

**IN THE UNITED STATE DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

ECOBEE, INC.	)	
	)	
Plaintiff,	)	
	)	
v.	)	C.A. No. 1:21-CV-00323-MN
	)	
ECOFACITOR, INC.,	)	[JURY TRIAL DEMANDED]
	)	
Defendant.	)	

ANSWER

Defendant, EcoFactor, Inc., a Delaware corporation (“EcoFactor” or “Defendant”) through its undersigned counsel, hereby answers the Complaint for Declaratory Judgment filed by Plaintiff ecobee, Inc. (“Plaintiff” or “ecobee”) as follows:

NATURE OF THE ACTION

1. EcoFactor admits that the Complaint purports to set forth a claim for Declaratory Judgment under Title 28 of the United States Code, but otherwise denies the allegations of Paragraph 1 of the Complaint.

THE PARTIES

- 2. Admitted.
- 3. Admitted.

JURISDICTION AND VENUE

4. EcoFactor admits that the Complaint purports to set forth a claim for remedy under Titles 28 and 35 of the United States Code, but otherwise denies the allegations of Paragraph 4 of the Complaint.

- 5. Admitted.

6. Admitted.

7. EcoFactor admits that it has filed a complaint with the International Trade Commission (“ITC Complaint”), Docket No. 3535, claiming that ecobee has infringed the Patents-In-Suit, but otherwise denies the allegations of Paragraph 7 of the Complaint.

8. EcoFactor denies the allegations of Paragraph 8 of the Complaint and avers that this district is not a convenient forum for the parties, witnesses, and the interests of justice, and this case should be transferred pursuant to 28 U.S.C. § 1404 to a different district court, such as the Western District of Texas Waco Division.

FACTUAL BACKGROUND
PATENTS-IN-SUIT

9. Admitted.

10. Admitted.

11. Admitted.

12. Admitted.

DISPUTE BETWEEN ECOBEE AND ECOFACTOR
CONCERNING THE PATENTS-IN-SUIT

13. Admitted.

14. EcoFactor admits that an actual and justiciable controversy exists between ecobee and EcoFactor concerning whether ecobee infringes one or more claims of any of the Patents-In-Suit and that ecobee now seeks a declaratory judgment, but otherwise denies the allegations of Paragraph 14 of the Complaint.

COUNT I:
DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '567 PATENT

15. EcoFactor incorporates by reference the responses as set forth in paragraphs 1 through 14 of this Answer as if fully set forth herein.

16. Admitted.

17. Admitted.

18. Denied.

19. Denied.

COUNT II:
DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '983 PATENT

20. EcoFactor incorporates by reference the responses as set forth in paragraphs 1 through 19 of this Answer as if fully set forth herein.

21. Admitted.

22. Admitted.

23. Denied.

24. Denied.

COUNT III:
DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '550 PATENT

25. EcoFactor incorporates by reference the responses as set forth in paragraphs 1 through 24 of this Answer as if fully set forth herein.

26. Admitted.

27. Admitted.

28. Denied.

29. Denied.

COUNT IV:
DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '488 PATENT

30. EcoFactor incorporates by reference the responses as set forth in paragraphs 1 through 29 of this Answer as if fully set forth herein.

31. Admitted.

32. Admitted.

33. Denied.

34. Denied.

PLAINTIFF'S PRAYER FOR RELIEF

35. EcoFactor denies the allegations and prayer for relief sought by Plaintiff.

AFFIRMATIVE DEFENSES

36. By and for its affirmative defenses, EcoFactor states as follows:

FIRST AFFIRMATIVE DEFENSE

(Failure To State A Claim)

37. The Complaint, and the claims for relief therein, fails to state any claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

(Improper Venue)

38. This district is not a convenient forum for the parties, witnesses, and the interests of justice, and this case should be transferred pursuant to 28 U.S.C. § 1404 to a different district court, such as the Western District of Texas Waco Division.

