UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

QUICKVAULT, INC.,	
Plaintiff,	Case No.: _____
v.	**JURY TRIAL DEMANDED**
NETWRIX CORPORATION,	
Defendant.	

COMPLAINT FOR PATENT INFRINGEMENT

1.   QuickVault, Inc. ("QuickVault") hereby brings this action alleging

that Defendant Netwrix Corporation ("Netwrix") infringes United States Patent

Nos. 9,565,200 (the "'200 Patent"), 9,961,092 (the "'092 Patent"), 10,999,300 (the

"'300 Patent"), 11,637,840 (the "'840 Patent"), 11,895,125 (the "'125 Patent"),

11,880,437 (the "'437 Patent"), and 11,568,029 (the "'029 Patent") (collectively,

the "Asserted Patents") in violation of the patent laws of the United States of

America, 35 U.S.C. § 1 et seq.

INTRODUCTION

2.   Due to the ease of insurance and prescription drug fraud, patient

health information is a valuable target for cyber criminals. Healthcare providers

that lose control of patient data violate HIPAA-OCR requirements and are subject

to fines. QuickVault created its CloudVault® Health business unit in 2015 to address this serious issue, deploying patented technology to mitigate risks to healthcare providers when sharing patient records.

3.   Before CloudVault Health, healthcare providers addressed data security concerns by piecing together HIPAA secure vaults, encryption software installed on individual endpoint computers, and expensive perimeter security that collectively limited access to sensitive data. These solutions did not focus on automatically discovering and protecting the data itself or tracking and predicting the behavior of individuals with access to that data.

4.   QuickVault's patented technology improves security by scanning endpoints within a network that, in coordination with a cloud-based server, automatically discover, classify, and track sensitive information as well as permit remote remediation of policy violations by, e.g., deleting or encrypting unauthorized documents on endpoints. QuickVault's patented technology also enables healthcare providers to predict policy violations before they occur by tracking and analyzing user activity, allowing healthcare providers to optimize security by placing restrictions on high-risk individuals.

5.   "The Netwrix portfolio [of 'integrated solutions'] addresses a complete range of cybersecurity functions." (*Identify Threats. Secure Data. Reduce Risk.*, NETWRIX,

https://www.netwrix.com/?_gl=1*1r041zf*_up*MQ..*_gs*MQ..&gclid=EAIaIQo

bChMI7-zPoO-sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE.) For

example, Netwrix's Endpoint Protector data loss prevention (DLP) software

"[e]nable[s] seamless management of all endpoints" and "lets you restrict non-

compliant devices while ensuring business continuity." (*Secure Your Data with*

Netwrix Endpoint Protector, NETWRIX, https://try.netwrix.com/endpoint-protector-

dlp-software.) Netwrix's Threat Manager "detect[s] and respond[s] to abnormal

behavior and advanced attacks with high accuracy and speed." (*Netwrix Threat*

Manager, NETWRIX,

https://www.netwrix.com/threat_detection_software.html?_gl=1*12eg6k*_up*MQ

..*_gs*MQ..&gclid=EAIaIQobChMI7-zPoO-

sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE.) Netwrix Data Classification

"enables you to accurately identify and classify sensitive and business-critical

content across your organization, therefore mitigating the risk of data breaches and

satisfying compliance requirements with less effort and expense." (*Netwrix Data*

Classification, NETWRIX,

https://www.netwrix.com/data_classification_software.html?_gl=1*7obwwu*_up*

MQ..*_gs*MQ..&gclid=EAIaIQobChMI7-zPoO-

sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE.) These offerings, as well as

each of Netwrix's other offerings[1] (*Featured Products*, NETWRIX,

https://www.netwrix.com/products.html?_gl=1*hu2rhe*_up*MQ..*_gs*MQ..&gcl

id=EAIaIQobChMI7-zPoO-sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE)

(collectively, the "Accused Products") collectively interoperate as an integrated

system/platform and implement QuickVault's patented technologies without

authorization.

6.   A central aspect of the Accused Products is the deployment of agent

software on endpoints to detect, classify, and track data as well as to enable remote

administrators to monitor and remediate policy violations. Remote administrators

are alerted to policy violations and granted multiple remediation options. At least

these functions of the Accused Products practice one or more claims of the

Asserted Patents. The Accused Products also use a multifactor authentication

system for managing user and administrator access, which also practices one or

more claims of the Asserted Patents.

7.   Netwrix has made the Accused Products available to businesses and

individuals throughout the United States, including in this District.

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[1] E.g., Netwrix Auditor, Netwrix Data Classification, Netwrix Privilege Secure,
Netwrix Enterprise Auditor, Netwrix GroupID, Netwrix Endpoint Protector,
Netwrix Threat Manager, Netwrix Threat Prevention, Netwrix Change Tracker,
Netwrix PolicyPak, Netwrix Password Policy Enforcer, Netwrix GroupID
Password Management, Netwrix Recovery for Active Directory, Netwrix
Password Secure, Netwrix Usercube, Netwrix 1Secure for MSPs, Netwrix
Strongpoint, Netwrix 1Secure, Netwrix PingCastle

THE PARTIES

8.   QuickVault is a corporation formed under the laws of Georgia with its

principal office located at 1400 Marketplace Blvd. Ste 226, Cumming, GA, 30041.

