IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS

WEB 2.0 TECHNOLOGIES LLC,	
Plaintiff,	**Civil Action No. _____**
v.	
37SIGNALS LLC, D/B/A BASECAMP,	**DEMAND FOR JURY TRIAL**
Defendant.	

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Web 2.0 Technologies, LLC. ("Web 2.0 Technologies" or "Plaintiff") files this Complaint against Defendant 37signals LLC., d/b/a Basecamp ("Defendant" or "Basecamp"), seeking damages and other relief for patent infringement, and alleges with knowledge to its own acts, and on information and belief as to other matters, as follows:

NATURE OF THE ACTION

1. This is an action for patent infringement arising under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*

THE PARTIES

2. Plaintiff Web 2.0 Technologies LLC ("Web 2.0 Technologies") is a Texas limited liability corporation with its principal place of business at 5900 Balcones Dr., Ste 100, Austin, TX 78731-4298.

3. Plaintiff Web 2.0 Technologies is the owner by assignment of 100% interest in the Asserted Patents.

4. On information and belief, Defendant 37signals LLC, d/b/a Basecamp ("Basecamp") is a limited liability corporation organized and existing under the laws of Illinois,

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with its principal place of business at 2045 W Grand Ave. Ste B, Chicago, IL 60612. Basecamp

may be served with process through its Illinois registered agent (Telos Legal Corp., 524 S 2nd

Street, Ste 505, Springfield, Il 62701) or its Delaware registered agent (National Registered

Agents, Inc., 1209 Orange Street, Wilmington, DE 19801).

JURISDICTION AND VENUE

5.   This action for patent infringement arises under the patent laws of the United

States, Title 35 of the United States Code.

6.   This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

7.   Defendant Basecamp is subject to this Court's general personal jurisdiction.

Defendant 37signals LLC, d/b/a Basecamp is an Illinois Limited Liability Corporation. *See*

Daimler AG v. Bauman, 571 U.S. 117, 137, 134 S. Ct. 746, 760 (2014) ([T]he place

of incorporation and principal place of business are 'paradig[m] . . . bases for general

jurisdiction") (internal citations omitted).

8.   Defendant Basecamp is subject to this Court's general and specific personal

jurisdiction because Basecamp has sufficient minimum contacts within the State of Illinois and

this District, pursuant to due process and/or the Illinois Long Arm Statute, 735 ILCS § 5/2-209.

On information and belief, Defendant Basecamp contracted with one or more Illinois residents in

this District and one or both parties performed the contract at least in part in the State of Illinois

and this District; Basecamp committed the tort of patent infringement in the State of Illinois and

this District; Basecamp purposefully availed itself of the privileges of conducting business in the

State of Illinois and in this District; Basecamp regularly conducts and solicits business within the

State of Illinois and within this District; Plaintiff's causes of action arise directly from

Basecamp's business contacts and other activities in the State of Illinois and this District; and

Basecamp distributes, makes available, imports, sells and offers to sell products and services

throughout the United States, including in this judicial District, and introduces infringing

products and services that into the stream of commerce knowing that they would be used and sold in this judicial district and elsewhere in the United States.

9.   On information and belief, Defendant Basecamp designs, develops, sells, offers to sell, and/or imports products, devices, systems, and/or components of systems through certain accused instrumentalities that either infringe or support the infringement of the patents asserted in this action.

10.   On information and belief, Basecamp sells and offers to sell products and services throughout the United States and in Illinois, including in this District, through the accused instrumentalities, through its website accessible in the United States, and in concert and partnership with third parties.

11.   Furthermore, personal jurisdiction over Basecamp in this action comports with due process. Basecamp has conducted and regularly conducts business within the United States and this District. Basecamp has purposefully availed itself of the privileges of conducting business in the United States, and more specifically in the State of Illinois and this District. Basecamp has sought protection and benefit from the laws of the State of Illinois by making available products and services that infringe the Asserted Patents with the awareness and/or intent that they will be used (or visited) by consumers in this District. Having purposefully availed itself of the privilege of conducting business within this District, Basecamp should reasonably and fairly anticipate being brought into court here.

12.   Venue is proper in this judicial district under 28 U.S.C. § 1391 and 28 U.S.C. § 1400(b). On information and belief, Basecamp's acts of infringement have taken place within this District..

13.   Additionally, Basecamp —directly or through intermediaries (including distributors, retailers, and others), subsidiaries, alter egos, and/or agents—ships, distributes, offers for sale, and/or sells its products and services in the United States and this District. Basecamp has purposefully and voluntarily placed one or more of its products into the stream of commerce through the accused instrumentalities that infringe the patents asserted in this action

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with the awareness and/or intent that they will be purchased by consumers in this District.

Basecamp knowingly and purposefully delivers infringing products into, and within, this District.

These infringing products have been, and continue to be, purchased by consumers and businesses

in this District.

THE ASSERTED PATENTS

14.   On March 13, 2007, the United States Patent and Trademark Office ("USPTO")

duly and legally issued U.S. Patent No. 6.845,448 B1 ("the '448 Patent"), entitled "Online

Repository for Personal Information." A copy of the '448 Patent is attached hereto as Exhibit 1.

15.   Plaintiff owns all substantial right, title, and interest in the '448 Patent, and holds

the right to sue and recover damages for infringement thereof, including past infringement.

16.   On February 14, 2012, the USPTO duly and legally issued U.S. Patent No.

8,117,644 ("the '644 Patent"), entitled "Method and System for Online Document

Collaboration." A copy of the '644 Patent is attached hereto as Exhibit 2.