THIRD AFFIRMATIVE DEFENSE

(Unclean Hands)

39. Plaintiff's claims are barred (in whole or in part) by the doctrine of unclean hands.

FOURTH AFFIRMATIVE DEFENSE

(Laches)

40. Plaintiff's claims are barred (in whole or in part) by the doctrine of laches.

FIFTH AFFIRMATIVE DEFENSE

(Waiver)

41. Plaintiff's claims are barred (in whole or in part) by the doctrine of waiver.

SIXTH AFFIRMATIVE DEFENSE

(Estoppel)

42. Plaintiff's claims are barred (in whole or in part) by the doctrine of estoppel.

SEVENTH AFFIRMATIVE DEFENSE

(Infringement)

43. Plaintiff has infringed and continues to infringe U.S. Patent No. 8,019,567 (the "'567 patent"); U.S. Patent No. 10,612,983 (the "'983 patent"); U.S. Patent No. 8,596,550 (the "'550 patent"); and U.S. Patent No. 8,886,488 (the "'488 patent") (collectively the "Patents-In-Suit") by making, using, offering for sale, and/or importing products into the United States that embody or use the inventions claimed in the Patents-In-Suit.

44. Plaintiff has been and is inducing infringement of the Patents-In-Suit by actively and knowingly inducing others to make, use, sell, offer for sale, or import products into the United States that embody or use the inventions claimed in the Patents-In-Suit.

45. Plaintiff has been contributorily infringing and is continuing to contributorily infringe the Patents-In-Suit by selling or offering to sell products in the United States, knowing them to be especially made or especially adapted for practicing the invention of the Patents-In-Suit.

EIGHTH AFFIRMATIVE DEFENSE

(Validity)

46. The Patents-In-Suit are not invalid.

NINTH AFFIRMATIVE DEFENSE

(Enforceability)

47. The Patents-In-Suit are not unenforceable.

COUNTERCLAIMS FOR PATENT INFRINGEMENT

48. Counterclaim Plaintiff, EcoFactor, Inc., a Delaware corporation (“EcoFactor” or “Counterclaim Plaintiff”) through its undersigned counsel, for its counterclaims against Counterclaim Defendant ecobee, Inc. (“Counterclaim Defendant”), alleges as follows:

INTRODUCTION

49. These counterclaims arise from Counterclaim Defendant’s unlawful infringement of the following United States patents owned by EcoFactor: U.S. Patent No. 8,019,567 (the “’567 patent”); U.S. Patent No. 10,612,983 (the “’983 patent”); U.S. Patent No. 8,596,550 (the “’550 patent”); and U.S. Patent No. 8,886,488 (the “’488 patent”) (collectively the “Patents-In-Suit”). EcoFactor owns all right, title, and interest in each of the Patents-In-Suit.

50. EcoFactor is a privately held company, having its principal place of business at 441 California Avenue, Number 2, Palo Alto, CA 94301. EcoFactor was founded in 2006 and is headquartered in Palo Alto, California. EcoFactor is a leader in smart home energy management services. EcoFactor delivers smart home energy management services that improve energy efficiency, reduce energy bills, and vastly increase demand response efficacy – all while maintaining consumer comfort. EcoFactor’s patented big-data analytics and machine learning algorithms collect and process massive amounts of residential data – including home thermodynamics, family comfort preferences and schedules, plus external data such as weather – to continually monitor, adapt and learn for optimum energy savings. The company provides homeowners significant cost savings and energy usage benefits. EcoFactor’s award-winning service has been offered through channel partners such as utilities, energy retailers, broadband service providers, and HVAC companies.

51. EcoFactor transformed how homes use energy by applying advanced analytics to connected devices in the home. EcoFactor developed a suite of software known as the “EcoFactor

Platform” that incorporates EcoFactor’s patented data analytics and machine learning algorithms, as well as EcoFactor’s award-winning smart HVAC control technologies. The EcoFactor Platform is software that runs on servers, including cloud servers, in the United States, and provides service to customers in the United States. The source code of the EcoFactor Platform, including for example the platform, quant, and mobile application source code, that comprises the EcoFactor Platform was designed by, created by, and is continuously maintained and improved by EcoFactor employees working in the United States. The EcoFactor Platform actively manages thermostats on occupants’ behalf in intelligent ways that improve comfort while helping them save time, energy, and money. Utilities, home service providers, and homeowners rely on EcoFactor for demand response, energy efficiency, and HVAC performance monitoring services. The EcoFactor Platform includes the software that practices EcoFactor’s patents on these features. For example, the EcoFactor Platform includes EcoFactor’s patented techniques for monitoring the health and performance of HVAC systems over time, smart thermostat scheduling to improve energy savings and optimize comfort for occupants, and thermodynamic modeling of the user’s home and HVAC system to enable dynamic pre-cooling and pre-heating to further improve comfort, save energy, or both, by creating comfortable schedules that also shift energy usage out of periods of peak energy demand.

