

No. 23-1362

**United States Court of Appeals
for the Federal Circuit**

VROOM, INC., VROOM AUTOMOTIVE, LLC, dba
Vroom, dba Texas Direct Auto, CARSTORY, LLC,
VAST.COM, INC., dba CarStory,
Plaintiffs-Appellees

v.

SIDEKICK TECHNOLOGY, LLC,
Defendant-Appellant

Appeal from the United States District Court for the District of New Jersey in
No. 2:21-cv-06737-WJM-JSA, Judge William J. Martini.

**DEFENDANT-APPELLANT SIDEKICK TECHNOLOGY, LLC'S
RESPONSE TO PLAINTIFFS-APPELLEES VROOM, INC.,
VROOM AUTOMOTIVE, LLC, dba Vroom, dba Texas Direct Auto,
CARSTORY, LLC, VAST.COM, INC., dba CarStory's
COMBINED PETITION FOR PANEL REHEARING
AND REHEARING EN BANC**

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Attorney for Defendant-Appellant

May 31, 2023

FORM 9. Certificate of Interest

Form 9 (p. 1)
March 2023

**UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

CERTIFICATE OF INTEREST

Case Number 23-1362

Short Case Caption Vroom, Inc. v. Sidekick Technology, LLC

Filing Party/Entity Sidekick Technology, LLC

Instructions:

1. Complete each section of the form and select none or N/A if appropriate.
2. Please enter only one item per box; attach additional pages as needed, and check the box to indicate such pages are attached.
3. In answering Sections 2 and 3, be specific as to which represented entities the answers apply; lack of specificity may result in non-compliance.
4. Please do not duplicate entries within Section 5.
5. Counsel must file an amended Certificate of Interest within seven days after any information on this form changes. Fed. Cir. R. 47.4(c).

I certify the following information and any attached sheets are accurate and complete to the best of my knowledge.

Date: 05/31/2023

Signature: /s/ Benjamin E. Weed

Name: Benjamin E. Weed

FORM 9. Certificate of Interest

Form 9 (p. 2)
March 2023

1. Represented Entities. Fed. Cir. R. 47.4(a)(1).	2. Real Party in Interest. Fed. Cir. R. 47.4(a)(2).	3. Parent Corporations and Stockholders. Fed. Cir. R. 47.4(a)(3).
Provide the full names of all entities represented by undersigned counsel in this case.	Provide the full names of all real parties in interest for the entities. Do not list the real parties if they are the same as the entities. <input checked="" type="checkbox"/> None/Not Applicable	Provide the full names of all parent corporations for the entities and all publicly held companies that own 10% or more stock in the entities. <input checked="" type="checkbox"/> None/Not Applicable
Sidekick Technology, LLC		

☐ Additional pages attached

FORM 9. Certificate of Interest

Form 9 (p. 3)
March 2023

4. Legal Representatives. List all law firms, partners, and associates that (a) appeared for the entities in the originating court or agency or (b) are expected to appear in this court for the entities. Do not include those who have already entered an appearance in this court. Fed. Cir. R. 47.4(a)(4).

☐ None/Not Applicable☐ Additional pages attached

Loly G. Tor (K&L Gates LLP)

Thomas P. Scrivo (O'Toole Scrivo, LLC)

5. Related Cases. Other than the originating case(s) for this case, are there related or prior cases that meet the criteria under Fed. Cir. R. 47.5(a)?

☐ Yes (file separate notice; see below) ☒ No ☐ N/A (amicus/movant)

If yes, concurrently file a separate Notice of Related Case Information that complies with Fed. Cir. R. 47.5(b). **Please do not duplicate information.** This separate Notice must only be filed with the first Certificate of Interest or, subsequently, if information changes during the pendency of the appeal. Fed. Cir. R. 47.5(b).

6. Organizational Victims and Bankruptcy Cases. Provide any information required under Fed. R. App. P. 26.1(b) (organizational victims in criminal cases) and 26.1(c) (bankruptcy case debtors and trustees). Fed. Cir. R. 47.4(a)(6).

☒ None/Not Applicable☐ Additional pages attached

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I. INTRODUCTION

The Panel correctly held that this appeal was premature based on the fact Vroom’s request for injunctive relief remained (indeed, still remains) pending in the district court. Now, Vroom offers two arguments in an attempt to demonstrate error with the Panel’s decision. However, both arguments fail to demonstrate error, and this Court should deny Vroom’s Combined Petition for Panel Rehearing or Rehearing En Banc (“Combined Petition”).

First, the Panel’s decision correctly recognized that Vroom’s requested injunctive relief remains pending. A cursory glance at Vroom’s request reveals that the requested injunctive relief goes far beyond the patents-in-suit. Therefore, the district court’s finding of invalidity could not resolve, let alone moot, Vroom’s requested injunctive relief. In its Combined Petition, Vroom argues that its “declaratory-judgment complaint sought only findings of noninfringement,” but this argument willfully ignores the pleadings Vroom made when it suited Vroom.

The Panel’s decision is also in line with the decisions the Combined Petition asserts the Panel’s decisions would upend. In every case cited in the Combined Petition, the district court entered an order that “end[ed] the litigation on the merits and [left] nothing for the court to do but execute the judgment.” *Nystrom v. TREX Co., Inc.*, 339 F.3d 1347, 1350 (Fed. Cir. 2003) (quoting *Catlin v. United States*, 324 U.S. 229, 233 (1954)). Thus, every case the Combined Petition cites is factually

distinct from this case, and the Panel's decision would not upend this Court's or the Supreme Court's past decisions.

Finally, Third Circuit law has no bearing on the issues addressed in the Panel's decision. This Court has made it clear that whether a final judgment was entered in the district court is a jurisdictional requirement and that on matters relating to this court's jurisdiction, Federal Circuit law applies, not the law of the regional circuit. *Nystrom*, 339 F.3d at 1349-50. Moreover, the Third Circuit law that Vroom cited in its Combined Petition is, not only inapplicable, but it supports Appellant Sidekick Technology, LLC's ("Sidekick") argument, not Vroom's.

II. BACKGROUND

The Panel is well aware of the pertinent facts and its own decision to dismiss this appeal as premature. However, conspicuously missing from Vroom's recitation of the background of this appeal is any discussion of the actual language of the injunctive relief it requested in its declaratory-judgment complaint. This is especially conspicuous given that whether Vroom's injunctive relief remains pending is at the center of the issues raised in the Combined Petition.

Relevant here are the following broad requests for injunctive relief:

138. That the Court declare that Plaintiffs are free and clear to make, use, offer for sale and sell the functionalities available at their websites and/or any corresponding mobile device application despite any rights Defendant purports to own;

139. That the Court enjoin Defendant from representing to anyone that Plaintiffs are infringing on any rights Defendant purports to own, including any rights based on the patents in suit;

Dkt. 5, Ex. 1 at 58 (Dist. Ct. Dkt. 1 at ¶¶ 138-39). These requests go beyond a declaration of non-infringement of the patents-in-suit: for the former, the request is despite “any rights,” not just rights embodied in the patents-in-suit, and for the latter, if the request was limited to the patents-in-suit, there would be no need to specify “including any rights based on the patents in suit.”

