

**UNITED STATES DISTRICT COURT  
DISTRICT OF DELAWARE**

STRIKEFORCE TECHNOLOGIES, INC.,  
1090 King Georges Post Road  
Edison, New Jersey 08837,

Plaintiff,

v.

MICROSOFT CORPORATION  
One Microsoft Way  
Redmond, WA 98052-6399

Defendants.

Case No.

**COMPLAINT FOR PATENT  
INFRINGEMENT**

Jury Trial Demanded

StrikeForce Technologies, Inc. (hereinafter “Plaintiff”), files this Complaint for patent infringement against Microsoft Corporation (hereinafter “Defendant”), and, in support thereof, further states and alleges as follows:

**THE PARTIES**

1. Plaintiff, StrikeForce Technologies, Inc. (“StrikeForce”) is a corporation incorporated in the state of Wyoming, with its principal place of business located at 1090 King Georges Post Road, Edison, New Jersey 08837.

2. Upon information and belief, Defendant Microsoft Corporation (“Microsoft”) is a corporation incorporated in the state of Washington, having its principal place of business at One Microsoft Way, Redmond, Washington 98052-6399. The registered agent for service of process is Corporation Service Company, 2711 Centerville Rd, Suite 400, Wilmington, DE 19808.

**JURISDICTION AND VENUE**

3. This is a civil action for patent infringement under the laws of the United States, Title 35 United States Code §§ 1, *et seq.*

4. This Court has subject-matter jurisdiction over this action under 28 U.S.C. §§ 1331 (federal question) and 1338(a) (patent-exclusive jurisdiction).

5. The Court has both general and specific personal jurisdiction over Defendant Microsoft because Microsoft maintains continuous and systematic contacts with the state of Delaware and because Microsoft has purposefully directed its activities at residents of the state of Delaware, StrikeForce's claims arise, in part, out of or relate to Microsoft's acts of infringement committed in the state of Delaware, and the assertion of personal jurisdiction over Microsoft in this forum would not offend traditional notions of fair play and substantial justice.

6. Venue is proper under 28 U.S.C. §§ 1391(b) and (c) and § 1400(b), because Defendants are subject to personal jurisdiction in this judicial district.

### **FACTUAL BACKGROUND**

7. On January 11, 2011, the United States Patent and Trademark Office duly and legally issued U.S. Patent No. 7,870,599, entitled "Multichannel Device Utilizing a Centralized Out-of-Band Authentication System (COBAS)" ("the '599 Patent"). On December 27, 2011, the United States Patent and Trademark Office duly and legally issued Ex Parte Reexamination Certificate No. 7,870,599C1. A true and correct copy of the '599 Patent, including the '599C1 Certificate, is attached hereto as Exhibit A.

8. On July 9, 2013, the United States Patent and Trademark Office duly and legally issued U.S. Patent No. 8,484,698, entitled "Multichannel Device Utilizing a Centralized Out-of-Band Authentication System (COBAS)" ("the '698 Patent"). A true and correct copy of the '698 Patent is attached hereto as Exhibit B.

9. On April 29, 2014, the United States Patent and Trademark Office duly and legally issued U.S. Patent No. 8,713,701, entitled "Multichannel Device Utilizing a

Centralized Out-of-Band Authentication System (COBAS)” (“the ’701 Patent”). A true and correct copy of the ’701 Patent is attached hereto as Exhibit C.

10. Plaintiff StrikeForce is the owner by assignment of the ’599 Patent, the ’698 Patent, and the ’701 Patent (collectively the “Patents”).

11. The Patents are directed to multichannel security systems and methods for authenticating a user seeking to gain access to, for example, Internet websites and VPN networks, such as those used for conducting banking, social networking, business activities, and other online services. Such technology is sometimes known as “out-of-band” authentication. When coupled with more traditional processes, they are more commonly known as two factor-authentication.

12. StrikeForce offers a product that performs out-of-band authentication, known as ProtectID<sup>®</sup>. Since at least as early as February 10, 2011, the statutory patent notice was placed on the ProtectID<sup>®</sup> product.