52. The patented innovations at issue in this action were invented by EcoFactor engineers and researchers. EcoFactor has played a significant role in the development and advancement of such improvements to energy management technology—and the domestic market for them. EcoFactor has expended tens of millions of dollars of research and development and technical services and support in the United States. In recent years, an explosion of imported products that infringe EcoFactor’s innovative Patents-In-Suit has significantly eroded EcoFactor’s market standing. This infringement action is about several patented improvements to smart

thermostat systems, smart HVAC systems, and smart HVAC control systems—which took years of research and millions of dollars in U.S. investments to develop, and which are infringed by Defendant’s accused products.

PARTIES

53. Counterclaim Plaintiff EcoFactor is a privately held company, having its principal place of business at 441 California Avenue, Number 2, Palo Alto, CA 94301. EcoFactor was founded in 2006 and is headquartered in Palo Alto, California. EcoFactor is the sole owner of all right, title, and interest in each Patent-In-Suit.

54. Counterclaim Defendant ecobee, Inc. is a Canadian corporation with its principal place of business at 25 Dockside Drive, Suite 700, Toronto, ON M5A 0B5, Canada.

JURISDICTION AND VENUE

55. This court has original jurisdiction over EcoFactor’s counterclaims pursuant to 28 U.S.C. §§ 1331 and 1338(a) because they arise under the patent laws of the United States, Title 35 of the United States Code, and supplemental jurisdiction over EcoFactor’s counterclaims pursuant to 28 U.S.C. § 1367(a) because the counterclaims are so related to the Counterclaim Defendant’s claims that they form part of the same case or controversy under Article III of the United States Constitution.

56. This is not a convenient forum for the parties, witnesses, and the interests of justice, but to the extent the Court finds differently, venue for these counterclaims is appropriate under 28 U.S.C. §§ 1391(b) and 1400(b).

THE TECHNOLOGY AND PRODUCTS AT ISSUE

57. The products accused of infringing (“Accused Products”) one or more of the Patents-In-Suit are smart thermostat systems, smart HVAC systems, smart HVAC control systems, and all components (including accessories) thereof offered for sale by the Counterclaim Defendant.

58. The Accused Products include thermostat systems that connect to and control an HVAC system, they include smart HVAC systems, and they include components of such systems such as, for example, hubs, panels, and remote sensors. These thermostat devices communicate over a network with other devices and systems offered by the Counterclaim Defendant. The Accused Products connect to the network managed by the Counterclaim Defendant via the Internet. For example, the Accused Products connect to Counterclaim Defendant's networked servers and data centers, online interfaces, and related accessories.

59. When connected as designed, the Accused Products form a smart thermostat system, smart HVAC system, and/or smart HVAC control system. Counterclaim Defendant's smart thermostat systems are "smart" because they are designed to connect to Counterclaim Defendant's servers and data centers (including, e.g., cloud-based servers and backend support), related online interfaces (including, e.g., mobile apps and web portals), and related accessories (e.g., remote temperature sensors), upon importation. Further, Counterclaim Defendant's smart thermostat systems are "smart" because they support and are marketed as providing features to end users that analyze thermostat and HVAC system data gathered by the smart thermostat systems.

60. The Accused Products constitute the "frontend" of the smart thermostat system, smart HVAC system, and/or smart HVAC control system. Such smart thermostat devices can be programmed using the servers and the network maintained by Counterclaim Defendant and which form the "backend" for the smart thermostat. Such smart thermostat systems can be programmed remotely with a web or mobile application offered by Counterclaim Defendant. The web or mobile application communicates with the smart thermostat via computer servers or data centers managed by the Counterclaim Defendant, who sells and imports the smart thermostat. Counterclaim Defendant allows an end user to use a web or mobile application on a mobile phone, tablet, laptop,

or other computing device to control the smart thermostat systems, such as by adjusting temperature settings.

61. These smart thermostat systems also communicate data using the network. For example, Counterclaim Defendant's smart thermostat systems send and receive temperature data and/or temperature settings using the network.

