

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION**

**VIRNETX INC. and
SCIENCE APPLICATIONS
INTERNATIONAL CORPORATION**

PLAINTIFFS,

vs.

APPLE INC.

DEFENDANT.

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Civil Action No. 6:12-cv-855

JURY TRIAL DEMANDED

**PLAINTIFF VIRNETX INC.’S AND PLAINTIFF SCIENCE APPLICATIONS
INTERNATIONAL CORPORATION’S ORIGINAL COMPLAINT**

Plaintiff VirnetX Inc. (“VirnetX”) and Plaintiff Science Applications International Corporation (“SAIC”) file this Original Complaint against Defendant Apple Inc. for patent infringement under 35 U.S.C. § 271 and in support thereof would respectfully show the Court the following:

THE PARTIES

1. Plaintiff VirnetX is a corporation organized and existing under the laws of the State of Delaware, and maintains its principal place of business at 308 Dorla Ct., Zephyr Cove, NV 89448.

2. Science Applications International Corporation (“SAIC”) is a corporation formed under the laws of the state of Delaware with a principal place of business at 1710 SAIC Drive, Mclean, Virginia 22102.

JURISDICTION AND VENUE

3. This is an action for patent infringement arising under the patent laws of the United States, Title 35, United States Code. This Court has exclusive subject matter jurisdiction over this case for patent infringement under 28 U.S.C. § 1338.

4. Venue is proper in the Eastern District of Texas under 28 U.S.C. §§ 1391 and 1400(b).

5. This Court has personal jurisdiction over Defendant Apple. Apple has conducted and does conduct business within the State of Texas. Apple, directly or through subsidiaries or intermediaries (including distributors, retailers, and others), ships, distributes, offers for sale, sells, and advertises (including the provision of an interactive web page) its products and/or services in the United States, the State of Texas, and the Eastern District of Texas. Apple, directly and through subsidiaries or intermediaries (including distributors, retailers, and others), has purposefully and voluntarily placed one or more of its infringing products and/or services, as described below, into the stream of commerce with the expectation that they will be purchased and used by consumers in the Eastern District of Texas. These infringing products and/or services have been and continue to be purchased and used by consumers in the Eastern District of Texas. Apple has committed acts of patent infringement within the State of Texas and, more particularly, within the Eastern District of Texas.

ASSERTED PATENTS

6. On December 31, 2002, United States Patent No. 6,502,135 (“the ’135 patent”) entitled “Agile Network Protocol for Secure Communications with Assured System Availability” was duly and legally issued with Edmund Colby Munger, Douglas Charles Schmidt, Robert Dunham Short, III, Victor Larson, Michael Williamson as the named inventors after full and fair

examination. VirnetX, together with SAIC, owns all rights, title, and interest in and to the '135 patent¹ and possesses all rights of recovery under the '135 patent. A copy of the '135 patent is attached as Exhibit A.

7. On August 26, 2008, United States Patent No. 7,418,504 (“the '504 patent”) entitled “Agile Network Protocol for Secure Communications Using Secure Domain Names” was duly and legally issued with Victor Larson, Robert Dunham Short, III, Edmund Colby Munger, and Michael Williamson as the named inventors after full and fair examination. VirnetX, together with SAIC, owns all rights, title, and interest in and to the '504 patent² and possesses all rights of recovery under the '504 patent. A copy of the '504 patent is attached as Exhibit B.

8. On February 10, 2009, United States Patent No. 7,490,151 (“the '151 patent”) entitled “Establishment of a Secure Communication Link Based on a Domain Name Service (DNS) Request” was duly and legally issued with Edmund Colby Munger, Robert Dunham Short, III, Victor Larson, and Michael Williamson as the named inventors after full and fair examination. VirnetX, together with SAIC, owns all rights, title, and interest in and to the '151 patent³ and possesses all rights of recovery under the '151 patent. A copy of the '151 patent is attached as Exhibit C.

9. On April 5, 2011, United States Patent No. 7,921,211 (“the '211 patent”) entitled “Agile Network Protocol for Secure Communications Using Secure Domain Names” was duly and legally issued with Victor Larson, Robert Dunham Short, III, Edmund Colby Munger, and

¹ SAIC maintains an equity interest and review rights related to the '135 patent.

² SAIC maintains an equity interest and review rights related to the '504 patent.

³ SAIC maintains an equity interest and review rights related to the '151 patent.

Michael Williamson as the named inventors after full and fair examination. VirnetX, together with SAIC, owns all rights, title, and interest in and to the '211 patent⁴ and possesses all rights of recovery under the '211 patent. A copy of the '211 patent is attached as Exhibit D.

COUNT ONE
PATENT INFRINGEMENT BY APPLE

10. VirnetX incorporates by reference paragraphs 1-9 as if fully set forth herein. As described below, Apple has infringed and/or continues to infringe the '135, '151, '504, and '211 patents.

11. At least Apple's servers and other Apple computers that support the VPN On Demand functionality, when configured and operating in a system as specified by Apple, and Apple's iPhone 5, iPod Touch 5th Generation, iPad 4th Generation, iPad mini, and all Apple computers/hardware associated with the operation of the Mountain Lion operating system, when configured and operating in a system as specified by Apple, infringe at least system claims 10 and 12 of the '135 patent. Apple makes and/or uses these systems and thus directly infringes at least claims 10 and 12 of the '135 patent.

12. The use of at least Apple's servers and other Apple computers that support the VPN On Demand functionality, when configured and operating in a system as specified by Apple, and Apple's iPhone 5, iPod Touch 5th Generation, iPad 4th Generation, iPad mini, and all Apple computers/hardware associated with the operation of the Mountain Lion operating system as intended by Apple infringes at least method claims 1, 3, 7, 8, and 9 of the '135 patent. Apple uses these products and thus directly infringes at least claims 1, 3, 7, 8, and 9 of the '135 patent.

⁴ SAIC maintains an equity interest and review rights related to the '211 patent.

13. In addition, Apple provides at least its iPhone 5, iPod Touch 5th Generation, iPad 4th Generation, iPad mini, and all Apple computers/hardware associated with the operation of the Mountain Lion operating system to others, such as resellers and end-user customers, in the United States who, in turn, use these products to infringe at least claims 1, 3, 7, 8, 9, 10, and 12 of the '135 patent.

14. Apple indirectly infringes by inducing infringement by others, such as resellers and end-user customers, in accordance with 35 U.S.C. § 271(b), because Apple actively induces infringement of the '135 patent by others, such as resellers and end-user customers.

15. Apple indirectly infringes the '135 patent by contributing to infringement by others, such as resellers and end-user customers, in accordance with 35 U.S.C. § 271(c), because Apple offers to sell or sells within the United States a component of a patented machine, manufacture, combination, or composition, or a material or apparatus for use in practicing a patented process, constituting a material part of the invention, knowing the same to be especially made or especially adapted for use in an infringement of such patent, and not a staple article or commodity of commerce suitable for substantial non-infringing use.

16. At least Apple's servers and other Apple computers that support the VPN On Demand functionality, when configured and operating in a system as specified by Apple, and Apple's iPhone 5, iPod Touch 5th Generation, iPad 4th Generation, iPad mini, and all Apple computers/hardware associated with the operation of the Mountain Lion operating system infringe at least apparatus claims 1 and 6 of the '151 patent. Apple makes, uses, sells, offers for sale, imports, exports, imports, supplies, and/or distributes within and from the United States these products and thus directly infringes at least claims 1 and 6 of the '151 patent.

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