17.   Plaintiff owns all substantial right, title, and interest in the '644 Patent, and holds

the right to sue and recover damages for infringement thereof, including past infringement.

COUNT I - INFRINGEMENT OF U.S. PATENT NO. 6,845,448

18.   Plaintiff incorporates and realleges the preceding paragraphs as if fully set forth

herein.

19.   The '448 Patent is directed to a method and system for gathering, storing personal

information on a server computer and releasing such information to authorized requesters, as

described and claimed in the '448 Patent.

20.   Defendant has had actual knowledge of the '448 Patent and that its activities

constitute infringement of the same at least since on or about June 15, 2021—the date on which

Defendant received notice from Plaintiffs that such activities infringed the '448 Patent.

21.   Defendant has and continues to directly and jointly infringe at least Claim 1 of the

'448 Patent, in this judicial District and elsewhere in the United States, pursuant to 35 U.S.C. §

271(a), literally or under the doctrine of equivalents, by, among other things, by making, using,

selling, offering to sell, and/or importing in or into the United States, without authority, software applications to provide a method for automatically sharing portions of personal information with customers, users and members via products offered by Basecamp, including Basecamp's platform "[t]he refreshingly simple, and remarkably effective, project management platform"— including but not limited to its constituent "projects", "reports," and "client" functionality and content offered for sale and use via https://basecamp.com (hereinafter, the "'448 Accused Instrumentalities"), as shown below.

22.   For example, the '448 Accused Instrumentalities establishes an account for all users—including the first party—on Basecamp's server computer, as shown below:

See, e.g., https://basecamp.com/pricing (last visited Jan. 11, 2023).

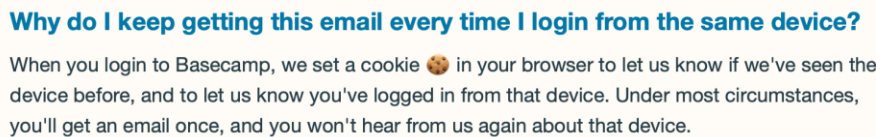

See, e.g., https://3.basecamp-help.com/article/84-logging-in (last visited Jan. 12, 2023).

23.   The '448 Accused Instrumentalities assign an identifier (user ID, name, email) for all users—including the first party—as shown below:

My profile

Here's where you can make changes to your personal user ID in Basecamp. Update your:

- Photo/avatar
- Name
- Title
- Location
- Short bio (or current status)
- Email address
- Time zone
- Preferred first day of the week
- The way you sign in

See, e.g., https://3.basecamp-help.com/article/78-personal-info#my-profile (last visited, Jan. 11, 2023).

Basecamp also issues a "cookie" to associate a device with a user ID.

Why do I keep getting this email every time I login from the same device?

When you login to Basecamp, we set a cookie 🍪 in your browser to let us know if we've seen the device before, and to let us know you've logged in from that device. Under most circumstances, you'll get an email once, and you won't hear from us again about that device.

See, e.g., https://3.basecamp-help.com/article/489-why-do-i-keep-getting-a-new-sign-in-notification-when-i-login (last visited, Jan. 11, 2023).

24.   The '448 Accused Instrumentalities allow the entering of the first party's information including a plurality of information objects—including the first party's personal information such as name, email address, photo, location, short bio, "all of [a user's] activity across every project [they are] on. Every to-do [they have] completed (or created), file shared, comment left, discussion started, Hill Chart updated, event scheduled, etc." *See,* https://basecamp.com/features/activity-reports (last visited Jan. 11, 2023); *see also*, https://3.basecamp-help.com/article/78-personal-info#my-profile (last visited, Jan. 11, 2023).

For example, this report shows all of Liza's activity across every project she's on. Every to-do she's completed (or created), file shared, comment left, discussion started, Hill Chart updated, event scheduled, etc.
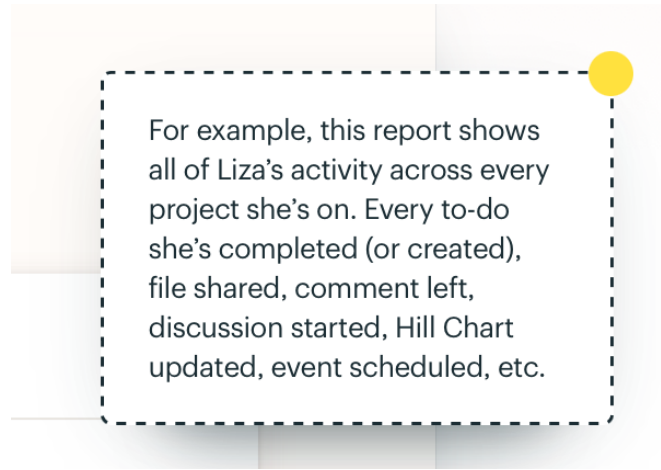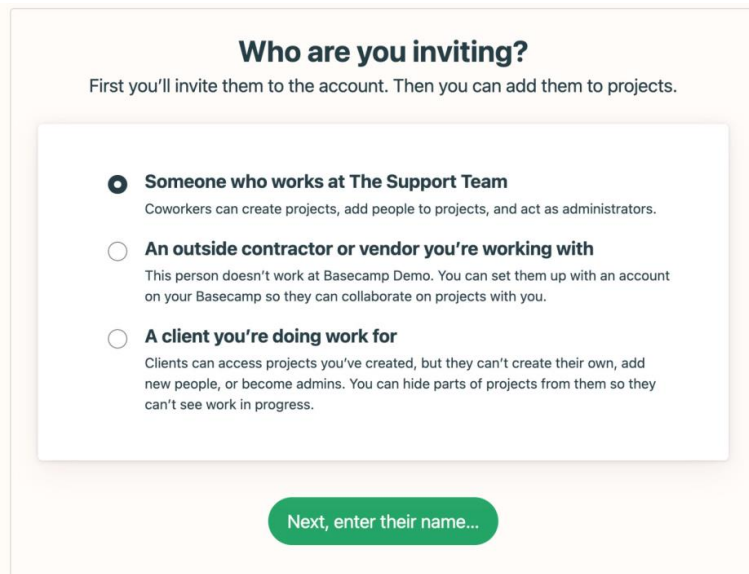
*See e.g.,*https://basecamp.com/features/activity-reports (last visited Jan. 11, 2023).