62. Counterclaim Defendant's Accused Products are designed and specially made and adapted to infringe claims of the Patents-In-Suit and to embody a material part of the claimed inventions. The Accused Products are installed and used in the United States according to Counterclaim Defendant's design and instructions. Counterclaim Defendant has knowledge as well as notice of its infringement of each of the Patents-In-Suit at least as of the date of the ITC Complaint. Counterclaim Defendant knowingly induces and encourages the use of the Accused Products in the United States in a manner that infringes the asserted claims of the Patents-In-Suit. Counterclaim Defendant infringes the Patents-In-Suit directly, through making, using, selling, and/or offering for sale the Accused Products. Counterclaim Defendant also infringes the Patents-In-Suit indirectly, both for example through contributory infringement as well as through induced infringement. The infringement of the Patents-In-Suit is also attributable to Counterclaim Defendant. Counterclaim Defendant and/or users of the Accused Products direct and control use of the Accused Products to perform acts that result in infringement the Patents-In-Suit, conditioning benefits on participation in the infringement and establishing the timing and manner of the infringement.

COUNT I

INFRINGEMENT OF U.S. PATENT NO. 8,019,567

63. EcoFactor realleges and incorporates by reference the foregoing paragraphs as if fully set forth herein.

64. The '567 patent, titled "system and method for evaluating changes in the efficiency of an HVAC system," issued on September 13, 2011. (Ex. 1 ('567 patent).) Inventors of the '567 patent are John Douglas Steinberg and Scott Douglas Hublou. The '567 patent is based on U.S. Pat. App. No. 12/211,690 filed on September 16, 2008. The '567 patent claims priority to Provisional App. No. 60/994,011, filed on September 17, 2007. The expiration date of the '567 patent is October 21, 2029. A true and correct copy of the '567 Patent is attached as Exhibit 1.

65. On information and belief, Counterclaim Defendant makes, uses, offers for sale, sells, and/or imports certain products ("Accused Products"), such as the ecobee3 lite and ecobee SmartThermostat with Voice Control, including device-side and cloud-based features thereof, and related accessories (e.g., ecobee SmartSensor), that directly infringe, literally and/or under the doctrine of equivalents, claims of the '567 Patent.

66. The infringement of the '567 Patent is also attributable to Counterclaim Defendant. Counterclaim Defendant and/or users of the Accused Products direct and control use of the Accused Products to perform acts that result in infringement of the patent, conditioning benefits on participation in the infringement and establishing the timing and manner of the infringement.

67. Counterclaim Defendant also knowingly and intentionally induces infringement of claims of the '567 Patent in violation of 35 U.S.C. § 271(b). Through at least the filing and service of the ITC Complaint, Counterclaim Defendant has had knowledge of the '567 Patent and the infringing nature of the Accused Products. Despite this knowledge of the '567 Patent, Counterclaim Defendant continues to actively encourage and instruct its customers and end users

(for example, through user manuals and online instruction materials on its website) to use the Accused Products in ways that directly infringe the '567 Patent. Counterclaim Defendant does so knowing and intending that its customers and end users will commit these infringing acts. Counterclaim Defendant also continues to make, use, offer for sale, sell, and/or import the Accused Products, despite its knowledge of the '567 Patent, thereby specifically intending for and inducing its customers to infringe the '567 Patent through the customers' normal and customary use of the Accused Products.

68. Counterclaim Defendant has also infringed, and continue to infringe, claims of the '567 Patent by offering to commercially distribute, commercially distributing, making, and/or importing the Accused Products, which are used in practicing the process, or using the systems, of the patent, and constitute a material part of the invention. Counterclaim Defendant knows the components in the Accused Products to be especially made or especially adapted for use in infringement of the patent, not a staple article, and not a commodity of commerce suitable for substantial noninfringing use. Accordingly, Counterclaim Defendant has been, and currently is, contributorily infringing the '567 Patent, in violation of 35 U.S.C. § 271(c).

69. The Accused Products satisfy all claim limitations of claims of the '567 Patent. A claim chart comparing claim elements of the '567 Patent to representative Accused Products, is attached as Exhibit 2.

70. By making, using, offering for sale, selling and/or importing into the United States the Accused Products, Counterclaim Defendant has injured EcoFactor and is liable for infringement of the '567 Patent pursuant to 35 U.S.C. § 271.

71. As a result of Counterclaim Defendant's infringement of the '567 Patent, EcoFactor is entitled to monetary damages in an amount adequate to compensate for Counterclaim

Defendant's infringement, but in no event less than a reasonable royalty for the use made of the invention by Counterclaim Defendant, together with interest and costs as fixed by the Court.

72. Counterclaim Defendant's infringing activities have injured and will continue to injure EcoFactor, unless and until this Court enters an injunction prohibiting further infringement of the '567 Patent, and, specifically, enjoining further manufacture, use, sale, importation, and/or offers for sale that come within the scope of the patent claims.