13. On October 10, 2012, StrikeForce’s Chief Executive Officer sent a letter to Microsoft’s Chief Executive Officer giving him actual notice of the ’599 Patent. On November 29, 2012, StrikeForce’s Chief Executive Officer also sent a letter to Microsoft’s Chief Patent Counsel giving him actual notice of the ’599 Patent.

14. As least as early as October 30, 2013, Microsoft began offering its Windows Azure Multi-Factor Authentication product, with Multi-Factor Authentication apps for Windows Phone, Android, and IOS devices. On information and belief, since that date, Defendant Microsoft has offered and continues to offer Microsoft’s Active Directory, Windows Azure Active Directory and Office 365 products. On information and belief, Defendant Microsoft has also offered and continues to offer out-of-band authentication at no additional

cost for Microsoft's Active Directory, Windows Azure Active Directory and Office 365 products as a value-added feature.

## COUNT 1

### **Direct Infringement of the '599 Patent**

15. Plaintiff incorporates by this reference the averments set forth in paragraphs 1 through 14.

16. Upon information and belief, Defendant Microsoft has infringed the '599 Patent in this district and elsewhere by making, using, offering for sale, or selling systems and methods for out-of-band authentication, all in violation of 35 U.S.C. § 271(a). Defendant Microsoft has infringed the '599 Patent in this district and elsewhere by making, using, offering for sale, or selling systems and methods for out-of-band authentication, including the following products: Windows Azure Multi-Factor Authentication, Multi-Factor Authentication apps for Windows Phone, Android, and IOS devices, Active Directory, Windows Azure Active Directory and Office 365, which are offered for sale and sold in this district and elsewhere.

17. Since before the filing of this lawsuit, Microsoft has had actual notice of the '599 Patent by virtue of the letter sent by StrikeForce's Chief Executive Officer to Microsoft's Chief Executive Officer in October 2012 and to Microsoft's Senior Patent Counsel in November 2012.

18. As a direct and proximate result of Defendant Microsoft's acts of infringing the '599 Patent, Plaintiff has suffered injury and monetary damages for which Plaintiff is entitled to relief in the form of damages for lost profits and in no event less than a reasonable royalty to compensate for Defendant Microsoft's infringement.

19. Upon information and belief, Defendant Microsoft has knowingly, willfully, and deliberately infringed the '599 Patent, in conscious disregard of Plaintiff's rights, making

this case exceptional within the meaning of 35 U.S.C. § 285 and justifying treble damages pursuant to 35 U.S.C. § 284.

20. Upon information and belief, Defendant Microsoft will continue to directly infringe the '599 Patent, causing immediate and irreparable harm to Plaintiff unless this Court enjoins and restrains its activities, specifically the acts of making, using, selling, offering for sale, and importing as mentioned above. There are inadequate remedies available at law to compensate for this harm.

21. Upon information and belief, the direct infringement of the '599 Patent by Defendant Microsoft has deprived, and will deprive, Plaintiff of sales proceeds, subscription fees, licensing fees, royalties and other related revenue which Plaintiff would have made or would enjoy in the future; has injured Plaintiff in other respects; and will cause Plaintiff added injury and damage unless Defendant Microsoft is enjoined from infringing the '599 Patent on all products and web services Defendant Microsoft will make, use, offer for sale, sell, import, distribute, market, or advertise until the expiration of the '599 Patent.

## **COUNT II**

### **Direct Infringement of the '698 Patent**

22. Plaintiff incorporates by this reference the averments set forth in paragraphs 1 through 21.

23. Upon information and belief, Defendant Microsoft has infringed the '698 Patent in this district and elsewhere by making, using, offering for sale, or selling systems and methods for out-of-band authentication, all in violation of 35 U.S.C. § 271(a). Defendant Microsoft has infringed the '698 Patent in this district and elsewhere by making, using, offering for sale, or selling systems and methods for out-of-band authentication, including the following products: Windows Azure Multi-Factor Authentication, Multi-Factor Authentication apps for Windows

Phone, Android, and IOS devices, Active Directory, Windows Azure Active Directory and Office 365, which are offered for sale and sold in this district and elsewhere.

