	Case 3.17-CV-00072 Document	1 Filed 01/00/17 Fage 1 0/ 39
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9	IN THE UNITED STATES DISTRICT COURT	
11	FOR THE NORTHERN DISTRICT OF CALIFORNIA	
12		
13	FINJAN, INC., a Delaware Corporation,	Case No.:
14	Plaintiff,	COMPLAINT FOR PATENT
15	v.	INFRINGEMENT DEMAND FOR JURY TRIAL
16 17	SCO SYSTEMS, INC., a California orporation,	
18	Defendant.	
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## **COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff Finjan, Inc. ("Finjan") files this Complaint for Patent Infringement and Demand for Jury Trial against Cisco Systems, Inc. ("Defendant" or "Cisco") and allege as follows:

### **THE PARTIES**

- 1. Finjan is a Delaware Corporation, with its principal place of business at 2000 University Avenue, Suite 600, E. Palo Alto, California 94303.
- 2. Cisco is a California Corporation with its principal place of business at 170 West Tasman Drive, San Jose, California 95134. Cisco may be served through its agent for service of process CSC at 2710 Gateway Oaks Dr. Ste. 150N, Sacramento, California 95833.

## **JURISDICTION AND VENUE**

- 3. This action arises under the Patent Act, 35 U.S.C. § 101 *et seq*. This Court has original jurisdiction over this controversy pursuant to 28 U.S.C. §§ 1331 and 1338.
  - 4. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b) and (c) and/or 1400(b).
- 5. This Court has personal jurisdiction over Defendant. Upon information and belief, Defendant does business in this District and have, and continues to, infringe and/or induce the infringement in this District. In addition, the Court has personal jurisdiction over Defendant because minimum contacts have been established with the forum and the exercise of jurisdiction would not offend traditional notions of fair play and substantial justice.

### **INTRADISTRICT ASSIGNMENT**

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

## **FINJAN'S INNOVATIONS**

7. Finjan was founded in 1997 as a wholly-owned subsidiary of Finjan Software Ltd., an Israeli corporation. In 1998, Finjan moved its headquarters to San Jose, California. Finjan was a pioneer in developing proactive security technologies capable of detecting previously unknown and emerging online security threats recognized today under the umbrella of "malware." These technologies protect networks and endpoints by identifying suspicious patterns and behaviors of

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content delivered over the Internet. Finjan has been awarded, and continues to prosecute, numerous patents covering innovations in the United States and around the world resulting directly from Finjan's more than decades-long research and development efforts, supported by a dozen inventors, and over \$65 million in R&D investments.

- 8. Finjan built and sold software, including application program interfaces (APIs), and appliances for network security using these patented technologies. These products and related customers continue to be supported by Finjan's licensing partners. At its height, Finjan employed nearly 150 employees around the world building and selling security products and operating the Malicious Code Research Center through which it frequently published research regarding network security and current threats on the Internet. Finjan's pioneering approach to online security drew equity investments from two major software and technology companies, the first in 2005, followed by the second in 2006. Finjan generated millions of dollars in product sales and related services and support revenues through 2009 when it spun off certain hardware and technology assets in a merger. Pursuant to this merger, Finjan was bound to a non-compete and confidentiality agreement, under which it could not make or sell a competing product or disclose the existence of the non-compete clause. Finjan became a publicly traded company in June 2013, capitalized with \$30 million. After Finjan's obligations under the non-compete and confidentiality agreement expired in March 2015, Finjan re-entered the development and production sector of secure mobile products for the consumer market.
- 9. Finjan and Cisco's relationship dates back to the early 2000's when Cisco invested in Finjan, seeing the value of Finjan's technology. Throughout the years Cisco and Finjan maintained an amicable relationship and consistently collaborated together on cybersecurity. In the second half of 2013, Cisco acquired the company Sourcefire, Inc. ("SourceFire") and integrated that company's appliances and technology into Cisco's own product lines. It was after this acquisition that Finjan approached Cisco about obtaining a license to Finjan's patents in order cover the technology acquired in the SourceFire deal, along with other unlicensed technologies that Cisco has implemented over the years. Finjan entered into licensing discussions with Cisco under a mutual non-disclosure and

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standstill agreement ("Agreement") dated March 21, 2014, with an expectation that these discussions would be meaningful and productive. To the contrary, Cisco consistently delayed meetings and refused to hold material negotiations. The Agreement for these discussions had been extended five times for a period of over two years, and has now expired.

