

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

JERICO SYSTEMS CORPORATION,)
)
Plaintiff,)
)
v.) **Case No.** _____
)
AXIOMATICS, INC.,)
) **JURY TRIAL DEMANDED**
Defendant.)
_____)

PLAINTIFF’S ORIGINAL COMPLAINT

Plaintiff Jericho Systems Corporation, by its undersigned attorneys, files this Complaint against Axiomatics, Inc. and alleges as follows:

PARTIES

1. Plaintiff Jericho Systems Corporation (“Jericho”) is a Texas corporation with its principal place of business at 6600 LBJ Freeway, Suite 250, Dallas, Texas 75240.
2. On information and belief, Axiomatics, Inc. (“Axiomatics”) is a Delaware company with its principal place of business at 1338 S. Foothill Drive #237, Salt Lake City, Utah 84108.
3. On information and belief, Axiomatics registered as a foreign corporation with the Texas Secretary of State on April 19, 2012 and filed a Certificate of Withdrawal on February 26, 2014.
4. On information and belief, Axiomatics is the North American subsidiary of Axiomatics AB, which is headquartered in Stockholm, Sweden.

JURISDICTION AND VENUE

5. This is an action for patent infringement pursuant to the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*
6. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338.

7. Venue is proper in this judicial district under 28 U.S.C. §§ 1391(c) and 1400(b). The Plaintiff maintains its principal place of business in this judicial district and, upon information and belief, Defendant conducts substantial business in this judicial district, directly and through intermediaries, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct and/or deriving substantial revenue from goods and services provided to individuals in this judicial district.

8. Upon information and belief, Axiomatics sells software products, including its access control products, to customers in this judicial district, including but not limited to Bell Helicopters. For example, but without limitation, upon information and belief in May 2009 Axiomatics was awarded a defense contract to provide software to Bell Helicopter.

BACKGROUND

9. On October 15, 2013, the U.S. Patent and Trademark Office duly and lawfully issued U.S. Patent No. 8,560,836, entitled “Method and System for Dynamically Implementing an Enterprise Resource Policy” to inventor Michael W. Roegner (the “’836 Patent”). A true and correct copy of the ’836 Patent is attached hereto as Exhibit A.

10. The Abstract of the ’836 Patent recites “[a] rules evaluation engine that controls user's security access to enterprise resources that have policies created for them. This engine allows real time authorization process to be performed with dynamic enrichment of the rules if necessary. Logging, alarm and administrative processes for granting or denying access to the user are also realized. The access encompasses computer and physical access to information and enterprise spaces.”

11. The '836 Patent is a valid and enforceable United States Patent issued after a full and fair examination.

12. Jericho is the sole owner by assignment of the entire right, title, and interest in and to the '836 Patent.

13. On information and belief, the Veterans Administration (the "VA") purchased Axiomatics products that infringe on one or more of Jericho's patents.

14. On October 18, 2013, Jericho raised the infringement issue with VA.

15. On April 28, 2014, VA responded that "[a]fter investigation, VA has found no evidence that [its] Procurement . . . infringes any patents."

COUNT I – INFRINGEMENT OF U.S. PATENT NO. 8,560,836

16. Jericho re-alleges and incorporates by reference the allegations of Paragraphs 1 through 15 above, as if fully set forth herein.

17. Axiomatics makes, uses, sells, offers to sell, and/or imports a system that controls access to resources using a rules evaluation engine.

18. Axiomatics' system grants or denies access based on rules or policies. On its own website, Axiomatics identifies its access control system as an Attribute Based Access Control ("ABAC") process.

19. Axiomatics' access control system embodies and practices the invention of the '836 Patent.

20. Axiomatics does not have a license or legal right to make, use, sell, offer to sell, or import the invention described in and covered by the '836 Patent.

21. Without license or authorization and in violation of 35 U.S.C. § 271(a), Axiomatics has directly infringed and continues to directly infringe one or more claims of the '836 Patent by

making, using, offering for sale, and/or selling within this district and elsewhere in the United States and/or importing into this district and elsewhere in the United States, certain systems, including, without limitation, the access control system that embodies and/or practices subject matter claimed in the '836 Patent.

