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## Cisco, Others Hit With Encryption Patent Suits

By Christopher Norton

Law360, New York (July 22, 2009) -- Cisco Systems Inc. and 30 other firms are the latest to be targeted by the PACid Group LLC in a third round of suits accusing technology companies of violating two data encryption patents.

The encryption technology firm filed its suit in the U.S. District Court for the Eastern District of Texas on Tuesday, seeking damages, interest and associated costs.

The patents-in-suit are U.S. Patent Number 5,963,646, titled "Secure deterministic encryption, key generator system and method," and U.S. Patent Number 6,049,612, titled "File encryption method and system," according to the complaint.

Cisco and the others are infringing the '646 patent by making, using, importing or selling products that employ methods for generating pseudo-random, symmetric encryption keys covered by its claims, PACid alleges.

The encryption keys are used to encrypt and decrypt data transmitted over wireless networks enabled by hardware or software made, used or sold by the defendants, which makes them liable for infringement of the '646 patent, according to PACid.

The alleged infringement of the '612 patent stems from the manufacture, use, import or sale of products that employ methods of protecting information files from unauthorized access covered by one or more of that patent's claims, PACid claims.

PACid says it has suffered monetary damages because of the alleged infringement, and will be "greatly and irreparably harmed" if the court doesn't step in.

PACid filed a lawsuit in March 2009 against 19 defendants, including Apple Inc., Dell Inc., Gateway Inc. and Hewlett-Packard Co., alleging infringement of the same two patents related to encryption technology.

In December 2008, PACid filed suit against Nokia Corp. and some 30 companies alleging each made and sold products that infringed PACid's two patents by either "generating pseudo-random, symmetric encryption keys" or "protecting information files from unauthorized access."

Nokia settled the claims and reached a licensing agreement with PACid, while Canon Inc. and its subsidiaries were allowed to exit the case shouldering their own costs, in early July 2009.

PACid likewise settled claims that Panasonic Corp., 2Wire Inc. and NEC Corp. infringed the two patents in June 2009. Details about the various settlements remain confidential, however.

Other companies named in the suit include Scientific Atlanta LLC, D-Link Corp., Netgear Inc., Belkin International Inc., Siemens Corp., Enterasys Networks Inc., Chantry Networks Corp., Juniper Networks Inc., Zyxel Communications Inc., Alcatel-Lucent, Aruba Networks Inc., Ralink Technology Corp. and Qualcomm Inc.

Cisco is reviewing the lawsuit, company spokeswoman Kristin Carvell said.

Representatives for PACid did not respond to requests for comment by press time.

The patents-in-suit are U.S. Patent Numbers 5,963,646 and 6,049,612.

PACid is represented by Russ August & Kabat.

Counsel information for the defendants was not immediately available.

The case is The PACid Group LLC v. Cisco Systems Inc. et al., case number 09-cv-00324, in the U.S. District Court for the Eastern District of Texas.

--Additional reporting by Samuel Howard and Ben James

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