Thus, despite Vroom’s assertion that Sidekick was dilatory in seeking appeal and the district court “long ago” entered final judgment, Sidekick did all it could to bring about finality on its counterclaims by seeking entry of final judgment on its counterclaims. *See* Dkt. 5, Ex. 9 (Dist. Ct. Dkt. 62). It was only when the district court denied Sidekick’s motion—after the present appeal was filed—that the district court clarified that it intended to enter final judgment when it dismissed Sidekick’s counterclaims. *See* Dkt. 11, Ex. A (Dist. Ct. Dkt. 67). However, this order does not deny or moot Vroom’s requested injunctive relief. Therefore, as of this filing, Vroom’s requested relief remains pending and there is still no final judgment in the district court.

III. ARGUMENT

Vroom offers two frivolous arguments in its Combined Petition: (1) the district court’s ruling dismissing Sidekick’s counterclaims rendered all of Vroom’s

requested relief moot, and (2) the Panel ignored Third Circuit law. Neither of these arguments are persuasive and therefore, the Court should deny Vroom’s Combined Petition.

A. Vroom’s requested injunctive relief remains pending.

Vroom’s argument proceeds from the false predicate that its declaratory judgment complaint sought declarations of noninfringement only. Dkt. 19 at 6 (citing Dist. Ct. Dkt. 5, Ex. 1). Based on this false statement, Vroom argues that it was “unnecessary” to resolve its requested relief because it was mooted by the district court’s order dismissing Sidekick’s counterclaims. *Id.*

Vroom’s statement is wrong. As shown above in paragraphs 138-139, Vroom sought injunctive relief beyond just a declaration of noninfringement of the patents-in-suit. Even assuming that the patents-in-suit are invalid (which they are not), the finding of invalidity does not address the full extent of the injunctive relief requested. Therefore, it was, and still is, necessary for the district court to resolve Vroom’s requested injunctive relief.

1. *Liberty* and *Henrietta* apply to the facts of this case and the Panel correctly applied these cases.

According to Vroom, “Both *Liberty* [*Mut. Ins. Co. v. Wetzel*, 424 U.S. 737 (1976)] and *Henrietta* [*D. v. Giuliani*, 246 F.3d 176 (2d Cir. 2001)] involved scenarios where the pleaders ***prevailed*** on their counts, triggering the relief sought.” Dkt. 19 at 8. This argument fails for two reasons: (1) Vroom mischaracterizes *Liberty*

and *Henrietta* and (2) Vroom’s argument would upend an entire body of Federal Circuit law.

First, *Liberty* and *Henrietta* did not turn on whether a party prevailed as contended by Vroom, but on whether the issue of liability was resolved. In *Liberty*, the Supreme Court was concerned by the district court’s failure to issue any order regarding relief after the district court granted plaintiff’s motion for partial summary judgment on the issue of liability. *Liberty*, 424 U.S. at 741. As stated by the Supreme Court:

[w]ere we to sustain the procedure followed here, we would condone a practice whereby a district court in virtually any case before it might render an interlocutory decision on the question of liability of the defendant, and the defendant would thereupon be permitted to appeal to the court of appeals without satisfying any of the requirements that Congress carefully set forth.

Id. at 745-46. Turning to *Henrietta*, the Second Circuit likewise was concerned about district courts failing to render orders concerning relief after the question of liability was resolved. As stated by the Second Circuit, “[a]n award of declaratory relief on all claims is a final order in a case in which *only* declaratory relief is sought, but *a declaration has no such effect when other remedial issues remain unresolved.*” *Henrietta*, 246 F.3d at 180 (emphasis added). Reading *Liberty* and *Henrietta* together, once a court has resolved the question of liability, it must resolve any remaining prayers for relief, which include prayers for injunctive relief, before there can be a final judgment from which an appeal may be taken.

Here, the Panel’s order correctly recognized that the district court did exactly what the Supreme Court and the Second Circuit prohibit. The district court resolved the issue of Vroom’s infringement liability when it (erroneously) found the patents-in-suit invalid. Thus, under *Liberty*, the district court was then obligated to render some order on Vroom’s requested injunctive relief. Because the district court failed to render any such order, the Panel refused to condone such behavior and correctly recognized that there was no final order from which Sidekick could appeal.

2. Even accepting as true Vroom’s misconstrued interpretation of *Liberty* and *Henrietta*, Vroom prevailed on its declaratory judgment claims and to hold otherwise would conflict with this Court’s law.

Vroom argues that it “never became ‘entitled to’ this or any of the other prayers for relief because the district court’s invalidity finding mooted all non-infringement liability counts.” Dkt. 19 at 7. In other words, Vroom argues it did not prevail because its claims for declaratory judgment of non-infringement were mooted by the finding of invalidity.

This interpretation of “prevailing” conflicts with an entire body of this Court’s law concerning whether a party is a “prevailing party” for the purposes of fees and costs. This Court has held that a party can prevail by “rebuffing” the opposing party’s claims, “irrespective of the reason for the court’s decision.” *B.E. Tech., L.L.C. v. Facebook, Inc.*, 940 F.3d 675, 679 (Fed. Cir. 2019) (holding that Facebook was a prevailing party when it obtained a dismissal of infringement claims after the PTAB

invalidated the asserted claims). If this Court accepts Vroom’s “entitled to” argument, the *only* way a party could ever be a prevailing party is if it succeeds on its affirmative claims because of that party’s efforts. This would abrogate any entire body of this Court’s law, a body of law that Vroom cited in its Reply in support of its Motion to Terminate Appeal. Dkt. 10 at 4-5.

3. The Panel’s decision does not affect prior decisions of this Court (and the Supreme Court) because those prior decisions are factually distinct from the facts of this case.

According to Vroom, the Panel’s decision conflicts with previous decisions of this Court “in which the district court never addressed prayers for relief related to infringement because its invalidation ruling mooted the prayers for relief.” Dkt. 19 at 10 (citing cases). But even a cursory review shows that the final judgments entered by the district courts in these cases are different from the alleged final judgment entered by the district court in this case.

Beginning with *Nautilus*, the *Nautilus* district court *explicitly* mooted all forms of relief when it entered final judgment after it found the patents-in-suit invalid. Ex. 1, (*Nautilus*, Dist. Ct. Dkt. 55) (granting Defendant’s motion for summary judgment, dismissing the complaint with prejudice, and dismissing Defendant’s counterclaim on consent without prejudice). In fact, the district court informed the parties of their rights to appeal the district court’s final judgment. Ex. 2, (*Nautilus*, Dist. Ct. Dkt. 55-1). Thus, in contrast to what Vroom has represented

to this Court, the district court in *Nautilus* clearly addressed all pending prayers of relief.