24. Since before the filing of this lawsuit, Microsoft has had actual notice of the '698 Patent, at least by virtue of its involvement in a pending lawsuit captioned StrikeForce Technologies, Inc. v. Phonefactor, Inc., et al., C.A. No. 13-cv-490-MPT, pending in this District, at least as early as March 17, 2014.

25. As a direct and proximate result of the acts committed by Defendant Microsoft of infringing the '698 Patent, Plaintiff has suffered injury and monetary damages for which Plaintiff is entitled to relief in the form of damages for lost profits and in no event less than a reasonable royalty to compensate for Defendant Microsoft's infringement.

26. Upon information and belief, Defendant Microsoft has knowingly, willfully, and deliberately infringed the '698 Patent, in conscious disregard of Plaintiff's rights, making this case exceptional within the meaning of 35 U.S.C. § 285 and justifying treble damages pursuant to 35 U.S.C. § 284.

27. Upon information and belief, Defendant Microsoft will continue to directly infringe the '698 Patent, causing immediate and irreparable harm to Plaintiff unless this Court enjoins and restrains its activities, specifically the acts of making, using, selling, offering for sale, and importing as mentioned above. There are inadequate remedies available at law to compensate for this harm.

28. Upon information and belief, the direct infringement of the '698 Patent by Defendant Microsoft has deprived, and will deprive, Plaintiff of sales proceeds, subscription fees, licensing fees, royalties and other related revenue which Plaintiff would have made or would enjoy in the future; has injured Plaintiff in other respects; and will cause Plaintiff added

injury and damage unless Defendant Microsoft is enjoined from infringing the '698 Patent on all products and web services Defendant Microsoft will make, use, offer for sale, sell, import, distribute, market, or advertise until the expiration of the '698 Patent.

### **COUNT III**

#### **Direct Infringement of the '701 Patent**

29. Plaintiff incorporates by this reference the averments set forth in paragraphs 1 through 28.

30. Upon information and belief, Defendant Microsoft has infringed the '701 Patent in this district and elsewhere by making, using, offering for sale, or selling systems and methods for out-of-band authentication, all in violation of 35 U.S.C. § 271(a). Defendant Microsoft has infringed the '701 Patent in this district and elsewhere by making, using, offering for sale, or selling systems and methods for out-of-band authentication, including the following products: Windows Azure Multi-Factor Authentication, Multi-Factor Authentication apps for Windows Phone, Android, and IOS devices, Active Directory, Windows Azure Active Directory and Office 365, which are offered for sale and sold in this district and elsewhere.

31. Since before the filing of this lawsuit, Microsoft has had actual notice of the '701 Patent, at least by virtue of its involvement in a pending lawsuit captioned StrikeForce Technologies, Inc. v. Phonefactor, Inc, et al., C.A. No. 13-cv-490-MPT, pending in this District, at least as early as March 17, 2014.

32. As a direct and proximate result of Defendant Microsoft's acts of infringing the '701 Patent, Plaintiff has suffered injury and monetary damages for which Plaintiff is entitled to relief in the form of damages for lost profits and in no event less than a reasonable royalty to compensate for their infringement.

33. Upon information and belief, Defendant Microsoft will continue to directly infringe the '701 Patent, causing immediate and irreparable harm to Plaintiff unless this Court enjoins and restrains its activities, specifically the acts of making, using, selling, offering for sale, and importing as mentioned above. There are inadequate remedies available at law to compensate for this harm.

34. Upon information and belief, the direct infringement of the '701 Patent by Defendant Microsoft has deprived, and will deprive, Plaintiff of sales proceeds, subscription fees, licensing fees, royalties and other related revenue which Plaintiff would have made or would enjoy in the future; has injured Plaintiff in other respects; and will cause Plaintiff added injury and damage unless Defendant Microsoft is enjoined from infringing the '701 Patent on all products and web services it will make, use, offer for sale, sell, import, distribute, market, or advertise until the expiration of the '701 Patent.