25.   In the '448 Accused Instrumentalities, sets access permissions at the account and project level, enabling the first party ("admin") to control who has access to an account, and whether—once granted access—they have access to any particular project.

Inviting People to a Project

Before you can add users to any projects, you need to add them to your account. People can only see the projects they've been added to. There could be 100 projects on an account but if you only invite someone to one of these projects, they won't know the other 99 exist.

See, e.g., https://3.basecamp-help.com/article/72-inviting-people-to-a-project (last visited, Jan. 11, 2023).

Who are you inviting?

First you'll invite them to the account. Then you can add them to projects.

○ **Someone who works at The Support Team**
Coworkers can create projects, add people to projects, and act as administrators.

○ **An outside contractor or vendor you're working with**
This person doesn't work at Basecamp Demo. You can set them up with an account on your Basecamp so they can collaborate on projects with you.

○ **A client you're doing work for**
Clients can access projects you've created, but they can't create their own, add new people, or become admins. You can hide parts of projects from them so they can't see work in progress.

Next, enter their name...

See, e.g., https://3.basecamp-help.com/article/72-inviting-people-to-a-project#add-client (last visited, Jan. 11, 2023). Additionally, '448 Accused Instrumentalities enable adding a user as a

"client," from whom the first user can "hide parts of projects" so the client cannot see them. *See id.* Basecamp also enables sharing specific information objects, where the second party will see only the contents visible in the specified view, and not any other information objects.

> By default, everything is locked down — only people with access to a Project can see what's in it. But occasionally, you need to send something to someone who's not part of a Project, or show someone something specific when you don't want them to see the rest of the project. Super simple in Basecamp 4!
>
> Just click the ••• button for the item you want to share and choose how you want to share it:

See e.g., https://3.basecamp-help.com/article/76-sharing-items-with-others (last visited Jan. 11, 2023).

26.   The manager ("first party") then adds the second user to one or more projects ("information objects"). The second user "can only see and access the projects they have been added to."

> ## Inviting People to a Project
>
> Before you can add users to any projects, you need to add them to your account. People can only see the projects they've been added to. There could be 100 projects on an account but if you only invite someone to one of these projects, they won't know the other 99 exist.

See, e.g., https://3.basecamp-help.com/article/72-inviting-people-to-a-project (last visited, Jan. 11, 2023).

27.   The '448 Accused Instrumentalities store in Basecamp's database the first party identifier (user name), and the associated permissions (security level) including the first party's organization roles and project access assigned to each information object, as shown below).

> ## Inviting People to a Project
>
> Before you can add users to any projects, you need to add them to your account. People can only see the projects they've been added to. There could be 100 projects on an account but if you only invite someone to one of these projects, they won't know the other 99 exist.

See, e.g., https://3.basecamp-help.com/article/72-inviting-people-to-a-project (last visited, Jan. 11, 2023) (Basecamp tracks what user has been added to each project to determine their access to the project).

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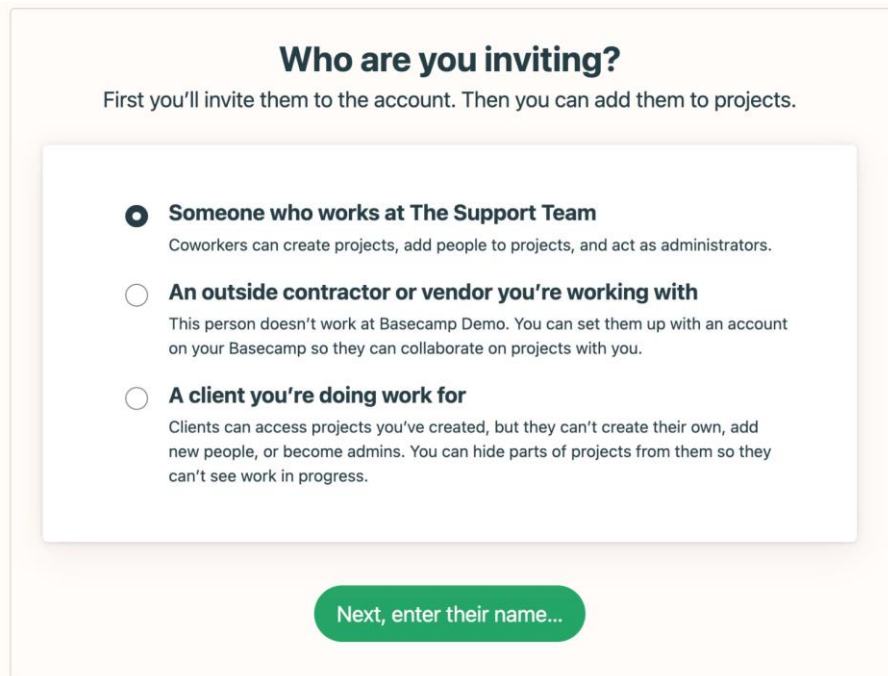
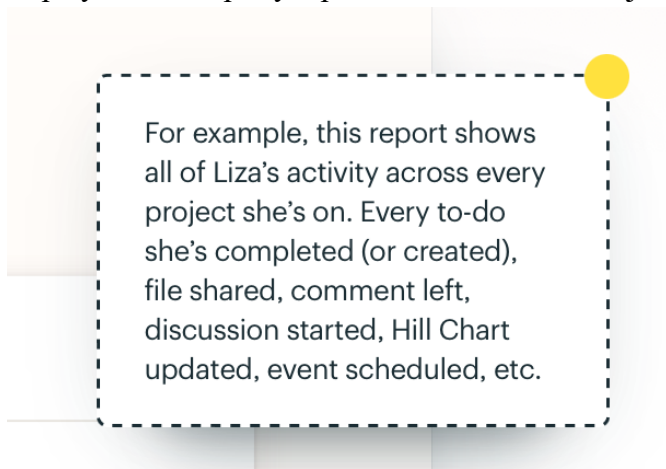*See, e.g.,* https://3.basecamp-help.com/article/72-inviting-people-to-a-project#add-client (last visited, Jan. 11, 2023) (Basecamp only permits Clients to see materials for which they have been granted access).