This is true of all the cases cited by Vroom as shown by the following:

- *CLS Bank Int'l*: In the order granting summary judgment, the *CLS* district court explicitly stated that the “case” in its entirety was dismissed and closed, not just the counterclaims. Furthermore, the order states it was a final appealable order. Ex. 3, (*CLS*, Dist. Ct. Dkt. 105).
- *SAP America*: The *SAP* district court entered an order labeled “Final Judgment” and explicitly stated that Defendant “takes nothing by its suit against Plaintiff.” Ex. 4, (*SAP*, Dist. Ct. Dkt. 79).
- *Berkheimer*: In the order granting summary judgment, the *Berkheimer* district court explicitly terminated the case. Ex. 5, (*Berkheimer*, Dist. Ct. Dkt. 188 at 23).
- *Enfish*: The *Enfish* district court explicitly entered a “Final Judgment” that “order[ed], adjudge[d], and decree[d]” that all claims were resolved. Ex. 6, (*Enfish*, Dist. Ct. Dkt. 309). This included granting the “Defendants’ respective counterclaims for a declaration that each Defendant has not infringed the ’604 patent” as to claim 17. *Id.* at 1. Furthermore, the order ends with “[b]ecause no claims are remaining in this action, the Court expressly directs the Clerk to enter this Final

Judgment as set forth above pursuant to Federal Rule of Civil Procedure 58.” *Id.* at 2.

- *Content Extraction*: The Combined Petition cites Dkt. 20 (Ex. 7) as the declaratory-judgment complaint that allegedly had pending injunctive relief remaining after the *Content Extraction* district court entered its order (Dkt. 45) finding the claims invalid pursuant to § 101. However, the order does not address the declaratory-judgment complaint, which was filed by Diebold in a separate case (No. 12-7640) that was consolidated with the *Content Extraction* cases (Nos. 12-2501, 12-6960). *See* Ex. 8. Because Dkt. 20 was filed in a separate case, the fact that it remained pending when the *Content Extraction* district court entered its order (Dkt. 45) is irrelevant to whether there was a final judgment in the lead case.

Every case cited by Vroom is unlike the facts of this case because the various district courts clearly addressed all pending prayers of relief and entered a final judgment that “end[ed] the litigation on the merits and [left] nothing for the court to do but execute the judgment.” *Nystrom*, 339 F.3d at 1350.

B. Third Circuit law is irrelevant.

Vroom attempts to argue that Third Circuit law governs the issues before the Court; however, this argument stands in contrast to the very law Vroom cited in its

Motion to Terminate Appeal. *Compare* Dkt. 19 at 16 (citing *Henglein v. Colt Indus. Operating Corp.*, 260 F.3d 201, 210-11 (3d Cir. 2001)) *with* Dkt. 5 at 5-6 (citing *Nystrom*, 339 F.3d at 1350). To support this argument, Vroom argues that “[w]hile [the Federal Circuit] applies its own law to determine whether it has jurisdiction, regional-circuit law applies to the question of whether a district-court judgment is final.” Dkt. 19 at 16 n.3 (citing *CAE Screenplates Inc. v. Heinrich Fiedler GmbH & Co. KG*, 224 F.3d 1308, 1314–15 (Fed. Cir. 2000)).

Vroom needed to hide *CAE* in the footnotes because this case does not stand for as broad of a proposition as asserted by Vroom. The Federal Circuit in *CAE* considered a purely procedural question related to Fed. R. Civ. P. 54(b) that did not turn on an issue of patent law. *CAE*, 224 F.3d at 1314. Specifically, the Federal Circuit was considering whether the district court’s order granting the parties’ joint motion seeking entry of final judgment satisfied the requirements of Fed. R. Civ. P. 54(b). *Id.* at 1314-15. This Court, citing its earlier decision, stated that when “the finality of the dismissal in this case is a procedural issue not related to patent law, this court applies the law of the regional circuit.” *Id.* (quoting *Phonometrics, Inc. v. Hospitality Franchise Sys., Inc.*, 203 F.3d 790, 792 (Fed. Cir. 2000)).

Here, unlike in *CAE*, the issue between the parties is inextricably related to patent law: the issue of whether a finding of invalidity moots the injunctive relief

Vroom requested that is not specifically tied to the patents-in-suit. Thus, Federal Circuit law, not Third Circuit law, applies.

Vroom's final argument is that the district court's order dismissing Sidekick's counterclaims complied with the requirements of Fed. R. Civ. P. 58 and thus was a final order. Dkt. 19 at 17 (citing *Local Union No. 1992 Intern. Broth. of Elec. Workers v. Okonite Co.*, 358 F.3d 278 (3rd Cir. 2004)).

Much like Vroom's other arguments, this mischaracterizes the (inapplicable) law it seeks to apply to the facts of this case. Even if Third Circuit law applied, *Local Union* dealt with post-trial motions, not a pre-trial decision on the merits like a judgment on the pleadings or a motion for summary judgment. In fact, the Third Circuit recognized that for a pre-trial order to serve as a final judgment, the order would potentially need to address "any damages or injunctive relief" to be awarded. *Id.* at 285. Thus, even under Third Circuit law, the district court below should have resolved the injunctive relief.

IV. Conclusion

This Court should deny Vroom's Combined Petition.

Dated: May 31, 2023

Respectfully submitted,

K&L GATES LLP

By: /s/ Benjamin E. Weed

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Attorney for Defendant-Appellant

FORM 19. Certificate of Compliance with Type-Volume Limitations

Form 19
July 2020

**UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME LIMITATIONS

Case Number: 23-1362

Short Case Caption: Vroom, Inc. v. Sidekick Technology, LLC

Instructions: When computing a word, line, or page count, you may exclude any items listed as exempted under Fed. R. App. P. 5(c), Fed. R. App. P. 21(d), Fed. R. App. P. 27(d)(2), Fed. R. App. P. 32(f), or Fed. Cir. R. 32(b)(2).

The foregoing filing complies with the relevant type-volume limitation of the Federal Rules of Appellate Procedure and Federal Circuit Rules because it meets one of the following:

- ☒ the filing has been prepared using a proportionally-spaced typeface and includes 2,562 words.
- ☐ the filing has been prepared using a monospaced typeface and includes _____ lines of text.
- ☐ the filing contains _____ pages / _____ words / _____ lines of text, which does not exceed the maximum authorized by this court's order (ECF No. _____).