#### **COUNT IV**

##### **Active Inducement of Infringement of the '599 Patent**

35. Plaintiff incorporates by this reference the averments contained in paragraphs 1 through 34.

36. Upon information and belief, Defendant Microsoft has, under 35 U.S.C. § 271(b), indirectly infringed, and continues to indirectly infringe the '599 Patent by, *inter alia*, inducing others to make, use, sell, offer for sale, and/or import into the United States the above-mentioned products and services covered by the '599 Patent, and distributing, marketing, and/or advertising those products and web services covered by the '599 Patent in this judicial district and elsewhere in the United States.

37. The customers of Defendant Microsoft directly infringe the claims of the '599 Patent by, for example, using the claimed systems and directly benefiting from the use of



those systems. For example, Defendant Microsoft's customers utilize the two-factor authentication system claimed in the '599 Patent based on the marketing and providing of such an authentication system to them for use in securely gaining access to, for example, various Internet websites and VPN networks.

38. Upon information and belief, Defendant Microsoft is also aware that it provides its customers with products and web services that are used in a manner that infringes the '599 Patent, since Defendant Microsoft has had actual notice of the '599 Patent by virtue of the letters sent by StrikeForce's Chief Executive Officer to Microsoft's Chief Executive Officer in October 2012 and Chief Patent Counsel in November 2012.

39. Upon information and belief, Defendant Microsoft specifically intends for its customers to use their products and web services and knows that its customers are using its products and web services in an infringing manner.

40. Upon information and belief, Defendant Microsoft specifically encourages and instructs its customers to use its products and web services in a manner that Defendant Microsoft knows constitutes infringement of the '599 Patent.

41. As the result of Defendant Microsoft's activities as aforesaid, and its customers' activities in utilizing the systems of the claims of the '599 Patent, Defendant Microsoft is liable for indirect infringement.

42. As a direct and proximate result of Defendant Microsoft's acts of infringing the '599 Patent, Plaintiff has suffered injury and monetary damages for which Plaintiff is entitled to relief in the form of damages for lost profits and in no event less than a reasonable royalty to compensate for Defendant Microsoft's infringement.

43. Upon information and belief, Defendant Microsoft has knowingly, willfully,

and deliberately induced infringement of the '599 Patent in conscious disregard of Plaintiff's rights, making this case exceptional within the meaning of 35 U.S.C. § 285 and justifying treble damages pursuant to 35 U.S.C. § 284.

44. Upon information and belief, Defendant Microsoft will continue to induce infringement of the '599 Patent, causing immediate and irreparable harm to Plaintiff unless this Court enjoins and restrains its activities, specifically the acts of making, using, selling, offering for sale, and importing as mentioned above. There are inadequate remedies available at law to compensate for this harm.

45. Upon information and belief, the induced infringement of the '599 Patent by Defendant Microsoft has, and will, deprive Plaintiff of sales, licensing fees, royalties and other related revenue which Plaintiff would have made or would enjoy in the future; has injured Plaintiff in other respects; and will cause Plaintiff added injury and damage unless Defendant Microsoft is enjoined from inducing infringement of the '599 Patent for all products and web services it will make, use, offer for sale, sell, import, distribute, market, or advertise until the expiration of the '599 Patent.

## COUNT V

### **Active Inducement of Infringement of the '698 Patent**

46. Plaintiff incorporates by this reference the averments contained in paragraphs 1 through 45.

47. Upon information and belief, Defendant Microsoft has, under 35 U.S.C. § 271(b), indirectly infringed, and will continue to indirectly infringe the '698 Patent by, *inter alia*, inducing others to make, use, sell, offer for sale, and/or import into the United States the above-mentioned products and services covered by the '698 Patent, and distributing, marketing, and/or

advertising those products and web services covered by the '698 Patent in this judicial district and elsewhere in the United States.