9.   Netwrix is a corporation organized and existing under the laws of the

State of Delaware with its principal place of business at 6160 Warren Pkwy, Suite

100, Frisco, TX 75034.

JURISDICTION AND VENUE

10.   This is a civil action for patent infringement arising under the patent

laws of the United States as set forth in 35 U.S.C. §§ 271, *et seq*.

11.   This Court has federal subject matter jurisdiction over this action

pursuant to 28 U.S.C. §§ 1331 and 1338(a).

12.   This Court has personal jurisdiction over Netwrix because Netwrix is

a resident of Texas.

13.   Venue is proper in this District pursuant to 28 U.S.C. §§ 1391(b) and

(c) and 28 U.S.C. § 1400(b) because Netwrix resides in this District, has a regular

and established place of business in this District, and has committed acts of

infringement within this District.

THE ASSERTED PATENTS

14.   The '200 Patent, which is entitled "Method and System for Forensic

Data Tracking," was duly and legally issued to inventors Steven V. Bacastow and

Michael Royd Heuss and assignee QuickVault on February 7, 2017. A true copy

of the '200 Patent is attached hereto as **Exhibit A**.

15.   QuickVault is the owner of the entire right, title, and interest in and to

the '200 Patent, which is presumed valid under 35 U.S.C. § 282.

16.   The '092 Patent, which is entitled "Method and System for Forensic

Data Tracking," was duly and legally issued to inventors Steven V. Bacastow and

Michael Royd Heuss and assignee QuickVault on May 1, 2018. A true copy of the

'092 Patent is attached hereto as **Exhibit B**.

17.   QuickVault is the owner of the entire right, title, and interest in and to

the '092 Patent, which is presumed valid under 35 U.S.C. § 282.

18.   The '300 Patent, which is entitled "Method and System for Forensic

Data Tracking," was duly and legally issued to inventors Steven V. Bacastow and

Michael Royd Heuss and assignee QuickVault on May 4, 2021. A true copy of the

'300 Patent is attached hereto as **Exhibit C**.

19.   QuickVault is the owner of the entire right, title, and interest in and to

the '300 Patent, which is presumed valid under 35 U.S.C. § 282.

20.   The '840 Patent, which is entitled "Method and System for Forensic

Data Tracking," was duly and legally issued to inventors Steven V. Bacastow and

Michael Royd Heuss and assignee QuickVault on April 25, 2023. A true copy of

the '840 Patent is attached hereto as **Exhibit D**.

21.   QuickVault is the owner of the entire right, title, and interest in and to the '840 Patent, which is presumed valid under 35 U.S.C. § 282.

22.   The '125 Patent, which is entitled "Method and System for Forensic Data Tracking," was duly and legally issued to inventors Steven V. Bacastow and Michael Royd Heuss and assignee QuickVault on February 6, 2024. A true copy of the '125 Patent is attached hereto as **Exhibit E**.

23.   QuickVault is the owner of the entire right, title, and interest in and to the '125 Patent, which is presumed valid under 35 U.S.C. § 282.

24.   The '437 Patent, which is entitled "Method and System for Remote Data Access," was duly and legally issued to inventor Steven V. Bacastow and assignee QuickVault on January 23, 2024. A true copy of the '437 Patent is attached hereto as **Exhibit F**.

25.   QuickVault is the owner of the entire right, title, and interest in and to the '437 Patent, which is presumed valid under 35 U.S.C. § 282.

26.   The '029 Patent, which is entitled "Method and System for Remote Data Access," was duly and legally issued to inventor Steven V. Bacastow and assignee QuickVault on January 31, 2023. A true copy of the '029 Patent is attached hereto as **Exhibit G**.

27.   QuickVault is the owner of the entire right, title, and interest in and to the '029 Patent, which is presumed valid under 35 U.S.C. § 282.

COUNT I: PATENT INFRINGEMENT OF THE '200 PATENT

28.   QuickVault incorporates by reference each of the above paragraphs as if fully restated herein.

29.   Netwrix has directly infringed and continues to directly infringe under 35 U.S.C. § 271(a), either literally or under the doctrine of equivalents, one or more claims of the '200 Patent by making, using, selling, offering to sell, and/or importing the Accused Products within the United States.

30.   Not only does Netwrix infringe by supplying and maintaining the Accused Products for its customers, on information and belief Netwrix uses the Accused Products internally in an infringing manner.

31.   A detailed infringement analysis demonstrating how the Accused Products practice each and every limitation of claim 1 of the '200 Patent, either literally or under the doctrine of equivalents, is provided in **Exhibit H**.

32.   As a result of Netwrix's direct infringement of the '200 Patent, QuickVault has suffered monetary damages and seeks recovery in an amount adequate to compensate it for Netwrix's infringement.

