equipment). *Id.* at col. 2 ll. 8-10. After the low level current is sent, a network switch senses the resulting “voltage level” on the data signaling pair. *Id.* at col. 1 l. 65-col. 2 l. 14. If the device can accept remote power, the sensed voltage level will match a “preselected condition” of the voltage, such as a particular “varying voltage” level. *Id.* at col. 2 ll. 10-14, col. 3 ll. 2-17. Upon detecting the preselected condition, the network switch will increase the current from the low level to a higher level sufficient to allow the “remote equipment [to] become[] active.” *Id.* at col. 3 ll. 17-22. If the preselected condition of the voltage is not detected, the network switch will determine that the device cannot accept remote power and will not transmit a higher current. *Id.* at col. 3 ll. 3-11.

Network-1 Techs. v. Hewlett-Packard Co., 976 F.3d 1301, 1305 (Fed. Cir. 2020).

23. The claims of the ‘930 Patent fall into patent-eligible categories authorized by Section 101. Moreover, the claims of the ‘930 Patent are not directed to any patent-ineligible exception.

**INDUSTRY KNOWLEDGE THAT THE ‘930 PATENT COVERS THE
802.3af AND 802.3at POWER OVER ETHERNET STANDARDS**

24. When the IEEE 803.af Power over Ethernet standard was developed, the ‘930 Patent was identified as a patent that covers the IEEE 802.3af standard.

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