48. The customers of Defendant Microsoft directly infringe the claims of the '698 Patent by, for example, using the claimed systems and directly benefiting from the use of those systems. For example, Defendant Microsoft's customers utilize the two-factor authentication system claimed in the '698 Patent based on the marketing and providing of such an authentication system to them for use in securely gaining access to, for example, various Internet websites and VPN networks.

49. Upon information and belief, Defendant Microsoft is also aware that it provides its customers with products and web services that are used in a manner that infringes the '698 Patent, since Defendant Microsoft has had actual notice of the '698 Patent, at least by virtue of its involvement in a pending lawsuit captioned StrikeForce Technologies, Inc. v. PhoneFactor, Inc., et al., C.A. No. 13-cv-490-MPT, pending in this District, at least as early as March 17, 2014.

50. Upon information and belief, Defendant Microsoft specifically intends for its customers to use its products and web services and knows that its customers are using its products and web services in an infringing manner.

51. Upon information and belief, Defendant Microsoft specifically encourages and instructs its customers to use its products and web services in a manner that Defendant Microsoft knows constitutes infringement of the '698 Patent.

52. As the result of Defendant Microsoft's activities as aforesaid, and its customers' activities in utilizing the systems of the claims of the '698 Patent, Defendant Microsoft is liable for indirect infringement.

53. As a direct and proximate result of Defendant Microsoft's acts of infringing the

'698 Patent, Plaintiff has suffered injury and monetary damages for which Plaintiff is entitled to relief in the form of damages for lost profits and in no event less than a reasonable royalty to compensate for Defendant Microsoft's infringement.

54. Upon information and belief, Defendant Microsoft has knowingly, willfully, and deliberately induced infringement of the '698 Patent in conscious disregard of Plaintiff's rights, making this case exceptional within the meaning of 35 U.S.C. § 285 and justifying treble damages pursuant to 35 U.S.C. § 284.

55. Upon information and belief, Defendant Microsoft will continue to induce infringement of the '698 Patent, causing immediate and irreparable harm to Plaintiff unless this Court enjoins and restrains its activities, specifically the acts of making, using, selling, offering for sale, and importing as mentioned above. There are inadequate remedies available at law to compensate for this harm.

56. Upon information and belief, the induced infringement of the '698 Patent by Defendant Microsoft has, and will, deprive Plaintiff of sales, licensing fees, royalties and other related revenue which Plaintiff would have made or would enjoy in the future; has injured Plaintiff in other respects; and will cause Plaintiff added injury and damage unless Defendant Microsoft is enjoined from inducing infringement of the '698 Patent for all products and web services Defendant Microsoft will make, use, offer for sale, sell, import, distribute, market, or advertise until the expiration of the '698 Patent.

## **COUNT VI**

### **Active Inducement of Infringement of the '701 Patent**

57. Plaintiff incorporates by this reference the averments contained in paragraphs 1 through 56.

58. Upon information and belief, Defendant Microsoft has, under 35 U.S.C. § 271(b), indirectly infringed, and continues to indirectly infringe the '701 Patent by, *inter alia*, inducing others to make, use, sell, offer for sale, and/or import into the United States the above-mentioned products and services covered by the '701 Patent, and distributing, marketing, and/or advertising those products and web services covered by the '701 Patent in this judicial district and elsewhere in the United States.

59. The customers of Defendant Microsoft directly infringe the claims of the '701 Patent by, for example, using the claimed systems and directly benefiting from the use of those systems. For example, Defendant Microsoft's customers utilize the two-factor authentication system claimed in the '701 Patent based on the marketing and providing of such an authentication system to them for use in securely gaining access to, for example, various Internet websites and VPN networks.

60. Upon information and belief, Defendant Microsoft is also aware that it provides its customers with products and web services that are used in a manner that infringes the '701 Patent, since Defendant Microsoft has had actual notice of the '701 Patent at least by virtue of its involvement in a pending lawsuit captioned StrikeForce Technologies, Inc. v. PhoneFactor, Inc., et al., C.A. No. 13-cv-490-MPT, pending in this District, at least as early as March 17, 2014.