28.   The '448 Accused Instrumentalities receive a request, said request comprising at least the first party identifier. For example, the '448 Accused Instrumentalities receive a request to view a specific report based on the first party identifier "Liza Randall."
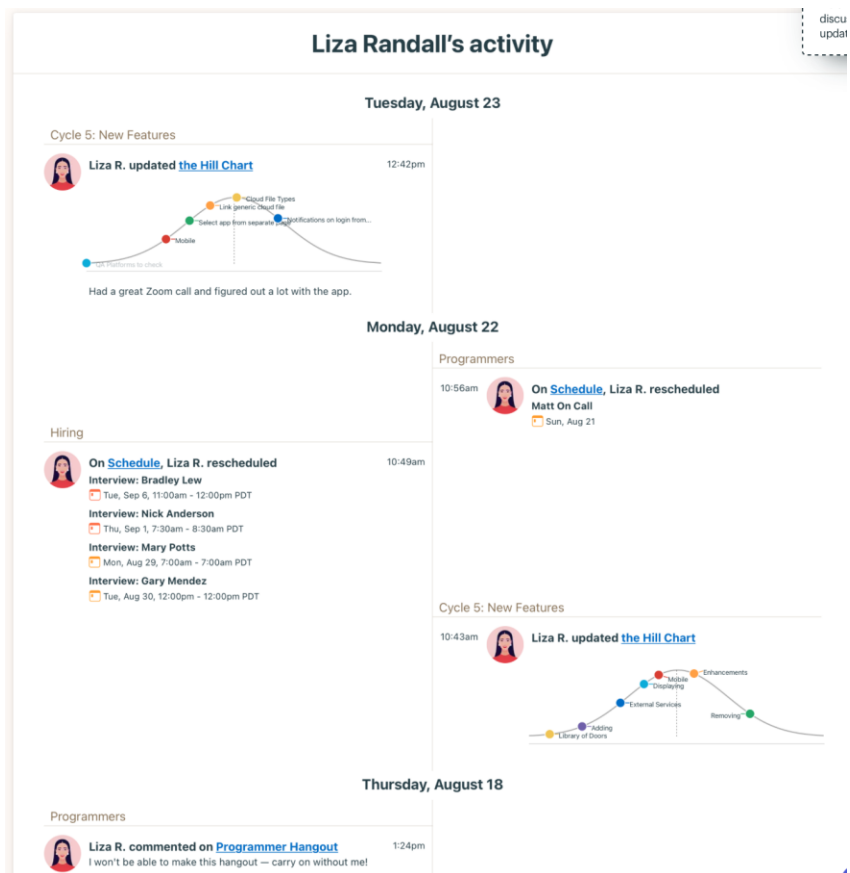
See, e.g., https://basecamp.com/features/activity-reports (last visited, Jan. 06, 2023).

29. In response to the request, for "Liza Randall," the '448 Accused Instrumentalities selects, transmits, and displays the first party's personal information objects to the second party.

For example, this report shows all of Liza's activity across every project she's on. Every to-do she's completed (or created), file shared, comment left, discussion started, Hill Chart updated, event scheduled, etc.

See e.g., https://basecamp.com/features/activity-reports (last visited Jan. 11, 2023).

30. In response to the request, for "Liza Randall," the '448 Accused Instrumentalities selects, transmits, and displays the first party's personal information objects to the second party.
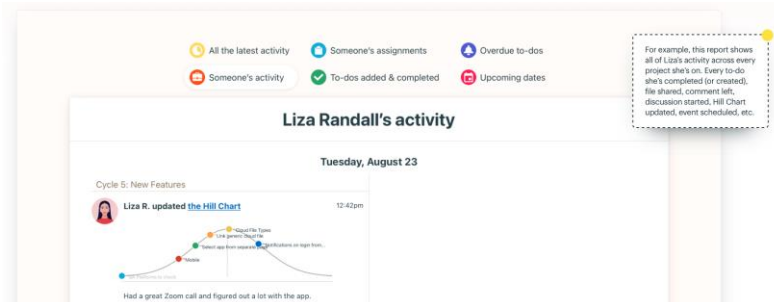
See e.g., https://basecamp.com/features/activity-reports (last visited Jan. 11, 2023).