Date: 05/31/2023

Signature: /s/ Benjamin E. Weed

Name: Benjamin E. Weed

No. 23-1362

**United States Court of Appeals
for the Federal Circuit**

VROOM, INC., VROOM AUTOMOTIVE, LLC, dba
Vroom, dba Texas Direct Auto, CARSTORY, LLC,
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Appeal from the United States District Court for the District of New Jersey in
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**TABLE OF CONTENTS OF EXHIBITS IN SUPPORT OF DEFENDANT-
APPELLANT’S RESPONSE TO PLAINTIFFS-APPELLEES’ COMBINED
PETITION FOR PANEL REHEARING AND REHEARING EN BANC
(EXHIBITS 1 – 8)**

Description	Exhibit No.	Page No.
Judgment in <i>Biosig Instruments, Inc. v. Nautilus, Inc.</i> , No. 1:10-cv-07722-AKH (S.D.N.Y.) (Dist. Ct. Dkt. 55)	1	1
Notice of Judgment in <i>Biosig Instruments, Inc. v. Nautilus, Inc.</i> , No. 1:10-cv-07722-AKH (S.D.N.Y.) (Dist. Ct. Dkt. 55-1)	2	3

Description	Exhibit No.	Page No.
Order in <i>CLS Bank Int'l v. Alice Corp. Pty. Ltd.</i> , No. 1:07-cv-00974-RMC (D.D.C.) (Dist. Ct. Dkt. 105)	3	9
Final Judgment in <i>SAP America, Inc. v. Investpic, LLC</i> , No. 3:16-cv-02689-K (N.D. Tex.) (Dist. Ct. Dkt. 79)	4	11
Opinion and Order in <i>Berkheimer v. Hewlett-Packard Co.</i> , No. 1:12-cv-09023 (N.D. Ill.) (Dist. Ct. Dkt. 188)	5	13
Final Judgment in <i>Enfish, LLC v. Microsoft Corp.</i> , No. 2:12-cv-07360-AG-MRW (C.D. Cal.) (Dist. Ct. Dkt. 309)	6	37
First Amended Complaint in <i>Content Extraction and Transmission LLC v. Wells Fargo Bank, et al.</i> , Case 3:12-cv-06960-MAS-TJB (D.N.J.) (Dist. Ct. Dkt. 20)	7	41
Order in <i>Content Extraction and Transmission LLC v. Wells Fargo Bank, et al.</i> , Case 3:12-cv-06960-MAS-TJB (D.N.J.) (Dist. Ct. Dkt. 45)	8	78

EXHIBIT 1

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

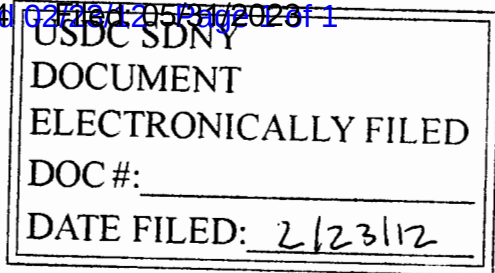
-----X
BIOSIG INSTRUMENTS, INC.,

Plaintiffs,

-against-

NAUTILUS, INC.,

Defendants.
-----X



10 CIVIL 7722 (AKH)

JUDGMENT

Defendant having moved for summary judgment, and the matter having come before the Honorable Alvin K. Hellerstein, United States District Judge, and the Court, on February 23, 2012, having rendered its Summary Order granting Defendants motion for summary judgment, dismissing the complaint with prejudice and dismissing Defendants counterclaims on consent without prejudice, it is,

ORDERED, ADJUDGED AND DECREED: That for the reasons stated in the Court's Summary Order dated February 23, 2012, Defendants motion for summary judgment is granted; the complaint is dismissed with prejudice and Defendant's counterclaim are dismissed on consent without prejudice; accordingly, the case is closed.

Dated: New York, New York
February 23, 2012

RUBY J. KRAJICK

BY:

Clerk of Court

Deputy Clerk

EXHIBIT 2

**United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213**

Date:

In Re:

-v-

Case #: ()

Dear Litigant,

Enclosed is a copy of the judgment entered in your case.

Your attention is directed to Rule 4(a)(1) of the Federal Rules of Appellate Procedure, which requires that if you wish to appeal the judgment in your case, you must file a notice of appeal within 30 days of the date of entry of the judgment (60 days if the United States or an officer or agency of the United States is a party).

If you wish to appeal the judgment but for any reason you are unable to file your notice of appeal within the required time, you may make a motion for an extension of time in accordance with the provision of Fed. R. App. P. 4(a)(5). That rule requires you to show "excusable neglect" or "good cause" for your failure to file your notice of appeal within the time allowed. Any such motion must first be served upon the other parties and then filed with the Pro Se Office no later than 60 days from the date of entry of the judgment (90 days if the United States or an officer or agency of the United States is a party).

The enclosed Forms 1, 2 and 3 cover some common situations, and you may choose to use one of them if appropriate to your circumstances.

The Filing fee for a notice of appeal is \$5.00 and the appellate docketing fee is \$450.00 payable to the "Clerk of the Court, USDC, SDNY" by certified check, money order or cash. **No personal checks are accepted.**

Ruby J. Krajick, Clerk of Court

by: _____


_____, Deputy Clerk

APPEAL FORMS

**United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213**

-V-

NOTICE OF APPEAL

civ. ()

Notice is hereby given that _____
(party)
hereby appeals to the United States Court of Appeals for the Second Circuit from the Judgment [describe it]

entered in this action on the _____ day of _____, _____.
(day) (month) (year)

(Signature)

(Address)

(City, State and Zip Code)

Date: _____

() _____
(Telephone Number)

Note: You may use this form to take an appeal provided that it is received by the office of the Clerk of the District Court within 30 days of the date on which the judgment was entered (60 days if the United States or an officer or agency of the United States is a party).

FORM 1

United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213

-V-

MOTION FOR EXTENSION OF TIME
TO FILE A NOTICE OF APPEAL

civ. ()

Pursuant to Fed. R. App. P. 4(a)(5), _____ respectfully
requests leave to file the within notice of appeal out of time.
_____ (party)
desires to appeal the judgment in this action entered on _____ (party)
_____ (day) but failed to file a
notice of appeal within the required number of days because:

[Explain here the "excusable neglect" or "good cause" which led to your failure to file a notice of appeal within the required number of days.]

(Signature)_____
(Address)_____
(City, State and Zip Code)

Date: _____

() _____
(Telephone Number)

Note: You may use this form, together with a copy of Form 1, if you are seeking to appeal a judgment and did not file a copy of Form 1 within the required time. If you follow this procedure, these forms must be received in the office of the Clerk of the District Court no later than 60 days of the date which the judgment was entered (90 days if the United States or an officer or agency of the United States is a party).

APPEAL FORMS

District Court will receive it within the 30 days of the date on which the judgment was entered (60 days if the United States or an officer or agency of the United States is a party).