61. Upon information and belief, Defendant Microsoft specifically intends for its customers to use its products and web services and know that its customers are using its products and web services in an infringing manner.

62. Upon information and belief, Defendant Microsoft specifically encourages and instructs its customers to use its products and web services in a manner that Defendant Microsoft knows constitutes infringement of the '701 Patent.

63. As the result of Defendant Microsoft's activities as aforesaid, and its customers' activities in utilizing the systems of the claims of the '701 Patent, Defendant Microsoft is liable for indirect infringement.

64. As a direct and proximate result of Defendant Microsoft's acts of infringing the '701 Patent, Plaintiff has suffered injury and monetary damages for which Plaintiff is entitled to relief in the form of damages for lost profits and in no event less than a reasonable royalty to compensate for Defendant Microsoft's infringement.

65. Upon information and belief, Defendant Microsoft has knowingly, willfully, and deliberately induced infringement of the '701 Patent in conscious disregard of Plaintiff's rights, making this case exceptional within the meaning of 35 U.S.C. § 285 and justifying treble damages pursuant to 35 U.S.C. § 284.

66. Upon information and belief, Defendant Microsoft will continue to induce infringement of the '701 Patent, causing immediate and irreparable harm to Plaintiff unless this Court enjoins and restrains its activities, specifically the acts of making, using, selling, offering for sale, and importing as mentioned above. There are inadequate remedies available at law to compensate for this harm.

67. Upon information and belief, the induced infringement of the '701 Patent by Defendant Microsoft has, and will, deprive Plaintiff of sales, licensing fees, royalties and other related revenue which Plaintiff would have made or would enjoy in the future; has injured Plaintiff in other respects; and will cause Plaintiff added injury and damage unless Defendant Microsoft is enjoined from inducing infringement of the '701 Patent for all products and web services Defendant Microsoft will make, use, offer for sale, sell, import, distribute, market, or advertise until the expiration of the '701 Patent.

## COUNT VII

### **Contributory Infringement of the '599 Patent**

68. StrikeForce incorporates by this reference the averments set forth in paragraphs 1 through 67.

69. Upon information and belief, Defendant Microsoft has, under 35 U.S.C. § 271(c), indirectly infringed, and continue to indirectly infringe the '599 Patent by, *inter alia*, knowingly providing to its customers a material component of an out-of-band authentication system that was especially made or adapted for use in that system, which is not a staple article or commodity of commerce and which has no substantial, non-infringing use.

70. Defendant Microsoft had and has knowledge of the '599 Patent by virtue of the letters sent by StrikeForce's Chief Executive Officer to Microsoft's Chief Executive Officer in October 2012 and to Microsoft's Chief Patent Counsel in November 2012.

71. As a direct and proximate result of Defendant Microsoft's acts of infringing the '599 Patent, Plaintiff has suffered injury and monetary damages for which Plaintiff is entitled to relief in the form of damages for lost profits and in no event less than a reasonable royalty to compensate for Defendant Microsoft's infringement.

72. Upon information and belief, Defendant Microsoft has knowingly, willfully, and deliberately contributed to infringement of the '599 Patent in conscious disregard of Plaintiff's rights, making this case exceptional within the meaning of 35 U.S.C. § 285 and justifying treble damages pursuant to 35 U.S.C. § 284.

73. Upon information and belief, Defendant Microsoft will continue to contribute to infringement of the '599 Patent, causing immediate and irreparable harm to Plaintiff unless this Court enjoins and restrains Defendant Microsoft's activities, specifically the acts of making,

using, selling, offering for sale, and importing as mentioned above. There are inadequate remedies available at law to compensate for this harm.

74. Upon information and belief, the contributory infringement of the '599 Patent by Defendant Microsoft has, and will, deprive Plaintiff of sales, licensing fees, royalties and other related revenue which Plaintiff would have made or would enjoy in the future; has injured Plaintiff in other respects; and will cause Plaintiff added injury and damage unless Defendant Microsoft is enjoined from inducing infringement of the '599 Patent on all products and web services Defendant Microsoft will make, use, offer for sale, sell, import, distribute, market, or advertise until the expiration of the '599 Patent.