COUNT II: INDIRECT INFRINGEMENT OF THE '200 PATENT

33.   QuickVault incorporates by reference each of the above paragraphs as if fully restated herein.

34.   Netwrix actively induces infringement of the '200 Patent by its customers to whom it provides the Accused Products under 35 U.S.C. § 271(b). *See* **Exhibit H**. By implementing the Accused Products within their networks, including *inter alia* by integrating endpoints into their networks and using the Accused Products to monitor and manage those endpoints, Netwrix's customers put the invention into service, i.e., control the system as a whole and obtain benefit from it. Indeed, by using the Accused Products, Netwrix's customers benefit from each claimed component of the invention, for example because each claimed component contributes to augmenting network security, network management, and/or data visibility.

35.   Netwrix has knowledge of the '200 Patent, of its infringement of the '200 Patent, and of its customers' infringement of the '200 Patent at least as of the service and filing of this Complaint. **Exhibit H** provides actual notice to Netwrix that its making, use, sale, offer for sale, and/or importation of the Accused Products, as well as its customers' use of the Accused Products, infringe the '200 Patent.

36.   Netwrix's continued sale, testing, support, instruction, and promotion of the Accused Products to customers and prospective customers constitutes active encouragement and instruction to infringe the '200 Patent. For example, Netwrix's publication of its "Featured Products" website (*Featured Products*, NETWRIX,

https://www.netwrix.com/products.html?_gl=1*hu2rhe*_up*MQ..*_gs*MQ..&gcl

id=EAIaIQobChMI7-zPoO-sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE),

"Resource Library" website (*Resource Library*, NETWRIX,

https://www.netwrix.com/visibility_academy.html?_gl=1*120yfyl*_up*MQ..*_gs

*MQ..&gclid=EAIaIQobChMI7-zPoO-

sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE), "Knowledge Center"

website (*Netwrix Technical Knowledge Center*, NETWRIX,

https://helpcenter.netwrix.com/?_gl=1*ekszam*_gcl_aw*R0NMLjE3MzQ0NjkzO

TAuRUFJYUlRb2JDaE1JNy16UG9PLXNpZ01WeUV0SEFSMEFxVHRIRUFB

WUFTQUFFZ0psblBEX0J3RQ..*_gcl_au*MjA0MjcyNTU2LjE3MzI1NjcwODU.

*_ga*NzEwNzU0MDA5LjE3MzI1NjcwODU.*_ga_Z8M2NDPEEV*MTczNDUz

OTQyNC4xNC4xLjE3MzQ1Mzk1MjEuNDkuMC4yMTEzMTMzNDI2), and

related webpages intentionally instruct and encourage customers to use the

Accused Products in infringing manners. *See* **Exhibit H**.

    37.   Upon information and belief, Netwrix has many end user customers

who use the Accused Products in a manner that directly infringes the '200 Patent.

As a result of Netwrix's infringement and its customers' infringement of the '200

Patent, QuickVault has suffered monetary damages and seeks recovery in an

amount adequate to compensate it for Netwrix's infringement.

COUNT III: DIRECT INFRINGEMENT OF THE '092 PATENT

38.   QuickVault incorporates by reference each of the above paragraphs as if fully restated herein.

39.   Netwrix has directly infringed and continues to directly infringe under 35 U.S.C. § 271(a), either literally or under the doctrine of equivalents, one or more claims of the '092 Patent by making, using, selling, offering to sell, and/or importing the Accused Products within the United States.

40.   Not only does Netwrix infringe by supplying and maintaining the Accused Products for its customers, on information and belief Netwrix uses the Accused Products internally in an infringing manner.

41.   A detailed infringement analysis demonstrating how the Accused Products practice each and every limitation of claim 1 of the '092 Patent, either literally or under the doctrine of equivalents, is provided in **Exhibit I**.

42.   As a result of Netwrix's direct infringement of the '092 Patent, QuickVault has suffered monetary damages and seeks recovery in an amount adequate to compensate it for Netwrix's infringement.

COUNT IV: INDIRECT INFRINGEMENT OF THE '092 PATENT

43.   QuickVault incorporates by reference each of the above paragraphs as if fully restated herein.

44.   Netwrix actively induces infringement of the '092 Patent by its customers to whom it provides the Accused Products under 35 U.S.C. § 271(b). *See* **Exhibit I**. By implementing the Accused Products within their networks, including *inter alia* by integrating endpoints into their networks and using the Accused Products to monitor and manage those endpoints, Netwrix's customers put the invention into service, i.e., control the system as a whole and obtain benefit from it. Indeed, by using the Accused Products, Netwrix's customers benefit from each claimed component of the invention, for example because each claimed component contributes to augmenting network security, network management, and/or data visibility.

45.   Netwrix has knowledge of the '092 Patent, of its infringement of the '092 Patent, and of its customers' infringement of the '092 Patent at least as of the service and filing of this Complaint. **Exhibit I** provides actual notice to Netwrix that its making, use, sale, offer for sale, and/or importation of the Accused Products, as well as its customers' use of the Accused Products, infringe the '092 Patent.