22. Axiomatics was aware of the '836 Patent and its infringement thereof at least as of the date Axiomatics learned from the VA that Jericho contends that certain Axiomatics products infringe the '836 patent. Axiomatics acted despite an objectively high likelihood that its actions infringe the '836 patent by at least continuing to make, use, sell, offer to sell, and/or import certain systems, including, without limitation, the access control system that embodies and/or practices subject matter claimed in the '836 Patent.

23. Further, upon information and belief, by the manufacture, use, importation, sale, and/or offer to sale of such systems, as well as by other activities, including but not limited to, the support and maintenance of systems having, providing, or otherwise enabling the systems and methods of the '836 Patent, Axiomatics has contributed and continues to contribute to the infringement, and/or has actively induced and continues to actively induce the infringement, of said patent by others in the United States under at least 35 U.S.C. §§ 271(b) and (c).

24. Upon information and belief, since at least as of the date Axiomatics learned from the VA that Jericho contends that certain Axiomatics products infringe the '836 patent, Axiomatics specifically intended to induce infringement by its customers and others under 35 U.S.C. § 271(b) by, for example, selling its infringing systems to customers, including, without limitation, the access control system that embodies and/or practices subject matter claimed in the '836 Patent, with knowledge that such customers use the infringing systems. Axiomatics actively and knowingly aids and abets others to infringe, including but not limited to its customers, whose use

of Axiomatics' access control system constitutes direct infringement of the '836 Patent. For example, since the date Axiomatics learned from the VA that Jericho contends that certain Axiomatics products infringe the '836 patent, Axiomatics has intentionally and knowingly encouraged others to infringe by using Axiomatics' infringing software, including Axiomatics' selling, licensing and otherwise providing its infringing software to its customers and potential customers, and by advertising its policy-based access control system on its website. <https://www.axiomatics.com/solutions/products.html> (last visited on June 19, 2014).

25. Upon information and belief, since at least the date Axiomatics learned from the VA that Jericho contends that certain Axiomatics products infringe the '836 patent, Axiomatics has and continues to materially contribute to the infringement of the '836 patent under 35 U.S.C. 271(c) by intentionally and knowingly making, selling, or offering for sale computer products that infringe on the '836 patent. These computer program products constitute a material part of the '836 patent, are not a staple article, have no substantial non-infringing uses, and are especially adapted to work in a system or carry out a method claimed in the '836 patent.

26. Jericho has been and continues to be irreparably damaged by Axiomatics' activities infringing the '836 Patent.

PRAYER FOR RELIEF

Plaintiff Jericho Systems Corporation respectfully requests that this Court grant the following relief:

- (a) Judgment against Axiomatics and in favor of Jericho;
- (b) Judgment in favor of Jericho that Axiomatics has infringed the '836 Patent and that such infringement has been and is willful;

(c) A permanent injunction enjoining Axiomatics and its officers, directors, agents, servants, affiliates, employees, divisions, branches, subsidiaries, parents, partners, and all others acting in concert with Axiomatics from infringing the '836 Patent;

(d) A judgment and order requiring Axiomatics to pay Jericho damages, costs, expenses, and prejudgment and post-judgment interest for Axiomatics' infringement of the '836 Patent;

(e) An award to Jericho for enhanced damages resulting from the knowing, deliberate, and willful nature of Defendant's prohibited conduct with notice being made at least as early as the date Axiomatics learned from Veterans Affairs that Jericho contends that certain Axiomatics products infringe the '836 patent, as provided under 35 U.S.C. § 284;

(f) A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding to Jericho its reasonable attorneys' fees;

(g) That Axiomatics account for and pay over to Jericho its profits and all damages sustained by Jericho;

(h) That the Court award Jericho costs and attorneys' fees incurred in this action; and

(i) Such other and further relief as this Court may deem just and proper.

JURY DEMAND

Jericho hereby demands trial by jury on all issues.

Dated: June 23, 2014

Respectfully submitted,

/s/ Paulo B. McKeeby

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