## COUNT VIII

### **Contributory Infringement of the '698 Patent**

75. StrikeForce incorporates by this reference the averments set forth in paragraphs 1 through 74.

76. Upon information and belief, Defendant Microsoft has, under 35 U.S.C. § 271(c), indirectly infringed, and continues to indirectly infringe the '698 Patent by, *inter alia*, knowingly providing to its customers a material component of an out-of-band authentication system that was especially made or adapted for use in that system, which is not a staple article or commodity of commerce and which has no substantial, non-infringing use.

77. Upon information and belief, Defendant Microsoft is also aware that it provides its customers with products and web services that are used in a manner that infringes the '698 Patent, since Defendant Microsoft has had actual notice of the '698 Patent at least by virtue of its involvement in a pending lawsuit captioned StrikeForce Technologies, Inc. v. PhoneFactor, Inc., et al., C.A. No. 13-cv-490-MPT, pending in this District, at least as early as March 17, 2014.



78. As a direct and proximate result of Defendant Microsoft's acts of infringing the '698 Patent, Plaintiff has suffered injury and monetary damages for which Plaintiff is entitled to relief in the form of damages for lost profits and in no event less than a reasonable royalty to compensate for Defendant Microsoft's infringement.

79. Upon information and belief, Defendant Microsoft has knowingly, willfully, and deliberately contributed to infringement of the '698 Patent in conscious disregard of Plaintiff's rights, making this case exceptional within the meaning of 35 U.S.C. § 285 and justifying treble damages pursuant to 35 U.S.C. § 284

80. Upon information and belief, Defendant Microsoft will continue to contribute to infringement of the '698 Patent, causing immediate and irreparable harm to Plaintiff unless this Court enjoins and restrains Defendant Microsoft's activities, specifically the acts of making, using, selling, offering for sale, and importing as mentioned above. There are inadequate remedies available at law to compensate for this harm.

81. Upon information and belief, the contributory infringement of the '698 Patent by Defendant Microsoft has, and will, deprive Plaintiff of sales, licensing fees, royalties and other related revenue which Plaintiff would have made or would enjoy in the future; has injured Plaintiff in other respects; and will cause Plaintiff added injury and damage unless Defendant Microsoft is enjoined from inducing infringement of the '698 Patent on all products and web services Defendant Microsoft will make, use, offer for sale, sell, import, distribute, market, or advertise until the expiration of the '698 Patent.

## **COUNT IX**

### **Contributory Infringement of the '701 Patent**

82. StrikeForce incorporates by this reference the averments set forth in paragraphs 1 through 81.

83. Upon information and belief, Defendant Microsoft has, under 35 U.S.C. § 271(c), indirectly infringed, and continue to indirectly infringe the '701 Patent by, *inter alia*, knowingly providing to its customers a material component of an out-of-band authentication system that was especially made or adapted for use in that system, which is not a staple article or commodity of commerce and which has no substantial, non-infringing use.

84. Upon information and belief, Defendant Microsoft is also aware that it provides its customers with products and web services that are used in a manner that infringes the '701 Patent, since Defendant Microsoft has had actual notice of the '701 Patent at least by virtue of its involvement in a pending lawsuit captioned StrikeForce Technologies, Inc. v. PhoneFactor, Inc., et al., C.A. No. 13-cv-490-MPT, pending in this District, at least as early as March 17, 2014.

85. As a direct and proximate result of Defendant Microsoft's acts of infringing the '701 Patent, Plaintiff has suffered injury and monetary damages for which Plaintiff is entitled to relief in the form of damages for lost profits and in no event less than a reasonable royalty to compensate for Defendant Microsoft's infringement.

86. Upon information and belief, Defendant Microsoft has knowingly, willfully, and deliberately contributed to infringement of the '701 Patent in conscious disregard of Plaintiff's rights, making this case exceptional within the meaning of 35 U.S.C. § 285 and justifying treble damages pursuant to 35 U.S.C. § 284.