46.   Netwrix's continued sale, testing, support, instruction, and promotion of the Accused Products to customers and prospective customers constitute active encouragement and instruction to infringe the '092 Patent. For example, Netwrix's publication of its "Featured Products" website (*Featured Products*, NETWRIX,

https://www.netwrix.com/products.html?_gl=1*hu2rhe*_up*MQ..*_gs*MQ..&gcl

id=EAIaIQobChMI7-zPoO-sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE) ,

"Resource Library" website (*Resource Library*, Netwrix,

https://www.netwrix.com/visibility_academy.html?_gl=1*120yfyl*_up*MQ..*_gs

*MQ..&gclid=EAIaIQobChMI7-zPoO-

sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE), "Knowledge Center"

website (*Netwrix Technical Knowledge Center*, Netwrix,

https://helpcenter.netwrix.com/?_gl=1*ekszam*_gcl_aw*R0NMLjE3MzQ0NjkzO

TAuRUFJYUlRb2JDaE1JNy16UG9PLXNpZ01WeUV0SEFSMEFxVHRIRUFB

WUFTQUFFZ0psblBEX0J3RQ..*_gcl_au*MjA0MjcyNTU2LjE3MzI1NjcwODU.

*_ga*NzEwNzU0MDA5LjE3MzI1NjcwODU.*_ga_Z8M2NDPEEV*MTczNDUz

OTQyNC4xNC4xLjE3MzQ1Mzk1MjEuNDkuMC4yMTEzMTMzNDI2), and

related webpages intentionally instruct and encourage customers to use the

Accused Products in infringing manners. *See* **Exhibit I**.

47.   Upon information and belief, Netwrix has many end user customers

who use the Accused Products in a manner that directly infringes the '092 Patent.

As a result of Netwrix's infringement and its customers' infringement of the '092

Patent, QuickVault has suffered monetary damages and seeks recovery in an

amount adequate to compensate it for Netwrix's infringement.

COUNT V: DIRECT INFRINGEMENT OF THE '300 PATENT

48.   QuickVault incorporates by reference each of the above paragraphs as if fully restated herein.

49.   Netwrix has directly infringed and continues to directly infringe under 35 U.S.C. § 271(a), either literally or under the doctrine of equivalents, one or more claims of the '300 Patent by making, using, selling, offering to sell, and/or importing the Accused Products within the United States.

50.   Not only does Netwrix infringe by supplying and maintaining the Accused Products for its customers, on information and belief Netwrix uses the Accused Products internally in an infringing manner.

51.   A detailed infringement analysis demonstrating how the Accused Products practice each and every limitation of claim 1 of the '300 Patent, either literally or under the doctrine of equivalents, is provided in **Exhibit J**.

52.   As a result of Netwrix's direct infringement of the '300 Patent, QuickVault has suffered monetary damages and seeks recovery in an amount adequate to compensate it for Netwrix's infringement.

COUNT VI: INDIRECT INFRINGEMENT OF THE '300 PATENT

53.   QuickVault incorporates by reference each of the above paragraphs as if fully restated herein.

54.   Netwrix also actively induces infringement of the '300 Patent by its customers to whom it provides the Accused Products under 35 U.S.C. § 271(b). *See* **Exhibit J**. By implementing the Accused Products within their networks, including *inter alia* by integrating endpoints into their networks and using the Accused Products to monitor and manage those endpoints, Netwrix's customers put the invention into service, i.e., control the system as a whole and obtain benefit from it. Indeed, by using the Accused Products, Netwrix's customers benefit from each claimed component of the invention, for example because each claimed component contributes to augmenting network security, network management, and/or data visibility.

55.   Netwrix has knowledge of the '300 Patent, of its infringement of the '300 Patent, and of its customers' infringement of the '300 Patent at least as of the service and filing of this Complaint. **Exhibit J** provides actual notice to Netwrix that its making, use, sale, offer for sale, and/or importation of the Accused Products, as well as its customers' use of the Accused Products, infringe the '300 Patent.

56.   Netwrix's continued sale, testing, support, instruction, and promotion of the Accused Products to customers and prospective customers constitute active encouragement and instruction to infringe the '300 Patent. For example, Netwrix's publication of its "Featured Products" website (*Featured Products*, NETWRIX,

https://www.netwrix.com/products.html?_gl=1*hu2rhe*_up*MQ..*_gs*MQ..&gcl
id=EAIaIQobChMI7-zPoO-sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE),

"Resource Library" website (*Resource Library*, NETWRIX,

https://www.netwrix.com/visibility_academy.html?_gl=1*120yfyl*_up*MQ..*_gs
*MQ..&gclid=EAIaIQobChMI7-zPoO-
sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE), "Knowledge Center"

website (*Netwrix Technical Knowledge Center*, NETWRIX,

https://helpcenter.netwrix.com/?_gl=1*ekszam*_gcl_aw*R0NMLjE3MzQ0NjkzO
TAuRUFJYUlRb2JDaE1JNy16UG9PLXNpZ01WeUV0SEFSMEFxVHRIRUFB
WUFTQUFFZ0psblBEX0J3RQ..*_gcl_au*MjA0MjcyNTU2LjE3MzI1NjcwODU.
*_ga*NzEwNzU0MDA5LjE3MzI1NjcwODU.*_ga_Z8M2NDPEEV*MTczNDUz
OTQyNC4xNC4xLjE3MzQ1Mzk1MjEuNDkuMC4yMTEzMTMzNDI2), and

related webpages intentionally instruct and encourage customers to use the

Accused Products in infringing manners. *See* **Exhibit J**.