31.   The '448 Accused Instrumentalities securely transmit the retrieved first portion of personal information objects to the second party using SSL/TLS encryption.

See, e.g., https://basecamp.com/about/policies/privacy (last visited, January 11, 2023).

32.   To enable user permissions, the '448 Accused Instrumentalities obtain the second party identifier to determine whether the user has access to particular sets of data, including individual projects.

See, e.g., https://3.basecamp-help.com/article/72-inviting-people-to-a-project (last visited, Jan. 5, 2023).

33.   On information and belief, the'448 Accused Instrumentalities record all internal systems access, including any failed authentication attempts.

See, e.g., https://basecamp.com/about/policies/security/37signals%20Security%20Overview.pdf (last visited, Jan. 11 2023).

34.   To enable user permissions discussed *supra*, the '448 Accused Instrumentalities must reject the second party's request for information where the second party is not authorized.

35.   Attached hereto as Exhibit 3, and incorporated by reference herein, is a claim chart detailing how the '448 Accused Instrumentalities satisfy each element of at least independent claim 1 of the '448 patent, literally or under the doctrine of equivalents.

36.   Discovery is expected to uncover the full extent of Defendant's infringement of the '448 Patent beyond the '448 Accused Instrumentalities already identified through public information.

37.   Defendant has directly and jointly infringed the '448 Patent and is thus liable for direct and joint infringement of the '448 Patent pursuant to 35 U.S.C. § 271.

38.   Plaintiff has suffered, and continue to suffer, damages as a result of Defendant's infringement of the '448 Patent.

39.   Plaintiff reserves the right to modify its infringement theories as discovery progresses in this case. Plaintiff shall not be estopped for purposes of its infringement contentions or its claim constructions by the foregoing discussions on how the '448 Accused Instrumentalities infringe the '448 Patent. Plaintiff intends only that the foregoing discussions satisfy the notice requirements of Rule 8(a)(2) of the Federal Rule of Civil Procedure, and that they should not be construed as Plaintiff's preliminary or final infringement contentions or preliminary or final claim construction positions.

COUNT II - INFRINGEMENT OF U.S. PATENT NO. 8,117,644

40.   Plaintiff incorporates and realleges the preceding paragraphs as if fully set forth herein.

41.   The '644 Patent is directed to method and system for online document collaboration, as described and claimed in the '644 Patent.

42.   Defendant has had actual knowledge of the '644 Patent and that its activities constitute infringement of the same at least since on or about June 15, 2021—the date on which Defendant received notice from Plaintiffs that such activities infringed the '644 Patent.

43.   Defendant has and continues to directly and jointly infringe at least Claim 1 of the '644 Patent, in this judicial District and elsewhere in the United States, pursuant to 35 U.S.C. § 271(a), literally or under the doctrine of equivalents, by, among other things, making, using, selling, offering to sell, and/or importing in or into the United States, without authority, software applications that facilitate secure collaboration on editing, viewing and sharing documents online with multiple parties, including, without limitation, collaboration products such as Basecamp, including Basecamp's platform "[t]he refreshingly simple, and remarkably effective, project management platform"—including but not limited to its constituent "projects", "reports," and "client" functionality and content offered for sale and use via https://basecamp.com (hereinafter, the "'644 Accused Instrumentalities"), as shown below:
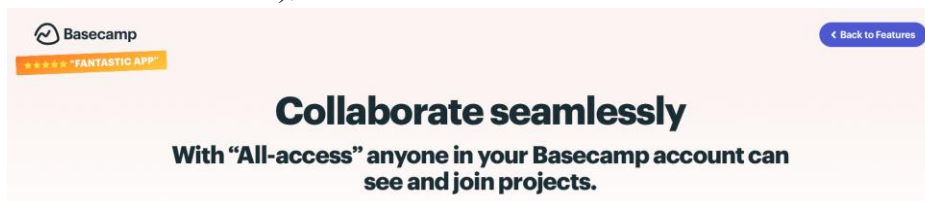
See e.g., https://basecamp.com/features/all-access (last visited Jan. 11, 2023).

44.   The '644 Accused Instrumentalities allows for multiple users to establish an account on its website over the internet. For example, a Basecamp user can collaborate with unlimited users, each with an account on Basecamp's server(s).

See, e.g., https://basecamp.com/pricing (last visited Jan. 11, 2023).



See, e.g., https://3.basecamp-help.com/article/84-logging-in (last visited Jan. 11, 2023).

45.   The '644 Accused Instrumentalities allows for an "Admin" ("first user") to create and store multiple "projects," each with constituent component documents, such as "campfire," "message board," "hill charts," "schedule," and "reports." on the Basecamp server.

