

BAKER BOTTS L.L.P.

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BAKER BOTTS L.L.P.

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Attorneys for Plaintiff

TWILIO INC.

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

TWILIO INC.,

Plaintiff,

vs.

TELESIGN CORPORATION,

Defendant.

Case No. _____

**COMPLAINT FOR PATENT
INFRINGEMENT**

JURY TRIAL DEMANDED

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1. Plaintiff Twilio Inc. (“Twilio” or “Plaintiff”), files this Complaint against Defendant TeleSign Corporation (“TeleSign” or “Defendant”), and allege as follows:

Introduction to Twilio

2. Twilio is a Delaware corporation with its principal place of business at 375 Beale Street, 3rd Floor, San Francisco, California 94105.

3. Twilio is a cloud communications company that enables developers to build and manage applications without the complexity of creating and maintaining the underlying structure.

4. Over 1,000,000 developer accounts have registered with Twilio’s platform.

5. Twilio’s approach consists of at least a Programmable Communications Cloud which enables developers to embed voice, messaging, video, and authentication capabilities into developers applications via Twilio’s Application Programming Interfaces (“API”).

6. Twilio offers at least 18 different messaging, voice, and communication products to its customers.

7. Twilio invests substantial resources in its research and development.

8. Twilio employs over 624 employees.

9. The vast majority of Twilio’s employees are located in the San Francisco Bay area.

10. Twilio’s research and development organization consists of at least 326 employees, the vast majority of which are located in the San Francisco Bay area.

11. Twilio has been issued over 47 United States patents, has 45 pending patent applications, and 10 pending provisional applications.

12. In addition to its U.S. patents, Twilio also have five issued patents and nine pending applications in foreign jurisdictions.

13. Twilio’s technical development of its products and research are primarily based in the San Francisco Bay area.

14. The inventors of Twilio’s patents are primarily located in the San Francisco Bay area.

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Introduction to Defendant

15. Defendant is a California corporation with its principal place of business in Marina Del Rey, California.

16. Defendant has a primary office in Sunnyvale, California.

17. Defendant opened its San Francisco Bay area office to sell to its customers and clients based in the area.

18. Defendant has many customers in the San Francisco Bay area.

19. Defendant attempts to sell its infringing products from its Sunnyvale office.

20. Defendant was a customer of Twilio.

21. As a customer of Twilio, Defendant used services of Twilio.

22. Defendant gained access to the details of Twilio’s products and their operation.

23. Defendant gained access to Twilio’s information, such as Twilio’s APIs.

24. Stacy Stubblefield, the Co-Founder and Vice President of Product Strategy for Defendant had a private Twilio account.

25. Stacy Stubblefield gained knowledge of Twilio’s products.

26. Defendant’s engineers learned of Twilio’s technology when Defendant was a customer of Twilio.

27. Defendant used the information it learned about Twilio products to develop its own products to compete with Twilio.

28. Defendant knew that Twilio filed patent applications and had obtained patents. The evidence tending to support this allegation will likely have evidentiary support after a reasonable opportunity for further investigation or discovery.

29. Defendant views Twilio as a competitor.

30. Defendant used the information it learned about Twilio to enhance its sales.

31. Using its infringing products, Defendant attempts to take sales from Twilio.

32. Defendant has inflicted harm on Twilio.

33. Defendant offers eight different products: Score, Phone ID, Voice Verify, SMS Verify, Push Verify, Auto Verify, Smart Verify, and Behavior ID.

1 (<https://telesign.com/products/>).

2 34. Seven of these eight products infringe Twilio's patents.

3 **Overview of Infringement**

4 35. Of Twilio's 47 issued patents, Twilio is currently asserting seven patents against
5 Defendant: United States Patent No. 8,306,021 ("the '021 Patent") (attached as Exhibit A),
6 United States Patent No. 8,837,465 ("the '465 Patent") (attached as Exhibit B), United States
7 Patent No. 8,755,376 ("the '376 Patent") (attached as Exhibit C), United States Patent No.
8 8,738,051 ("the '051 Patent") (attached as Exhibit D), United States Patent No. 8,737,962
9 ("the '962 Patent") (attached as Exhibit E), United States Patent No. 9,270,833 ("the '833
10 Patent") (attached as Exhibit F), United States Patent No. 9,226,217 ("the '217 Patent")
11 (attached as Exhibit G) (collectively, the "Asserted Patents").

12 36. The Asserted Patents fall within four patent families:

- 13 • The Platform Family (the '021 Patent, '465 Patent, and '376 Patent)
 - 14 ○ The Platform Family is generally, but not exclusively, directed
 - 15 towards the concept of initiating and controlling a voice, push, or
 - 16 SMS message based on a REST API request.
- 17 • The Score Family (the '692 Patent and the '833 Patent)
 - 18 ○ The Score Family is generally, but not exclusively, directed towards
 - 19 detecting fraudulent account activity.
- 20 • The Path Selection Family (the '217 Patent)
 - 21 ○ The Path Selection Family is generally, but not exclusively, directed
 - 22 towards the selection of a communication provider for transmitting
 - 23 messages.
- 24 • The Delivery Receipts Family (the '051 Patent)
 - 25 ○ The Delivery Receipts Family is generally, but not exclusively,
 - 26 directed towards the selection of the best routing carrier for
 - 27 transmitting messages.

28 37. Defendant advertises eight different products: Score, Phone ID, Voice Verify,

1 SMS Verify, Push Verify, Auto Verify, Smart Verify, and Behavior ID.
2 (<https://telesign.com/products/>).

3 38. Seven of Defendant's eight products infringe the Asserted Patents and are built
4 on Twilio's technology.

5 39. Each of Defendant's seven infringing products infringe multiple Twilio patents.

6 40. Defendant's Smart Verify product infringes the '051 Patent, the '021 Patent, and
7 the '217 Patent.

8 41. Defendant's Auto Verify product infringes the '051 Patent and the '021 Patent.

9 42. Defendant's SMS Verify product infringes the '051 Patent, the '021 Patent,
10 the '376 Patent, and the '217 Patent.

11 43. Defendant's Voice Verify product infringes the '051 Patent, the '465 Patent,
12 the '376 Patent, and the '217 Patent.

13 44. Defendant's Push Verify product infringes the '051 Patent and the '021 Patent.

14 45. Defendant's Score and Phone ID products infringe the '833 Patent and the '962
15 Patent.

16 46. Defendant sells and offers to sell these infringing products to companies located
17 in the San Francisco Bay area and throughout the United States.

18 47. Defendant could not effectively compete against Twilio without the technology
19 covered by the Asserted Patents.

20 **Nature of the Action**

21 48. This is a civil action for the infringement of the Asserted Patents under the patent
22 laws of the United States, 35 U.S.C. § 1, *et seq.*

23 49. This action involves Defendant's manufacture, use, sale, offer for sale, and
24 importation into the United States of infringing products, methods, processes, services and
25 systems that are primarily used or primarily adapted for, but not exclusively, the transmission of
26 messages.

27 50. For example, but without limitation, such products include Defendant's Smart
28 Verify, Auto Verify, SMS Verify, Voice Verify, Push Verify, Score, and Phone ID

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