COUNT II

INFRINGEMENT OF U.S. PATENT NO. 10,612,983

73. EcoFactor realleges and incorporates by reference the foregoing paragraphs as if fully set forth herein.

74. The '983 patent, titled "system and method for evaluating changes in the efficiency of an HVAC system," issued on April 7, 2020. (Ex. 3 ('983 patent).) Inventors of the '983 patent are John Douglas Steinberg and Scott Douglas Hublou. The '983 patent is based on U.S. Pat. App. No. 16/374,083 filed on April 3, 2019. The '983 patent claims priority to Provisional App. No. 60/994,011, filed on September 17, 2007. The expiration date of the '983 patent is September 16, 2028. A true and correct copy of the '983 Patent is attached as Exhibit 3.

75. On information and belief, Counterclaim Defendant makes, uses, offers for sale, sells, and/or imports certain products ("Accused Products"), such as the ecobee3 lite and ecobee SmartThermostat with Voice Control, including device-side and cloud-based features thereof, and related accessories (e.g., ecobee SmartSensor), that directly infringe, literally and/or under the doctrine of equivalents, claims of the '983 Patent.

76. The infringement of the '983 Patent is also attributable to Counterclaim Defendant. Counterclaim Defendant and/or users of the Accused Products direct and control use of the

Accused Products to perform acts that result in infringement of the patent, conditioning benefits on participation in the infringement and establishing the timing and manner of the infringement.

77. Counterclaim Defendant also knowingly and intentionally induces infringement of claims of the '983 Patent in violation of 35 U.S.C. § 271(b). Through at least the filing and service of the ITC Complaint, Counterclaim Defendant has had knowledge of the '983 Patent and the infringing nature of the Accused Products. Despite this knowledge of the '983 Patent, Counterclaim Defendant continues to actively encourage and instruct its customers and end users (for example, through user manuals and online instruction materials on its website) to use the Accused Products in ways that directly infringe the '983 Patent. Counterclaim Defendant does so knowing and intending that its customers and end users will commit these infringing acts. Counterclaim Defendant also continues to make, use, offer for sale, sell, and/or import the Accused Products, despite its knowledge of the '983 Patent, thereby specifically intending for and inducing its customers to infringe the '983 Patent through the customers' normal and customary use of the Accused Products.

78. Counterclaim Defendant has also infringed, and continue to infringe, claims of the '983 Patent by offering to commercially distribute, commercially distributing, making, and/or importing the Accused Products, which are used in practicing the process, or using the systems, of the patent, and constitute a material part of the invention. Counterclaim Defendant knows the components in the Accused Products to be especially made or especially adapted for use in infringement of the patent, not a staple article, and not a commodity of commerce suitable for substantial noninfringing use. Accordingly, Counterclaim Defendant has been, and currently is, contributorily infringing the '983 Patent, in violation of 35 U.S.C. § 271(c).

79. The Accused Products satisfy all claim limitations of claims of the '983 Patent. A claim chart comparing claim elements of the '983 Patent to representative Accused Products, is attached as Exhibit 4.

80. By making, using, offering for sale, selling and/or importing into the United States the Accused Products, Counterclaim Defendant has injured EcoFactor and is liable for infringement of the '983 Patent pursuant to 35 U.S.C. § 271.

81. As a result of Counterclaim Defendant's infringement of the '983 Patent, EcoFactor is entitled to monetary damages in an amount adequate to compensate for Counterclaim Defendant's infringement, but in no event less than a reasonable royalty for the use made of the invention by Counterclaim Defendant, together with interest and costs as fixed by the Court.

82. Counterclaim Defendant's infringing activities have injured and will continue to injure EcoFactor, unless and until this Court enters an injunction prohibiting further infringement of the '983 Patent, and, specifically, enjoining further manufacture, use, sale, importation, and/or offers for sale that come within the scope of the patent claims.

COUNT III

INFRINGEMENT OF U.S. PATENT NO. 8,596,550

83. EcoFactor realleges and incorporates by reference the foregoing paragraphs as if fully set forth herein.

84. The '550 patent, titled "system, method, and apparatus for identifying manual inputs to and adaptive programming of a thermostat," issued on December 3, 2013. (Ex. 4 ('550 patent).) Inventors of the '550 patent are John Douglas Steinberg, Scott Douglas Hublou, and Leo Cheung. The '550 patent is based on U.S. Pat. App. No. 12/778,052 filed on May 11, 2010. The '550 patent claims priority to Provisional App. No. 61/215,999, filed on May 12, 2009. The

expiration date of the '550 patent is September 23, 2032. A true and correct copy of the '550 Patent is attached as Exhibit 5.