57.   Upon information and belief, Netwrix has many end user customers

who use the Accused Products in a manner that directly infringes the '300 Patent.

As a result of Netwrix's indirect infringement and its customers' direct

infringement of the '300 Patent, QuickVault has suffered monetary damages and

seeks recovery in an amount adequate to compensate it for Netwrix's infringement.

COUNT VII: DIRECT INFRINGEMENT OF THE '840 PATENT

58.   QuickVault incorporates by reference each of the above paragraphs as if fully restated herein.

59.   Netwrix has directly infringed and continues to directly infringe under 35 U.S.C. § 271(a), either literally or under the doctrine of equivalents, one or more claims of the '840 Patent by making, using, selling, offering to sell, and/or importing the Accused Products within the United States.

60.   Not only does Netwrix infringe by supplying and maintaining the Accused Products for its customers, on information and belief Netwrix uses the Accused Products internally in an infringing manner.

61.   A detailed infringement analysis demonstrating how the Accused Products practice each and every limitation of claim 1 of the '840 Patent, either literally or under the doctrine of equivalents, is provided in **Exhibit K**. With respect to the method claims of the '840 Patent, each of the claim steps are either performed directly by Netwrix or are otherwise performed by Netwrix's customers under Netwrix's direction and control. Specifically, Netwrix conditions participation in an activity (e.g., the use of at least certain aspects of Netwrix's platform) or receipt of a benefit (e.g., the improvement in security/management/visibility achieved by utilizing at least certain aspects of Netwrix's platform) upon performance of a step or steps of a patented method

(e.g., any step of the claimed method performed by a customer rather than by Netwrix directly) and establishes the manner or timing of that performance (e.g., by writing and maintaining the software that customers use to perform claim steps, and by providing instructional materials to customers on how to utilize the system effectively).

62.   As a result of Netwrix's direct infringement of the '840 Patent, QuickVault has suffered monetary damages and seeks recovery in an amount adequate to compensate it for Netwrix's infringement.

COUNT VIII: INDIRECT INFRINGEMENT OF THE '840 PATENT

63.   QuickVault incorporates by reference each of the above paragraphs as if fully restated herein.

64.   Netwrix's customers practice the claimed methods of the '840 Patent, such that Netwrix actively induces infringement of the '840 Patent by its customers to whom it provides the Accused Products under 35 U.S.C. § 271(b). *See* **Exhibit K**. By implementing the Accused Products within their networks, including *inter alia* by integrating endpoints into their networks and using the Accused Products to monitor and manage those endpoints, Netwrix's customers put the invention into service, i.e., control the system as a whole and obtain benefit from it. Indeed, by using the Accused Products, Netwrix's customers benefit from each claimed component of the invention, for example because each claimed component

contributes to augmenting network security, network management, and/or data

visibility.

65.   Netwrix has knowledge of the '840 Patent, of its infringement of the

'840 Patent, and of its customers' infringement of the '840 Patent at least as of the

service and filing of this Complaint. **Exhibit K** provides actual notice to Netwrix

that its making, use, sale, offer for sale, and/or importation of the Accused

Products, as well as its customers' use of the Accused Products, infringe the '840

Patent.

66.   Netwrix's continued sale, testing, support, instruction, and promotion

of the Accused Products to customers and prospective customers constitute active

encouragement and instruction to infringe the '840 Patent. *See* **Exhibit K**. For

example, Netwrix's publication of its "Featured Products" website (*Featured*

Products, NETWRIX,

https://www.netrix.com/products.html?_gl=1*hu2rhe*_up*MQ..*_gs*MQ..&gcl

id=EAIaIQobChMI7-zPoO-sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE),

"Resource Library" website (*Resource Library*, NETWRIX,

https://www.netrix.com/visibility_academy.html?_gl=1*120yfyl*_up*MQ..*_gs

*MQ..&gclid=EAIaIQobChMI7-zPoO-

sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE), "Knowledge Center"

website (*Netwrix Technical Knowledge Center*, NETWRIX,

https://helpcenter.netwrix.com/?_gl=1*ekszam*_gcl_aw*R0NMLjE3MzQ0NjkzO
TAuRUFJYUlRb2JDaE1JNy16UG9PLXNpZ01WeUV0SEFSMEFxVHRIRUFB
WUFTQUFFZ0psblBEX0J3RQ..*_gcl_au*MjA0MjcyNTU2LjE3MzI1NjcwODU.
*_ga*NzEwNzU0MDA5LjE3MzI1NjcwODU.*_ga_Z8M2NDPEEV*MTczNDUz
OTQyNC4xNC4xLjE3MzQ1Mzk1MjEuNDkuMC4yMTEzMTMzNDI2), and

related webpages intentionally instruct and encourage customers to use the

Accused Products in infringing manners. *See* **Exhibit K**.