FORM 3

United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213

-V-

AFFIRMATION OF SERVICE

civ. ()

I, _____, declare under penalty of perjury that I have

served a copy of the attached _____

upon _____

whose address is: _____

Date: _____
New York, New York

(Signature)

(Address)

(City, State and Zip Code)

FORM 4

APPEAL FORMS

FORM 2

United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213

-V-

NOTICE OF APPEAL
AND
MOTION FOR EXTENSION OF TIME

civ. ()

1. Notice is hereby given that _____ hereby appeals to
(party)
the United States Court of Appeals for the Second Circuit from the judgment entered on _____.
[Give a description of the judgment]

2. In the event that this form was not received in the Clerk's office within the required time
_____ respectfully requests the court to grant an extension of time in
(party)
accordance with Fed. R. App. P. 4(a)(5).

a. In support of this request, _____ states that
(party)
this Court's judgment was received on _____ and that this form was mailed to the
(date)
court on _____
(date)

(Signature)

(Address)

(City, State and Zip Code)

Date: _____

()

(Telephone Number)

Note: You may use this form if you are mailing your notice of appeal and are not sure the Clerk of the

APPEAL FORMS

EXHIBIT 3

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

_____)	
CLS BANK INTERNATIONAL,)	
)	
Plaintiff,)	
)	
v.)	Civil Action No. 07-974 (RMC)
)	
ALICE CORPORATION PTY. LTD.,)	
)	
Defendant.)	
_____)	

ORDER

For the reasons stated in the Memorandum Opinion filed simultaneously with this Order, it is hereby

ORDERED that plaintiff CLS Bank International's motion for summary judgment [Dkt. # 94] is **GRANTED**; and it is

FURTHER ORDERED that defendant Alice Corporation's cross-motion for partial summary judgment [Dkt. # 95] is **DENIED**; and it is

FURTHER ORDERED that this case is **DISMISSED** and closed.

This is a final appealable order. *See* Fed. R. App. P. 4(a).

SO ORDERED.

Date: March 9, 2011

/s/
ROSEMARY M. COLLYER
United States District Judge

EXHIBIT 4

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

SAP AMERICA, INC.,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Civil Action No. 3:16-CV-2689-K
	§	
INVESTPIC, LLC,	§	
	§	
Defendant.	§	

FINAL JUDGMENT

This Judgment is entered pursuant to the Court's Memorandum Opinion and Order of this same date, in which the Court granted Plaintiff's Motion for Judgment on the Pleadings.

It is therefore, ORDERED, ADJUDGED and DECREED that Defendant takes nothing by its suit against Plaintiff, and that Defendant's counterclaims are DISMISSED with prejudice, with all costs taxed against Defendant.

SO ORDERED.

Signed May 18th, 2017.



ED KINKEADE
UNITED STATES DISTRICT JUDGE

EXHIBIT 5

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

Steven E. Berkheimer,)	
)	
Plaintiff,)	12 C 9023
)	
v.)	Judge John Z. Lee
)	
Hewlett-Packard Company,)	
)	
Defendant.)	

MEMORANDUM OPINION AND ORDER

Plaintiff Steven E. Berkheimer (“Berkheimer”) has sued Defendant Hewlett-Packard Company (“HP”) under 35 U.S.C. § 1 *et seq.*, alleging infringement of U.S. Patent No. 7,447,713 (“the ’713 Patent”). HP has moved for summary judgment on the ground that the asserted claims of the ’713 Patent cover patent-ineligible subject matter and are therefore invalid under 35 U.S.C. § 101. For the reasons provided herein, the Court grants HP’s motion.

Factual Background

Berkheimer is the owner of the ’713 Patent, which describes methods for digitally processing and archiving files. Pl.’s Resp. HP’s SMF, Ex. 2 (“’713 Patent”) col.1 ll.10–11, ECF No. 164-2. The methods involve “object-oriented representations” of documents and graphics that are “manipulated and then entered into an archival database with minimal redundancy.” *Id.* at col.1 ll.15–19, col.2 l.38. For example, using these methods, a computer program can recognize the various components of a document (such as a headline, text block, or image) and can archive the document by storing data corresponding to each of these separate

components. *Id.* at cols.19–28 (diagramming an example of this archiving process). Once a document has been archived in this manner, multiple users can “work on different components of a document at the same time and from different locations.” *Id.* at cols. 39–40. And when multiple documents in the archive share a common component (for example, the same text block), a user can edit those documents simultaneously with a one-time edit to the common component that they share. *Id.* at cols. 41–42. These features of the claimed methods “promote efficiency,” “achieve object integrity,” and “reduce turnaround time and costs” in the digital archiving process. *Id.* at col.2 ll.38–52, col.3 ll.40–50.

Berkheimer asserts Claims 1–7 and 9 of the ’713 Patent against HP. Def.’s SMF ¶¶ 7–8, ECF No. 157.¹ Claim 1 is an independent claim, and Claims 2–7 and 9 are dependent claims deriving from Claim 1. *See* ’713 Patent col. 47. Claim 1 reads as follows:

1. A method of archiving an item in a computer processing system comprising:

presenting the item to a parser;

parsing the item into a plurality of multi-part object structures wherein portions of the structures have searchable information tags associated therewith;

evaluating the object structures in accordance with object structures previously stored in an archive;

¹ Previously, Berkheimer also asserted Claims 10–19. However, in a prior ruling, this Court held that Claims 10–19 were invalid for indefiniteness under 35 U.S.C. § 112. *Berkheimer v. Hewlett-Packard Co.*, No. 12-cv-9023, 2015 WL 4999954, at *9–11 (N.D. Ill. Aug. 21, 2015). Claims 1–7 and 9 are therefore the only asserted claims that currently remain. Def.’s SMF ¶ 8.

presenting an evaluated object structure for manual reconciliation at least where there is a predetermined variance between the object and at least one of a predetermined standard and a user defined code.

Id. at col.47 ll.9–21.

During a claim construction hearing, the parties asked the Court to interpret the terms “parser,” “parsing,” and “evaluating,” each of which appears in Claim 1. *See Berkheimer*, 2015 WL 4999954, at *1. Based on the hearing, the Court concluded that the term “parser” means “a program that dissects and converts source code into object code”;² “parsing” means “using a program that dissects and converts source code into object code to dissect and convert”; and “evaluating” means “analyzing and comparing.” *Id.* at *12. The parties also asked the Court to interpret the phrase “evaluating the object structures in accordance with object structures previously stored in an archive,” which appears in the third step of Claim 1. The Court defined this phrase to mean “analyzing the plurality of multi-part object structures obtained by parsing and comparing it with object structures previously stored in the archive to determine if there is variance between the object and at least one of a predetermined standard and a user defined rule.” *Id.*

Claims 2–7 and 9 are dependent claims that add various steps and limitations to the method recited in Claim 1. They read as follows:

² “Source code” is “nonmachine language used by a computer programmer to create a program.” *Black’s Law Dictionary* (10th ed. 2014). “Object code” is “machine-readable language compiled from a computer programmer’s source code.” *Black’s Law Dictionary* (10th ed. 2014).