See, e.g., https://3.basecamp-help.com/article/25-projects (last visited, January 11, 2023).
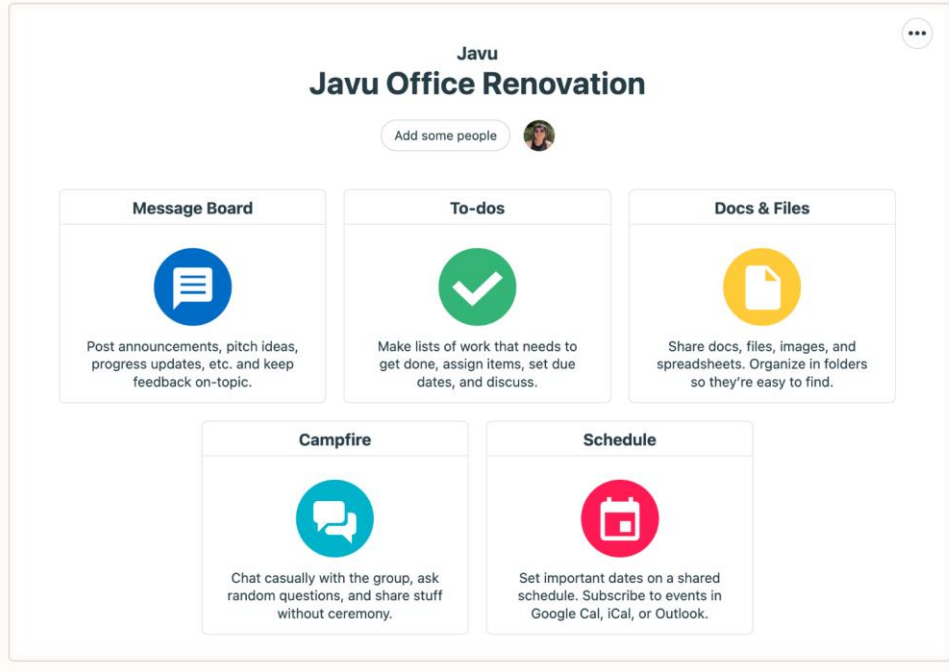
See, e.g., https://3.basecamp-help.com/article/25-projects (last visited, January 11, 2023) (showing default project component documents).
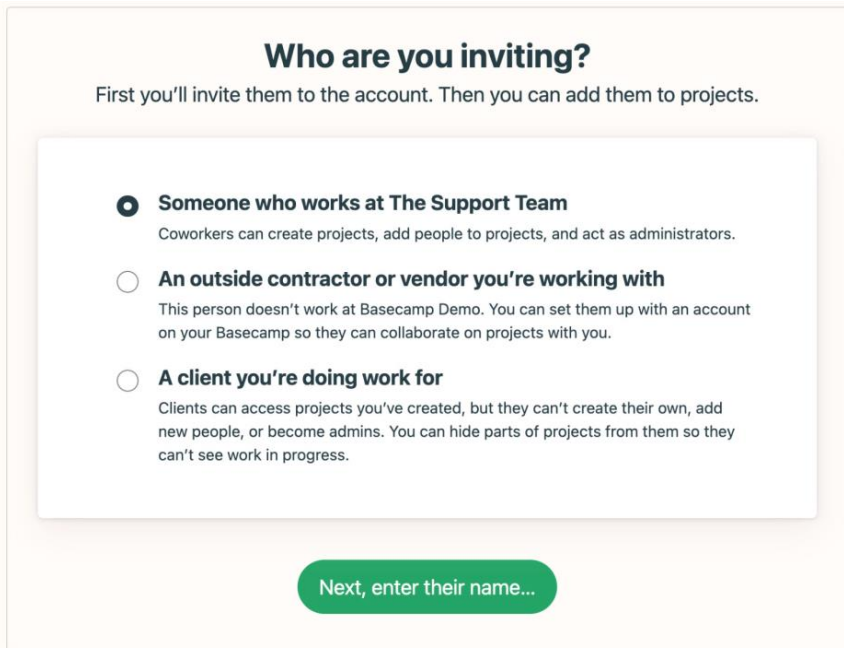
46.   The '644 Accused Instrumentalities associates a set of access restrictions with the document, including an ability to access the document by modification by one of a first group of users. For example, the Basecamp platform sets access permissions at the account and project level, enabling the first party to control who has access to an account, and whether—once granted access—they have access to any particular project and its constituent documents for modification.

Inviting People to a Project

Before you can add users to any projects, you need to add them to your account. People can only see the projects they've been added to. There could be 100 projects on an account but if you only invite someone to one of these projects, they won't know the other 99 exist.

See, e.g., https://3.basecamp-help.com/article/72-inviting-people-to-a-project (last visited, Jan. 11, 2023).

See, e.g., https://3.basecamp-help.com/article/72-inviting-people-to-a-project#add-client (last visited, Jan. 11, 2023).

47. The '644 Accused Instrumentalities allows a second user to request to modify the document, whether the document(s) in question are a "campfire," "message board," "hill chart," "schedule," or a "report." For example, a once a Basecamp non-client user has been granted access to a project, they may request to modify the project or the project's constituent document(s).
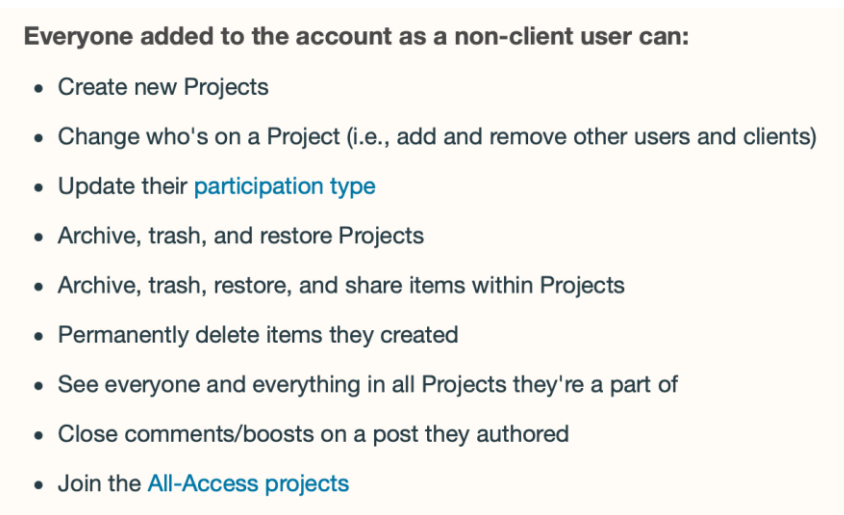
See, e.g., https://3.basecamp-help.com/article/75-permissions (last visited, Jan. 11, 2023).