87. Upon information and belief, Defendant Microsoft will continue to contribute to infringement of the '701 Patent, causing immediate and irreparable harm to Plaintiff unless this Court enjoins and restrains Defendant Microsoft's activities, specifically the acts of making, using, selling, offering for sale, and importing as mentioned above. There are inadequate remedies available at law to compensate for this harm.

88. Upon information and belief, the contributory infringement of the '701 Patent by Defendant Microsoft has, and will, deprive Plaintiff of sales, licensing fees, royalties and other related revenue which Plaintiff would have made or would enjoy in the future; has injured Plaintiff in other respects; and will cause Plaintiff added injury and damage unless Defendant Microsoft is enjoined from inducing infringement of the '701 Patent on all products and web services Defendant Microsoft will make, use, offer for sale, sell, import, distribute, market, or advertise until the expiration of the '701 Patent.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff, StrikeForce Technologies, Inc., respectfully requests this Court to:

A. Enter judgment for Plaintiff that the '599 Patent, '698 Patent and '701 Patent were duly and legally issued, are valid, enforceable, and have been infringed, directly and/or indirectly, by Defendant Microsoft;

B. Enter judgment for Plaintiff that Defendant Microsoft has willfully infringed, and is willfully infringing, one or more claims of the '599 Patent, '698 Patent and '701 Patent;

C. Order Defendant Microsoft to account in written form for and to pay to Plaintiff actual damages to compensate Plaintiff for Defendant Microsoft's infringement of the '599 Patent, '698 Patent and '701 Patent through and including the date of entry of the judgment on the jury's verdict, including but not limited to, damages for lost profits and in no event less than a reasonable royalty, together with interest and costs under 35 U.S.C. § 284.

D. Award Plaintiff treble damages due to Defendant Microsoft's deliberate, willful, and knowing conduct;

E. Issue a preliminary injunction restraining Defendant Microsoft, its directors, officers, agents, employees, successors, subsidiaries, assigns, affiliates and all persons acting in privity or in concert or participation with any of them from the continued infringement, direct or contributory, or active inducement of infringement by others, of the '599 Patent, '698 Patent and '701 Patent;

F. Issue a permanent injunction restraining Defendant Microsoft, its directors, officers, agents, employees, successors, subsidiaries, assigns, affiliates and all persons acting in privity or in concert or participation with any of them from the continued infringement, direct or contributory, or active inducement of infringement by others, of the '599 Patent, '698 Patent and '701 Patent;

G. Direct Defendant Microsoft to file with this Court, and to serve on Plaintiff, a written report under oath setting forth in detail the manner and form in which it has complied with the injunction;

H. In lieu of a permanent injunction, order Defendant Microsoft to pay to Plaintiff monetary damages that will be suffered as a result of Defendant Microsoft's continuing post-verdict infringement of the '599 Patent, '698 Patent and '701 Patent by requiring Defendant Microsoft to take a compulsory license at a reasonable royalty rate to be determined by the Court on all products that it makes, uses, offers for sale, sells, imports, distributes, markets, or advertises that infringe the '599 Patent, '698 Patent and '701 Patent until the expiration of the '599 Patent, '698 Patent and '701 Patent, which royalty payments shall commence three months after entry of the judgment and shall be made quarterly thereafter, and shall be accompanied by an accounting of the sales of infringing products by the Defendant Microsoft;

I. Order such other measures in the form of audit rights, interest on late payments,

and appropriate security to protect Plaintiff's rights;

J. Order Defendant Microsoft to pay Plaintiff its costs, expenses, and fees, including reasonable attorneys' fees pursuant to 35 U.S.C. § 285, and pre-judgment and post-judgment interest at the maximum rate allowed by law; and

K. Grant Plaintiff such other and further relief as the Court may deem just and proper.

**JURY DEMAND**

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiff demands that the issues in this case be tried by a jury.

Dated: June 5, 2015

/s/Steven L. Caponi  
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