2. The method as in claim 1 wherein the respective structure can be manually edited after being presented for reconciliation.
3. The method as in claim 1 which includes, before the parsing step, converting an input item to a standardized format for input to the parser.
4. The method as in claim 1 which includes storing a reconciled object structure in the archive without substantial redundancy.
5. The method as in claim 4 which includes selectively editing an object structure, linked to other structures to thereby effect a one-to-many change in a plurality of archived items.
6. The method as in claim 5 which includes compiling an item to be output from the archive, wherein at least one object-type structure of the item has been edited during the one-to-many change and wherein the compiled item includes a plurality of linked object-type structures converted into a predetermined output file format.
7. The method as in claim 6 which includes compiling a plurality of items wherein the at least one object-type structure has been linked in the archive to members of the plurality.
9. The method as in claim 1 which includes forming object oriented data structures from the parsed items wherein the data structures include at least some of item properties, item property values, element properties and element property values.

'713 Patent, col.47 ll.22–55.

Legal Standard

“The court shall grant summary judgment if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a); *see also Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986). At the summary judgment stage, a court must consider any

In support of its motion for summary judgment, HP's sole contention is that the asserted claims of the '713 Patent are patent-ineligible and thus invalid under 35 U.S.C. § 101. Whether a patent claim is invalid under § 101 is a question of law. *CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1369 (Fed. Cir. 2011); *In re Bilski*, 545 F.3d 943, 951 (Fed. Cir. 2008) (en banc), *aff'd*, 561 U.S. 593 (2010). Accordingly, courts may resolve questions concerning patent eligibility under § 101 validity on the pleadings or at the summary judgment stage. *See, e.g., Content Extraction & Transmission LLC v. Wells Fargo Bank, Nat'l Ass'n*, 776 F.3d 1343, 1349 (Fed. Cir. 2014); *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1352 (Fed. Cir. 2014); *CLS Bank Int'l v. Alice Corp. Pty. Ltd.*, 717 F.3d 1269, 1274 (Fed. Cir. 2013), *aff'd*, 134 S. Ct. 2347 (2014).

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omitted). Likewise, method claims that “merely require generic computer implementation” of an abstract idea do not contain an “inventive concept” sufficient to render them patent-eligible. *Id.*

I. Burden of Proof in Patent-Eligibility Determinations under § 101

Before turning to the merits of HP’s motion for summary judgment, the Court must address a threshold question that the Supreme Court and the Federal Circuit have yet to resolve: whether a clear-and-convincing standard of evidentiary proof applies when a claim is challenged as patent-ineligible under § 101. District courts disagree over this issue,³ as do Berkheimer and HP. *See* Pl.’s Resp. at 2 n.4, ECF No. 163; Def.’s Reply at 14, ECF No. 166.

This disagreement stems from uncertainty about the scope of the Supreme Court’s decision in *Microsoft Corp. v. i4i Ltd. Partnership*, 564 U.S. 91 (2011), which involved a patent-validity challenge under the on-sale bar of 35 U.S.C. § 102(b). In that case, the Supreme Court held that because a patent must be presumed valid

³ For examples of cases concluding that the clear-and-convincing evidentiary standard applies in § 101 challenges, *see O2 Media, LLC v. Narrative Sci. Inc.*, 149 F. Supp. 3d 984, 988 (N.D. Ill. 2016) (Tharp, J.); *Trading Techs. Int’l, Inc. v. CQG, Inc.*, No. 05-CV-4811, 2015 WL 774655, at *2–3 (N.D. Ill. Feb. 24, 2015) (Coleman, J.); *DataTern, Inc. v. Microstrategy, Inc.*, No. CV 11-11970-FDS, 2015 WL 5190715, at *7–8 (D. Mass. Sept. 4, 2015) (Saylor, J.); *Netflix, Inc. v. Rovi Corp.*, 114 F. Supp. 3d 927, 938 (N.D. Cal. 2015) (Hamilton, J.); *Data Distribution Techs., LLC v. BRER Affiliates, Inc.*, No. CIV. 12-4878-JBS/KMW, 2014 WL 4162765, at *4 (D.N.J. Aug. 19, 2014) (Simandle, J.). For examples of cases concluding that the clear-and-convincing evidentiary standard does not apply to § 101 challenges, *see Am. Needle, Inc. v. Cafe Press Inc.*, No. 15-CV-3968, 2016 WL 232438, at *3 (N.D. Ill. Jan. 19, 2016) (Darrah, J.); *Nextpoint, Inc. v. Hewlett-Packard Co.*, No. 15 C 8550, 2016 WL 3181705, at *6 (N.D. Ill. June 8, 2016) (Bucklo, J.); *Wireless Media Innovations, LLC v. Maher Terminals, LLC*, 100 F. Supp. 3d 405, 410–12 (D.N.J. 2015) (Linares, J.); *Shortridge v. Found. Constr. Payroll Serv., LLC*, No. 14-CV-04850-JCS, 2015 WL 1739256, at *7 (N.D. Cal. Apr. 14, 2015) (Spero, J.); *Modern Telecom Sys. LLC v. Earthlink, Inc.*, No. SA CV 14-0347-DOC, 2015 WL 1239992, at *7 (C.D. Cal. Mar. 17, 2015) (Carter, J.).

under the federal patent laws, *see* 35 U.S.C. § 282(a) (“A patent shall be presumed valid.”), a party seeking to prove a patent’s invalidity must do so by clear and convincing evidence. *i4i*, 564 U.S. at 95. In a concurring opinion joined by Justices Scalia and Alito, Justice Breyer noted his full agreement with the majority’s holding, writing separately only because he “believe[d] it worth emphasizing” that the clear-and-convincing standard is an evidentiary rule applying only “to questions of fact and not to questions of law.” *Id.* at 114 (citing *Addington v. Texas*, 441 U.S. 418, 423 (1979)). In patent cases, he explained, “a factfinder must use the ‘clear and convincing’ standard where there are disputes about, say, when a product was first sold or whether a prior art reference had been published.” *i4i*, 564 U.S. at 114. Justice Breyer further emphasized that “[m]any claims of invalidity rest, however, not upon factual disputes, but upon how the law applies to facts as given.” *Id.*

Since its decision in *i4i*, the Supreme Court has issued opinions in several § 101 patent-eligibility cases, but in none of those cases has it addressed or applied the clear-and-convincing standard that was applied to the § 102(b) dispute in *i4i*. *See generally Alice*, 134 S. Ct. 2347; *Myriad*, 133 S. Ct. 2107; *Mayo*, 132 S. Ct. 1289. The Federal Circuit also has not issued a controlling decision on the question whether the clear-and-convincing standard applies to § 101 determinations. *See Tranxition, Inc. v. Lenovo (U.S.) Inc.*, No. 2015-1907, 2016 WL 6775967, at *4 n.1 (Fed. Cir. Nov. 16, 2016) (“We [] do not address the proper evidentiary standard in this [§ 101] case as there do not appear to be any material facts in dispute.”); *Listingbook, LLC v. Market Leader Inc.*, 144 F. Supp. 3d 777, 783 (M.D.N.C. 2015)

(noting the lack of controlling precedent and reviewing the conflicting dicta on this subject from “concurring, dissenting, and now-vacated opinions” authored by various Federal Circuit judges).