67.   Upon information and belief, Netwrix has many end user customers

who use the Accused Products in a manner that directly infringes the '840 Patent.

As a result of Netwrix's infringement and its customers' infringement of the '840

Patent, QuickVault has suffered monetary damages and seeks recovery in an

amount adequate to compensate it for Netwrix's infringement.

COUNT IX: DIRECT INFRINGEMENT OF THE '125 PATENT

68.   QuickVault incorporates by reference each of the above paragraphs as

if fully restated herein.

69.   Netwrix has directly infringed and continues to directly infringe under

35 U.S.C. § 271(a), either literally or under the doctrine of equivalents, one or

more claims of the '125 Patent by making, using, selling, offering to sell, and/or

importing the Accused Products within the United States.

70.   Not only does Netwrix infringe by supplying and maintaining the Accused Products for its customers, on information and belief Netwrix uses the Accused Products internally in an infringing manner.

71.   A detailed infringement analysis demonstrating how the Accused Products practice each and every limitation of claim 1 of the '125 Patent, either literally or under the doctrine of equivalents, is provided in **Exhibit L**. With respect to the method claims of the '125 Patent, each of the claim steps are either performed directly by Netwrix or are otherwise performed by Netwrix's customers under Netwrix's direction and control. Specifically, Netwrix conditions participation in an activity (e.g., the use of at least certain aspects of Netwrix's platform) or receipt of a benefit (e.g., the improvement in security/management/visibility achieved by utilizing at least certain aspects of Netwrix's platform) upon performance of a step or steps of a patented method (e.g., any step of the claimed method performed by a customer rather than by Netwrix directly) and establishes the manner or timing of that performance (e.g., by writing and maintaining the software that customers use to perform claim steps, and by providing instructional materials to customers on how to utilize the system effectively).

72.   As a result of Netwrix's direct infringement of the '125 Patent,

QuickVault has suffered monetary damages and seeks recovery in an amount

adequate to compensate it for Netwrix's infringement.

COUNT X: INDIRECT INFRINGEMENT OF THE '125 PATENT

73.   QuickVault incorporates by reference each of the above paragraphs as

if fully restated herein.

74.   Netwrix also actively induces infringement of the '125 Patent by its

customers to whom it provides the Accused Products under 35 U.S.C. § 271(b).

See **Exhibit L**. By implementing the Accused Products within their networks,

including *inter alia* by integrating endpoints into their networks and using the

Accused Products to monitor and manage those endpoints, Netwrix's customers

put the invention into service, i.e., control the system as a whole and obtain benefit

from it. Indeed, by using the Accused Products, Netwrix's customers benefit from

each claimed component of the invention, for example because each claimed

component contributes to augmenting network security, network management,

and/or data visibility.

75.   Netwrix has knowledge of the '125 Patent, of its infringement of the

'125 Patent, and of its customers' infringement of the '125 Patent at least as of the

service and filing of this Complaint. **Exhibit L** provides notice to Netwrix that its

making, use, sale, offer for sale, and/or importation of the Accused Products, as well as its customers' use of the Accused Products, infringe the '125 Patent.

76.   Netwrix's continued sale, testing, support, instruction, and promotion of the Accused Products to customers and prospective customers constitute active encouragement and instruction to infringe the '125 Patent. For example, Netwrix's publication of its "Featured Products" website (*Featured Products*, NETWRIX, https://www.netwrix.com/products.html?_gl=1*hu2rhe*_up*MQ..*_gs*MQ..&gcl id=EAIaIQobChMI7-zPoO-sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE), "Resource Library" website (*Resource Library*, NETWRIX, https://www.netwrix.com/visibility_academy.html?_gl=1*120yfyl*_up*MQ..*_gs *MQ..&gclid=EAIaIQobChMI7-zPoO-sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE), "Knowledge Center" website (*Netwrix Technical Knowledge Center*, NETWRIX, https://helpcenter.netwrix.com/?_gl=1*ekszam*_gcl_aw*R0NMLjE3MzQ0NjkzO TAuRUFJYUlRb2JDaE1JNy16UG9PLXNpZ01WeUV0SEFSMEFxVHRIRUFB WUFTQUFFZ0psblBEX0J3RQ..*_gcl_au*MjA0MjcyNTU2LjE3MzI1NjcwODU. *_ga*NzEwNzU0MDA5LjE3MzI1NjcwODU.*_ga_Z8M2NDPEEV*MTczNDUz OTQyNC4xNC4xLjE3MzQ1Mzk1MjEuNDkuMC4yMTEzMTMzNDI2), and related webpages intentionally instruct and encourage customers to use the Accused Products in infringing manners. *See* **Exhibit L**.

77.   Upon information and belief, Netwrix has many end user customers who use the Accused Products in a manner that directly infringes the '125 Patent. As a result of Netwrix's indirect infringement and its customers' direct infringement of the '125 Patent, QuickVault has suffered monetary damages and seeks recovery in an amount adequate to compensate it for Netwrix's infringement.