48. A Basecamp "client user" has limited access to projects to which they have been added.

What's different for Clients:

- They don't see any badges or borders indicating who is a client
- They don't see flags calling out items that are visible to clients
- They don't see Hill Charts
- They can't create new projects
- They can't invite people into projects
- They can't remove people from projects
- They can't edit a project's name or description
- They can't modify the Tools in a project
- They can't archive or trash a project
- They can't see templates
- They can't empty any project items in the trash
- They can't publicly share any project items.
- They can't be made Admins on the account
- They can't join the All-access projects and have to be manually invited

See, e.g., https://3.basecamp-help.com/article/75-permissions (last visited, Jan. 11, 2023).

Clients also only see materials within a project marked, "[t]he client can see this…". *See, e.g.,*

https://3.basecamp-help.com/article/75-permissions (last visited, Jan. 11, 2023).

When a client logs in, they'll see a Project like your team does! The biggest difference is that they only see the items that have been made visible to them. Everything is private by default so you'll need to change the visibility of an item for them to see it:

See, e.g., https://3.basecamp-help.com/article/75-permissions (last visited, Jan. 11, 2023).

49. In each case, the user must log into the Basecamp server using their identification information, which accompanies their request to modify the document.
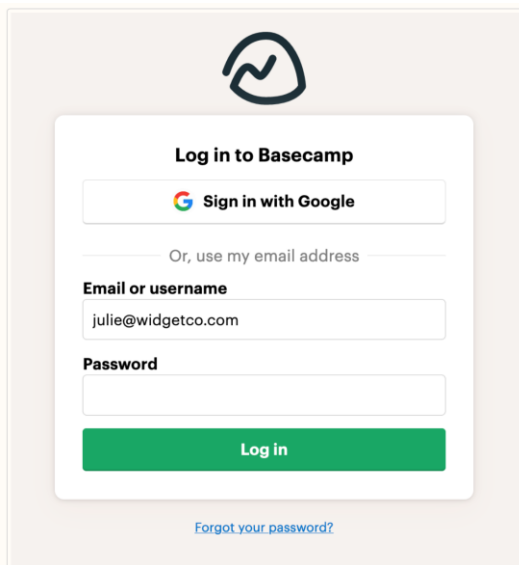
Logging In

Log in to your Basecamp account >

Forgot your password? You can reset your password.

In Basecamp 4, there are a few ways to log in, depending on how you set up your account. No matter the method, you can always start by clicking the `Customer log in` button at the top right of basecamp.com. Or you can click here to sign in now.

If you're already logged in, you'll be taken straight to your account. If you're not currently logged in, you'll be asked for your email address and password or Google Account information.

50.   The '644 Accused Instrumentalities verifies the identity of the second user by use

of a unique user name, as well as forms-based authentication (username and password).

See, e.g., https://3.basecamp-help.com/article/84-logging-in (last visited, Jan. 11, 2023).

Basecamp also issues a "cookie" to associate a device with a user ID.

See, e.g., https://3.basecamp-help.com/article/489-why-do-i-keep-getting-a-new-sign-in-

notification-when-i-login (last visited, Jan. 11, 2023).
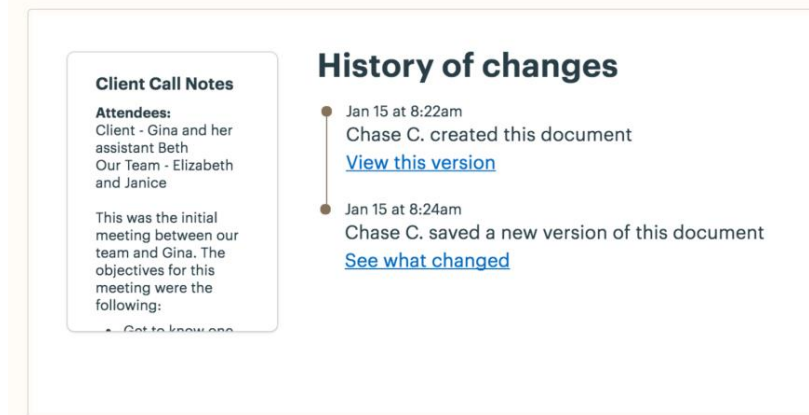
51.   The '644 Accused Instrumentalities has highly customizable permissions whereby

the platform permits the second user to modify the document based upon their individual access

rights.

See, e.g., https://3.basecamp-help.com/article/72-inviting-people-to-a-project (last visited, Jan.

11, 2023) (Basecamp tracks what user has been added to each project to determine their access to

the project).

52.   The '644 Accused Instrumentalities permits receiving "approval or disapproval" for modifications. Basecamp's built-in version control enables receiving approval or disapproval for the modifications from one or more users.