In the absence of explicit guidance from either the Supreme Court or the Federal Circuit, some district courts have concluded that the clear-and-convincing standard indeed applies to all § 101 determinations. Their conclusion, they reason, is supported by the broad language of the *i4i* majority opinion, which seems to address patent-validity challenges writ large and does not expressly limit the application of the clear-and-convincing evidentiary standard to any particular context. *See, e.g., DataTern*, 2015 WL 5190715, at *7 (citing *i4i*, 564 U.S. at 95); *Trading Techs.*, 2015 WL 774665, at *3. Other district courts, however, have distinguished § 101 challenges from other types of patent-validity issues and have concluded that *i4i*’s clear-and-convincing standard does not apply to the § 101 inquiry, given that patent eligibility is a matter of law rather than fact. *See, e.g., Wireless Media*, 100 F. Supp. at 410–12; *Nextpoint*, 2016 WL 3181705, at *6 (internal quotation marks omitted) (“[T]he ‘clear and convincing’ standard is an evidentiary standard that applies only to the resolution of factual disputes, and not to resolution of pure issues of law. . . . [T]he Federal Circuit has made clear that subject matter eligibility is a question of law.”).

Having considered the positions on both sides of this issue, the Court is persuaded that the clear-and-convincing standard has no role to play in the § 101 determination at issue in this case. This conclusion is consistent with the decision

in *i4i*, which concerned factual issues pertaining to a § 102(b) patent-validity dispute and thus is not directly on point with regard to § 101. *See i4i*, 564 U.S. at 114 (Breyer, J., concurring). It also comports with the Supreme Court’s and Federal Circuit’s consistent treatment of § 101 patent eligibility as a threshold question of law, *see, e.g., Bilski*, 545 F.3d at 951 (en banc), and it draws sound support from the *i4i* concurring justices’ emphasis on the key difference between issues of law versus issues of fact in applying the clear-and-convincing standard. *i4i*, 564 U.S. at 114 (Breyer, J., concurring). Finally, while it may be true that nothing can be “conclusively read into the Supreme Court’s silence in its four recent opinions under section 101,” *DataTern*, 2015 WL 5190715, at *7, the fact that the Supreme Court has made no mention of the clear-and-convincing standard in any of its patent-eligibility decisions since *i4i* suggests that the standard was not meant to extend to the § 101 inquiry. For these reasons, this Court finds that the clear-and-convincing standard does not apply to HP’s § 101 challenge.

This conclusion is entirely consistent with the Supreme Court’s holding in *i4i*. District court decisions to the contrary seem to be premised on the notion that the clear-and-convincing standard espoused in *i4i* must be applied categorically and without exception whenever a court considers a patent’s validity (or invalidity). But this is simply not the case when it comes to questions of patent eligibility under § 101, which do not involve the resolution of any factual issues. Indeed, courts regularly make § 101 determinations based upon motions to dismiss or motions for judgment on the pleadings, *see, e.g., Content Extraction*, 776 F.3d at 1349;

buySAFE, 765 F.3d at 1352; *Alice*, 717 F.3d at 1274, *aff'd*, 134 S. Ct. 2347 (2014), at which stage all facts must be construed in the nonmovant's favor, *see Ashcroft v. Iqbal*, 556 U.S. 662, 679 (2009); *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 555–56 (2007). It is difficult to see what application the clear-and-convincing evidentiary standard would have in these contexts. In short, because there are no factual issues to be resolved in the course of the § 101 inquiry, at least as that inquiry has been structured under *Alice*, there are no factual issues to which the clear-and-convincing evidentiary standard might be pertinent. For this reason, it is entirely consistent with the Supreme Court's decision in *i4i* to conclude that, while the clear-and-convincing standard applies to evidentiary disputes arising in patent validity challenges in general, it has no bearing on the § 101 inquiry.

It is nevertheless instructive to note that even if the Court were to reach the opposite conclusion, the disposition of HP's motion for summary judgment would be unaffected. To undertake the § 101 inquiry in this case, the Court need only consider the asserted claims of the '713 Patent, in light of the claim construction order, and apply *Alice*'s two-part test to those claims; no inquiry into underlying factual information is needed. *See Content Extraction*, 776 F.3d at 1349 (holding that § 101 determinations may be made at the pleading stage, prior to development of the factual record); *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 714–15 (Fed. Cir. 2014) (applying the two-part *Alice* framework by conducting an “examination of the claim limitations” on their face). There are therefore no reasonably disputable material facts in this case to which the clear-and-convincing standard might be

applied.⁴ *Cf. 01 Communique Lab., Inc. v. Citrix Sys., Inc.*, 151 F. Supp. 3d 778, 787 (N.D. Ohio 2015) (explaining that disagreements about the application of the *Alice* framework “do not constitute disputes of fact subject to an evidentiary standard of proof”).

Having addressed this threshold question and concluded that the clear-and-convincing standard does not—indeed, could not—apply to the present issues in this case, the Court now turns to the merits of HP’s motion for summary judgment.

II. “Abstract Idea” Analysis

In support of its motion, HP argues that the asserted claims of the ’713 Patent are patent-ineligible under *Alice* because they are directed to the noninventive abstract idea of “reorganizing data (e.g. a document file) and presenting the data for manual reconciliation.”⁵ Def.’s Br. at 1–2. Berkheimer disagrees with HP’s characterization of the claims, contending that HP “does not account for the [claims’] core elements and limitations.” Pl.’s Resp. at 4.

⁴ Berkheimer incorrectly treats the issues of whether a claim is directed to an “abstract idea” and whether a claim contains an “inventive concept” as factual questions to which the clear-and-convincing standard should apply. *See* Pl.’s Resp. at 2 & n.4. Relatedly, Berkheimer argues that HP’s Local Rule 56.1 Statement contains insufficient information to support a finding for HP on these “factual” questions. *Id.* at 15. But as noted above, the “abstract idea” and “inventive concept” analyses speak to matters of law. As such, Berkheimer’s arguments about the sufficiency of HP’s Local Rule 56.1 Statement are unavailing.