COUNT XI: DIRECT INFRINGEMENT OF THE '437 PATENT

78.   QuickVault incorporates by reference each of the above paragraphs as if fully restated herein.

79.   Netwrix has directly infringed and continues to directly infringe under 35 U.S.C. § 271(a), either literally or under the doctrine of equivalents, one or more claims of the '437 Patent by making, using, selling, offering to sell, and/or importing the Accused Products within the United States. Each of the claim steps of the '437 Patent are either performed directly by Netwrix or are otherwise performed by Netwrix's customers under Netwrix's direction and control. Specifically, Netwrix conditions participation in an activity (e.g., the use of multifactor authentication on Netwrix's platform) or receipt of a benefit (e.g., the improvement in security resulting from using multifactor authentication on Netwrix's platform) upon performance of a step or steps of a patented method (e.g., any step of the claimed method performed by a customer rather than by Netwrix directly) and establishes the manner or timing of that performance (e.g.,

by writing and maintaining the software that customers use to perform claim steps, and by providing instructional materials to customers on how to perform the claim steps).

80.   Not only does Netwrix infringe by supplying and maintaining the Accused Products for its customers, on information and belief Netwrix uses the Accused Products internally in an infringing manner.

81.   A detailed infringement analysis demonstrating how the Accused Products practice each and every limitation of claim 1 of the '437 Patent, either literally or under the doctrine of equivalents, is provided in **Exhibit M**.

82.   As a result of Netwrix's direct infringement of the '437 Patent, QuickVault has suffered monetary damages and seeks recovery in an amount adequate to compensate it for Netwrix's infringement.

COUNT XII: INDIRECT INFRINGEMENT OF THE '437 PATENT

83.   QuickVault incorporates by reference each of the above paragraphs as if fully restated herein.

84.   Netwrix's customers also practice the claimed methods Netwrix actively induces infringement of the '437 Patent by its customers to whom it provides the Accused Products under 35 U.S.C. § 271(b). *See* **Exhibit M**. By utilizing the Accused Products within their networks, including *inter alia* by using the claimed multifactor authentication methods in their implementation of the

Accused Products, Netwrix's customers put the invention into service, i.e., control

the system as a whole and obtain benefit from it. Indeed, by using the Accused

Products, Netwrix's customers benefit from each claimed component of the

invention, for example because each claimed component contributes to augmenting

network security.

85.   Netwrix has knowledge of the '437 Patent, of its infringement of the

'437 Patent, and of its customers' infringement of the '437 Patent at least as of the

service and filing of this Complaint. **Exhibit M** provides notice to Netwrix that its

making, use, sale, offer for sale, and/or importation of the Accused Products, as

well as its customers' use of the Accused Products, infringe the '437 Patent.

86.   Netwrix's continued sale and promotion of the Accused Products to

customers and prospective customers constitute active encouragement and

instruction to infringe the '437 Patent. *See* **Exhibit M**. For example, Netwrix's

publication of its "Featured Products" website (*Featured Products*, NETWRIX,

https://www.netwrix.com/products.html?_gl=1*hu2rhe*_up*MQ..*_gs*MQ..&gcl

id=EAIaIQobChMI7-zPoO-sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE),

"Resource Library" website (*Resource Library*, NETWRIX,

https://www.netwrix.com/visibility_academy.html?_gl=1*120yfyl*_up*MQ..*_gs

*MQ..&gclid=EAIaIQobChMI7-zPoO-

sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE), "Knowledge Center"

website (*Netwrix Technical Knowledge Center*, NETWRIX,

https://helpcenter.netwrix.com/?_gl=1*ekszam*_gcl_aw*R0NMLjE3MzQ0NjkzO

TAuRUFJYUlRb2JDaE1JNy16UG9PLXNpZ01WeUV0SEFSMEFxVHRIRUFB

WUFTQUFFZ0psblBEX0J3RQ..*_gcl_au*MjA0MjcyNTU2LjE3MzI1NjcwODU.

*_ga*NzEwNzU0MDA5LjE3MzI1NjcwODU.*_ga_Z8M2NDPEEV*MTczNDUz

OTQyNC4xNC4xLjE3MzQ1Mzk1MjEuNDkuMC4yMTEzMTMzNDI2), and

related webpages intentionally instruct and encourage customers to use the

Accused Products in infringing manners. *See* **Exhibit M**.

        87.   Upon information and belief, Netwrix has many end user customers

who use the Accused Products in a manner that directly infringes the '437 Patent.

As a result of Netwrix's indirect infringement and its customers' direct

infringement of the '437 Patent, QuickVault has suffered monetary damages and

seeks recovery in an amount adequate to compensate it for Netwrix's infringement.

COUNT XIII: DIRECT INFRINGEMENT OF THE '029 PATENT

        88.   QuickVault incorporates by reference each of the above paragraphs as

if fully restated herein.