- 10. On November 28, 2000, U.S. Patent No. 6,154,844 ("the '844 Patent"), titled SYSTEM AND METHOD FOR ATTACHING A DOWNLOADABLE SECURITY PROFILE TO A DOWNLOADABLE, was issued to Shlomo Touboul and Nachshon Gal. A true and correct copy of the '844 Patent is attached to this Complaint as Exhibit 1 and is incorporated by reference herein.
- 11. All rights, title, and interest in the '844 Patent have been assigned to Finjan, who is the sole owner of the '844 Patent. Finjan has been the sole owner of the '844 Patent since its issuance.
- 12. The '844 Patent is generally directed towards computer networks, and more particularly, provides a system that protects devices connected to the Internet from undesirable operations from web-based content. One of the ways this is accomplished is by linking a security profile to such web-based content to facilitate the protection of computers and networks from malicious web-based content.
- 13. On October 12, 2004, U.S. Patent No. 6,804,780 ("the '780 Patent"), titled SYSTEM AND METHOD FOR PROTECTING A COMPUTER AND A NETWORK FROM HOSTILE DOWNLOADABLES, was issued to Shlomo Touboul. A true and correct copy of the '780 Patent is attached to this Complaint as Exhibit 2 and is incorporated by reference herein.
- 14. All rights, title, and interest in the '780 Patent have been assigned to Finjan, who is the sole owner of the '780 Patent. Finjan has been the sole owner of the '780 Patent since its issuance.
- 15. The '780 Patent is generally directed towards methods and systems for generating a Downloadable ID. By generating an identification for each examined Downloadable, the system may allow for the Downloadable to be recognized without reevaluation. Such recognition increases efficiency while also saving valuable resources, such as memory and computing power.
- On January 12, 2010, U.S. Patent No. 7,647,633 ("the '633 Patent"), titled
   MALICIOUS MOBILE CODE RUNTIME MONITORING SYSTEM AND METHODS, was issued

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to Yigal Mordechai Edery, Nimrod Itzhak Vered, David R. Kroll, and Shlomo Touboul. A true and correct copy of the '633 Patent is attached to this Complaint as Exhibit 3 and is incorporated by reference herein.

- 17. All rights, title, and interest in the '633 Patent have been assigned to Finjan, who is the sole owner of the '633 Patent. Finjan has been the sole owner of the '633 Patent since its issuance.
- 18. The '633 Patent is generally directed towards computer networks and, more particularly, provides a system that protects devices connected to the Internet from undesirable operations from web-based content. One of the ways this is accomplished is by determining whether any part of such web-based content can be executed and then trapping such content and neutralizing possible harmful effects using mobile protection code.
- 19. On March 20, 2012, U.S. Patent No. 8,141,154 ("the '154 Patent"), titled SYSTEM AND METHOD FOR INSPECTING DYNAMICALLY GENERATED EXECUTABLE CODE, was issued to David Gruzman and Yuval Ben-Itzhak. A true and correct copy of the '154 Patent is attached to this Complaint as Exhibit 4 and is incorporated by reference herein.
- 20. All rights, title, and interest in the '154 Patent have been assigned to Finjan, who is the sole owner of the '154 Patent. Finjan has been the sole owner of the '154 Patent since its issuance.
- 21. The '154 Patent is generally directed towards a gateway computer protecting a client computer from dynamically generated malicious content. One way this is accomplished is to use a content processor to process a first function and invoke a second function if a security computer indicates that it is safe to invoke the second function.
- 22. On March 18, 2014, U.S. Patent No. 8,677,494 ("the '494 Patent"), titled MALICIOUS MOBILE CODE RUNTIME MONITORING SYSTEM AND METHODS, was issued to Yigal Mordechai Edery, Nimrod Itzhak Vered, David R. Kroll, and Shlomo Touboul. A true and correct copy of the '494 Patent is attached to this Complaint as Exhibit 5 and is incorporated by reference herein.
- 23. All rights, title, and interest in the '494 Patent have been assigned to Finjan, who is the sole owner of the '494 Patent. Finjan has been the sole owner of the '494 Patent since its issuance.



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