85. On information and belief, Counterclaim Defendant makes, uses, offers for sale, sells, and/or imports certain products (“Accused Products”), such as the ecobee3 lite and ecobee SmartThermostat with Voice Control, including device-side and cloud-based features thereof, and related accessories (e.g., ecobee SmartSensor), that directly infringe, literally and/or under the doctrine of equivalents, claims of the '550 Patent.

86. The infringement of the '550 Patent is also attributable to Counterclaim Defendant. Counterclaim Defendant and/or users of the Accused Products direct and control use of the Accused Products to perform acts that result in infringement of the patent, conditioning benefits on participation in the infringement and establishing the timing and manner of the infringement.

87. Counterclaim Defendant also knowingly and intentionally induces infringement of claims of the '550 Patent in violation of 35 U.S.C. § 271(b). Through at least the filing and service of the ITC Complaint, Counterclaim Defendant has had knowledge of the '550 Patent and the infringing nature of the Accused Products. Despite this knowledge of the '550 Patent, Counterclaim Defendant continues to actively encourage and instruct its customers and end users (for example, through user manuals and online instruction materials on its website) to use the Accused Products in ways that directly infringe the '550 Patent. Counterclaim Defendant does so knowing and intending that its customers and end users will commit these infringing acts. Counterclaim Defendant also continues to make, use, offer for sale, sell, and/or import the Accused Products, despite its knowledge of the '550 Patent, thereby specifically intending for and inducing its customers to infringe the '550 Patent through the customers' normal and customary use of the Accused Products.

88. Counterclaim Defendant has also infringed, and continue to infringe, claims of the '550 Patent by offering to commercially distribute, commercially distributing, making, and/or importing the Accused Products, which are used in practicing the process, or using the systems, of the patent, and constitute a material part of the invention. Counterclaim Defendant knows the components in the Accused Products to be especially made or especially adapted for use in infringement of the patent, not a staple article, and not a commodity of commerce suitable for substantial noninfringing use. Accordingly, Counterclaim Defendant has been, and currently is, contributorily infringing the '550 Patent, in violation of 35 U.S.C. § 271(c).

89. The Accused Products satisfy all claim limitations of claims of the '550 Patent. A claim chart comparing claim elements of the '550 Patent to representative Accused Products, is attached as Exhibit 6.

90. By making, using, offering for sale, selling and/or importing into the United States the Accused Products, Counterclaim Defendant has injured EcoFactor and is liable for infringement of the '550 Patent pursuant to 35 U.S.C. § 271.

91. As a result of Counterclaim Defendant's infringement of the '550 Patent, EcoFactor is entitled to monetary damages in an amount adequate to compensate for Counterclaim Defendant's infringement, but in no event less than a reasonable royalty for the use made of the invention by Counterclaim Defendant, together with interest and costs as fixed by the Court.

92. Counterclaim Defendant's infringing activities have injured and will continue to injure EcoFactor, unless and until this Court enters an injunction prohibiting further infringement of the '550 Patent, and, specifically, enjoining further manufacture, use, sale, importation, and/or offers for sale that come within the scope of the patent claims.

COUNT IV

INFRINGEMENT OF U.S. PATENT NO. 8,886,488

93. EcoFactor realleges and incorporates by reference the foregoing paragraphs as if fully set forth herein.

94. The '488 patent, titled "system and method for calculating thermal mass of a building," issued on November 11, 2014. (Ex. 7 ('488 patent).) Inventors of the '488 patent are John Douglas Steinberg and Scott Douglas Hublou. The '488 patent is based on U.S. Pat. App. No. 13/409,729 filed on March 1, 2012. The '488 patent claims priority to Provisional App. No. 60/994,011, filed on September 17, 2007. The expiration date of the '488 patent is September 16, 2028. A true and correct copy of the '488 Patent is attached as Exhibit 7.

95. On information and belief, Counterclaim Defendant makes, uses, offers for sale, sells, and/or imports certain products ("Accused Products"), such as the ecobee3 lite and ecobee SmartThermostat with Voice Control, including device-side and cloud-based features thereof, and related accessories (e.g., ecobee SmartSensor), that directly infringe, literally and/or under the doctrine of equivalents, claims of the '488 Patent.