        89.   Netwrix has directly infringed and continues to directly infringe under

35 U.S.C. § 271(a), either literally or under the doctrine of equivalents, one or

more claims of the '029 Patent by making, using, selling, offering to sell, and/or

importing the Accused Products within the United States. Each of the claimed

steps of the '029 Patent are either performed directly by Netwrix or are otherwise performed by Netwrix's customers under Netwrix's direction and control. Specifically, Netwrix conditions participation in an activity (e.g., the use of multifactor authentication on Netwrix's platform) or receipt of a benefit (e.g., the improvement in security resulting from using multifactor authentication on Netwrix's platform) upon performance of a step or steps of a patented method (e.g., any step of the claimed method performed by a customer rather than by Netwrix directly) and establishes the manner or timing of that performance (e.g., by writing and maintaining the software that customers use to perform claim steps, and by providing instructional materials to customers on how to perform the claim steps).

90.   Not only does Netwrix infringe by supplying and maintaining the Accused Products for its customers, on information and belief Netwrix uses the Accused Products internally in an infringing manner.

91.   A detailed infringement analysis demonstrating how the Accused Products practice each and every limitation of claim 1 of the '029 Patent, either literally or under the doctrine of equivalents, is provided in **Exhibit N**.

92.   As a result of Netwrix's direct infringement of the '029 Patent, QuickVault has suffered monetary damages and seeks recovery in an amount adequate to compensate it for Netwrix's infringement.

COUNT XIV: INDIRECT INFRINGEMENT OF THE '029 PATENT

93.   QuickVault incorporates by reference each of the above paragraphs as if fully restated herein.

94.   Netwrix's customers practice the claimed methods of the '029 Patent, such that Netwrix actively induces infringement of the '029 Patent by its customers to whom it provides the Accused Products under 35 U.S.C. § 271(b). *See* **Exhibit N**. By utilizing the Accused Products within their networks, including *inter alia* by using the claimed multifactor authentication methods in their implementation of the Accused Products, Netwrix's customers put the invention into service, i.e., control the system as a whole and obtain benefit from it. Indeed, by using the Accused Products, Netwrix's customers benefit from each claimed component of the invention, for example because each claimed component contributes to augmenting network security.

95.   Netwrix has knowledge of the '029 Patent, of its infringement of the '029 Patent, and of its customers' infringement of the '029 Patent at least as of the service and filing of this Complaint. **Exhibit N** provides actual notice to Netwrix that its making, use, sale, offer for sale, and/or importation of the Accused Products, as well as its customers' use of the Accused Products, infringes the '029 Patent.

96.   Netwrix's continued sale, testing, support, instruction, and promotion

of the Accused Products to customers and prospective customers constitute active

encouragement and instruction to infringe the '029 Patent. For example, Netwrix's

publication of its "Featured Products" website (*Featured Products*, NETWRIX,

https://www.netwrix.com/products.html?_gl=1*hu2rhe*_up*MQ..*_gs*MQ..&gcl

id=EAIaIQobChMI7-zPoO-sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE),

"Resource Library" website (*Resource Library*, NETWRIX,

https://www.netwrix.com/visibility_academy.html?_gl=1*120yfyl*_up*MQ..*_gs

*MQ..&gclid=EAIaIQobChMI7-zPoO-

sigMVyEtHAR0AqTtHEAAYASAAEgJlnPD_BwE), "Knowledge Center"

website (*Netwrix Technical Knowledge Center*, NETWRIX,

https://helpcenter.netwrix.com/?_gl=1*ekszam*_gcl_aw*R0NMLjE3MzQ0NjkzO

TAuRUFJYUlRb2JDaE1JNy16UG9PLXNpZ01WeUV0SEFSMEFxVHRIRUFB

WUFTQUFFZ0psblBEX0J3RQ..*_gcl_au*MjA0MjcyNTU2LjE3MzI1NjcwODU.

*_ga*NzEwNzU0MDA5LjE3MzI1NjcwODU.*_ga_Z8M2NDPEEV*MTczNDUz

OTQyNC4xNC4xLjE3MzQ1Mzk1MjEuNDkuMC4yMTEzMTMzNDI2), and

related webpages intentionally instruct and encourage customers to use the

Accused Products in infringing manners. *See* **Exhibit N**.

97.   Upon information and belief, Netwrix has many end user customers

who use the Accused Products in a manner that directly infringes with the '029

Patent. As a result of Netwrix's infringement and its customers' infringement of the '029 Patent, QuickVault has suffered monetary damages and seeks recovery in an amount adequate to compensate it for Netwrix's infringement.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff QuickVault respectfully requests the following relief:

A.   A judgment in favor of QuickVault that Netwrix has infringed, either literally and/or under the doctrine of equivalents, each of the Asserted Patents;

B.   An award of damages resulting from Netwrix's acts of infringement in accordance with 35 U.S.C. § 284;

C.   That this Court order an accounting of damages incurred by QuickVault from six years prior to the date this lawsuit was filed through the entry of a final, non-appealable judgment;

D.   That this Court award pre- and post-judgment interest on such damages to QuickVault;

E.   A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding to QuickVault reasonable attorneys' fees against Netwrix.

F.   Any and all other relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

QuickVault respectfully requests a trial by jury on all issues triable thereby.

DATED this 18th day of December, 2024.

RESPECTFULLY SUBMITTED,

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