See, e.g., https://3.basecamp-help.com/article/51-docs-files#document-versioning (last visited, Jan. 11, 2022).
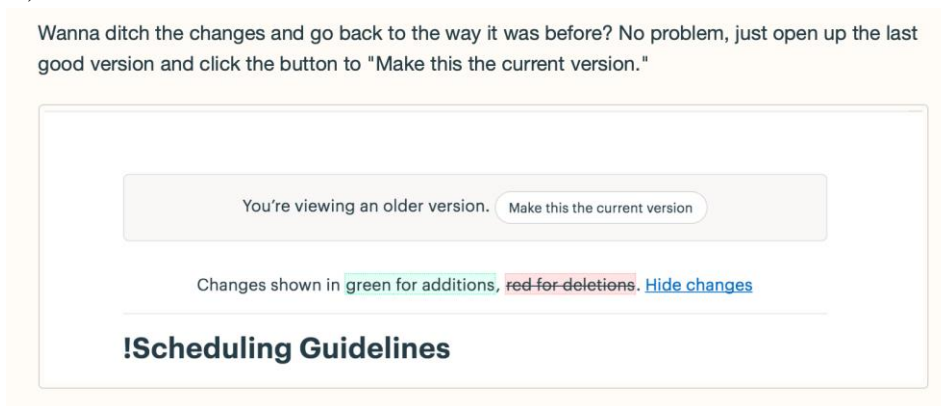
*See, e.g.,* https://3.basecamp-help.com/article/51-docs-files#document-versioning (last visited, Jan. 11, 2022).

53.   Basecamp also enables users to setup their base to streamline the inherent approval/disapproval process.
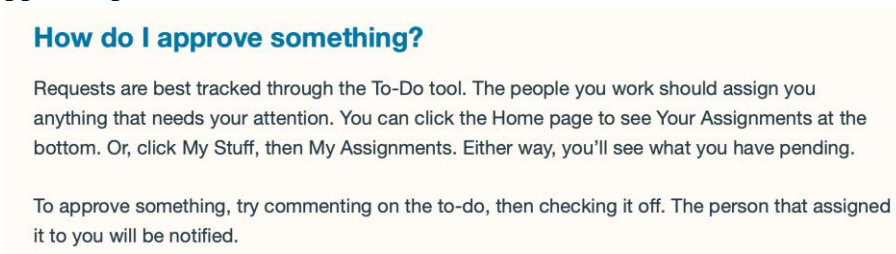
See, e.g., https://3.basecamp-help.com/article/670-using-basecamp-as-a-client#project-breakdown (last visited, Jan. 5, 2023).

54.   The '644 Accused Instrumentalities, stores the identifying information of one or more users who approved or disapproved of modifications to the document. Basecamp's built-in revision control enables stores identifying information of users who edited or revised the document, including approving or disapproving of any such modifications.
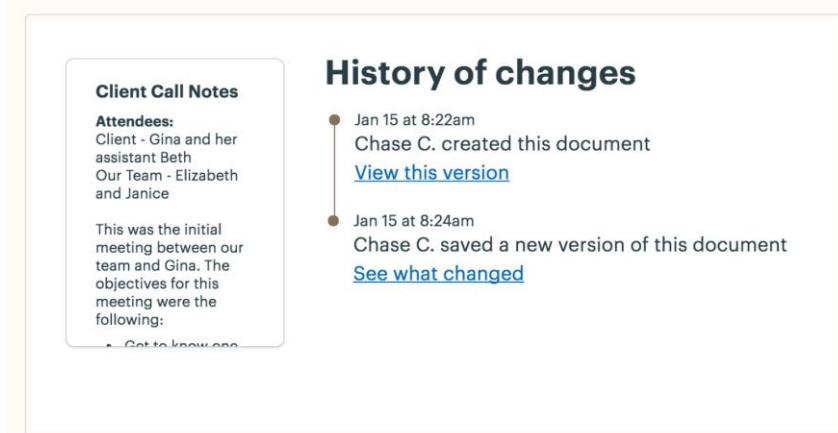
See, e.g., https://3.basecamp-help.com/article/51-docs-files#document-versioning (last visited, Jan. 11, 2022).

55.   Attached hereto as Exhibit 4, and incorporated by reference herein, is a claim chart detailing how the '644 Accused Instrumentalities satisfy each element of at least independent claim 1 of the '644 patent, literally or under the doctrine of equivalents.

56.   Discovery is expected to uncover the full extent of Defendant's infringement of the '644 Patent beyond the '644 Accused Instrumentalities already identified through public information.

57.   Defendant has directly and jointly infringed the '644 Patent and is thus liable for direct and joint infringement of the '644 Patent pursuant to 35 U.S.C. § 271.

58.   Plaintiff has suffered, and continues to suffer, damages as a result of Defendant's infringement of the '644 Patent.

59.   Plaintiff reserves the right to modify its infringement theories as discovery progresses in this case. Plaintiff shall not be estopped for purposes of its infringement

contentions or its claim constructions by the foregoing discussions on how the '644 Accused Instrumentalities infringe the '644 Patent. Plaintiffs intend only that the foregoing discussions satisfy the notice requirements of Rule 8(a)(2) of the Federal Rule of Civil Procedure, and that they should not be construed as Plaintiff's preliminary or final infringement contentions or preliminary or final claim construction positions.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment for itself and against Defendant as follows:

a.   A judgment that Defendant has directly and jointly infringed one or more claims of each of the Asserted Patents;

b.   A judgment awarding Plaintiff all damages adequate to compensate for Defendant's infringement, and in no event less than a reasonable royalty for Defendant's acts of infringement, including all pre-judgment and post-judgment interest at the maximum rate allowed by law;

c.   A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding Plaintiff its reasonable attorneys' fees.

d.   A judgment awarding Plaintiff such other relief as the Court may deem just and equitable.

DEMAND FOR JURY TRIAL

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiff demands a trial by jury of this action.

Dated: January 13, 2023   DEVLIN LAW FIRM LLC

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