96. The infringement of the '488 Patent is also attributable to Counterclaim Defendant. Counterclaim Defendant and/or users of the Accused Products direct and control use of the Accused Products to perform acts that result in infringement of the patent, conditioning benefits on participation in the infringement and establishing the timing and manner of the infringement.

97. Counterclaim Defendant also knowingly and intentionally induces infringement of claims of the '488 Patent in violation of 35 U.S.C. § 271(b). Through at least the filing and service of the ITC Complaint, Counterclaim Defendant has had knowledge of the '488 Patent and the infringing nature of the Accused Products. Despite this knowledge of the '488 Patent, Counterclaim Defendant continues to actively encourage and instruct its customers and end users

(for example, through user manuals and online instruction materials on its website) to use the Accused Products in ways that directly infringe the '488 Patent. Counterclaim Defendant does so knowing and intending that its customers and end users will commit these infringing acts. Counterclaim Defendant also continues to make, use, offer for sale, sell, and/or import the Accused Products, despite its knowledge of the '488 Patent, thereby specifically intending for and inducing its customers to infringe the '488 Patent through the customers' normal and customary use of the Accused Products.

98. Counterclaim Defendant has also infringed, and continue to infringe, claims of the '488 Patent by offering to commercially distribute, commercially distributing, making, and/or importing the Accused Products, which are used in practicing the process, or using the systems, of the patent, and constitute a material part of the invention. Counterclaim Defendant knows the components in the Accused Products to be especially made or especially adapted for use in infringement of the patent, not a staple article, and not a commodity of commerce suitable for substantial noninfringing use. Accordingly, Counterclaim Defendant has been, and currently is, contributorily infringing the '488 Patent, in violation of 35 U.S.C. § 271(c).

99. The Accused Products satisfy all claim limitations of claims of the '488 Patent. A claim chart comparing claim elements of the '488 Patent to representative Accused Products, is attached as Exhibit 8.

100. By making, using, offering for sale, selling and/or importing into the United States the Accused Products, Counterclaim Defendant has injured EcoFactor and is liable for infringement of the '488 Patent pursuant to 35 U.S.C. § 271.

101. As a result of Counterclaim Defendant's infringement of the '488 Patent, EcoFactor is entitled to monetary damages in an amount adequate to compensate for Counterclaim

Defendant's infringement, but in no event less than a reasonable royalty for the use made of the invention by Counterclaim Defendant, together with interest and costs as fixed by the Court.

102. Counterclaim Defendant's infringing activities have injured and will continue to injure EcoFactor, unless and until this Court enters an injunction prohibiting further infringement of the '488 Patent, and, specifically, enjoining further manufacture, use, sale, importation, and/or offers for sale that come within the scope of the patent claims.

ECOFACTOR'S PRAYER FOR RELIEF

WHEREFORE, Defendant/Counterclaim Plaintiff EcoFactor, Inc. request that this Court enter:

a. A judgment in favor of EcoFactor that Plaintiff/Counterclaim Defendant has infringed, either literally and/or under the doctrine of equivalents, the '567 Patent, the '983 Patent, the '550 Patent, and the '488 Patent;

b. A permanent injunction prohibiting Plaintiff/Counterclaim Defendant from further acts of infringement of the '567 Patent, the '983 Patent, the '550 Patent, and the '488 Patent;

c. A judgment and order requiring Plaintiff/Counterclaim Defendant to pay EcoFactor its damages, enhanced damages, costs, expenses, and pre-judgment and post-judgment interest for Plaintiff/Counterclaim Defendant's infringement of the '567 Patent, the '983 Patent, the '550 Patent, and the '488 Patent;

d. A judgment and order requiring Plaintiff/Counterclaim Defendant to provide accountings and to pay supplemental damages to Plaintiff, including without limitation, pre-judgment and post-judgment interest;

e. A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding to EcoFactor its reasonable attorneys' fees against Plaintiff/Counterclaim Defendant; and

f. Any and all other relief as the Court may deem appropriate and just under the circumstances.

DEMAND FOR JURY TRIAL

Plaintiff, under Rule 38 of the Federal Rules of Civil Procedure, requests a trial by jury of any issues so triable by right.

Dated: May 5, 2021

Respectfully submitted,

BAYARD, P.A.

/s/ Ronald P. Golden III

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