⁵ HP further argues that the asserted claims would have also been patent-ineligible under the pre-*Alice* “machine-or-transformation” test for patent eligibility. *See* Def.’s Br. at 14–15, ECF No. 155-1. But as the Federal Circuit has explained, “it is clear today” that the machine-or-transformation test is not dispositive of the patent eligibility of computer-implemented method claims post-*Alice*. *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1255–56 (Fed. Cir. 2014). HP’s alternative machine-or-transformation argument is therefore only an ancillary issue that the Court need not address.

Under the first step of *Alice*, the Court must determine whether the claims at issue are directed to an abstract idea. 134 S. Ct. at 2355–57. *Alice* itself did not “delimit the precise contours” of what constitutes an “abstract idea,” *id.* at 2357, and “it is not always easy to determine the boundary between abstraction and patent-eligible subject matter.” *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1347 (Fed. Cir. 2015). Thus, the Court must rely upon “[r]ecent precedent illustrat[ing] this boundary in a variety of factual circumstances.” *Id.* In determining whether a claim is drawn to an abstract idea, it is “sufficient to compare claims at issue to those claims already found to be directed to an abstract idea in previous cases.” *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1334 (Fed. Cir. 2016).

As stated above, Claim 1 of the ’713 Patent, which the Court treats as representative, recites “[a] method of archiving an item in a computer processing system” comprising four steps.⁶ First, a document or graphic must be “presented” to a “parser,” which can be any computer program that converts source code into object

⁶ The Court treats Claim 1 as representative for two reasons. First, Claim 1 is the only independent claim that Berkheimer asserts. The remaining asserted claims are dependent claims that add only minor limitations and that are directed to the same core set of features as Claim 1. *See Content Extraction*, 776 F.3d at 1348 (holding that the district court “correctly determined that addressing each claim of the asserted patents was unnecessary” when all claims were “substantially similar and linked to the same abstract idea”). Second, Berkheimer himself treats Claim 1 as representative by focusing all of his primary arguments on Claim 1’s language. *See* Pl.’s Resp. at 5–13. Berkheimer includes a short paragraph in which he asserts that Claim 1 is not representative, but this assertion is conclusory. *Id.* at 13. Berkheimer advances no arguments persuading the Court that “any limitation in any of the dependent claims . . . bears on the [*Alice*] inquiry.” *Nextpoint*, 2016 WL 3181705, at *3 n.2 (treating an independent claim as representative of the dependent claims where plaintiff failed to advance arguments that the independent claim was not representative).

code. Second, the program processes the document by “parsing” it into “a plurality of multi-part object structures,” some of which are given “searchable information tags.” Third, these object structures are analyzed and compared to “object structures previously stored in the archive.” At this step of the process, predetermined standards and user-defined rules instruct the computer program regarding the types of comparisons to make. Fourth, and finally, the object structures are “presented” for “manual reconciliation” to correct any errors or “variance,” also in accordance with predetermined standards and user-defined rules.

’713 Patent, col. 47 ll.9–21.

At their core, these four steps describe instructions for using a generic computer to collect, organize, compare, and present data for reconciliation prior to archiving. Claims that are based on these types of conventional data-gathering activities are unquestionably directed to an abstract idea under the first part of the *Alice* framework, as the Federal Circuit has concluded in examining claims similar to those at issue here. For example, in *Content Extraction & Transmission LLC v. Wells Fargo Bank, Nat’l Ass’n*, 776 F.3d 1343 (Fed. Cir. 2014), the Federal Circuit considered claims that it summarized as reciting a method for “extracting data from hard copy documents using an automated digitizing unit such as a scanner,” “recognizing specific information from the extracted data,” and “storing that information in a memory” to allow an ATM to recognize information on checks. *Id.* at 1345. In holding the claims patent-ineligible under § 101, the court characterized them as directed to the “indisputably well-known” abstract idea of “collecting” data,

“recognizing” certain data within the collected data set, and “storing that recognized data in a memory.” *Id.* at 1347.

Although they operate in the context of archiving rather than consumer banking, the asserted claims of the ’713 Patent are closely analogous to the claims in *Content Extraction* because they are also directed to the abstract idea of collecting and analyzing stored data. Berkheimer disagrees, arguing that the claims are not abstract because they include “transformative” core features such as a “parser,” “searchable information tags,” and the instruction to “parse” documents into “a plurality of multi-part object structures.” Pl.’s Resp. at 5. But these features involve conventional data-gathering steps that are not meaningfully distinguishable from the core features of the claims in *Content Extraction*. Nor are they meaningfully distinguishable from the numerous other claimed methods of gathering, organizing, analyzing, or displaying data that the Federal Circuit has held to be directed to patent-ineligible abstract ideas. *See FairWarning IP, LLC v. Iatric Systems, Inc.*, No. 2015-1985, 2016 WL 5899185, at *1 (Fed. Cir. Oct. 11, 2016) (method for detecting fraud by recording patient data, analyzing the data according to predetermined rules, and creating notifications upon detection of misuse was patent-ineligible); *Elec. Power Grp. v. Alstrom S.A.*, 830 F.3d 1350, 1351–52 (Fed. Cir. 2016) (method for “performing real-time performance monitoring of an electric power grid by collecting data from multiple data sources, analyzing the data, and displaying the results” was patent-ineligible); *In re TLI Commc’ns LLC Patent Litig.*, 823 F.3d 607, 609–10 (Fed. Cir. 2016) (method for assigning

classification data to digital images and organizing the images on a server based on the classification information was patent-ineligible); *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1360–62 (Fed. Cir. 2015) (method for using various “data-gathering steps” to enable automated price-optimization of products for sale was patent-ineligible); *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1351–55 (Fed. Cir. 2014) (method of using data-gathering functions of a computer program to facilitate commercial transactions was patent-ineligible); *Digitech Image Techs., LLC v. Elecs. for Imaging, Inc.*, 758 F.3d 1344, 1347, 1350–51 (Fed. Cir. 2014) (method for “creating a device profile within a digital image processing system” by gathering data and “organizing this [data] into a new form” was patent-ineligible). These Federal Circuit precedents provide abundant support for the conclusion that Claim 1 of the ’713 Patent, which describes steps for collecting, organizing, comparing, and presenting data, is directed to an abstract idea under *Alice*.

The additional steps described in the asserted dependent claims are likewise drawn to abstract ideas. Specifically, Claim 2 adds to Claim 1 by allowing a human to “manually edit[]” items. Claim 3 recites the step of converting data to a “standardized format” before inputting it into the generic program described in Claim 1. Claim 4 recites “storing a reconciled object structure in the archive without substantial redundancy”—in other words, efficiently storing information in an archive. Claim 5 recites editing items by copying a one-time change across multiple archived items. In turn, Claim 6 recites the output of an item edited as

described in Claim 5, and Claim 7 recites the output of not one but a “plurality” of such items. Finally, Claim 9 adds to Claim 1 by reciting the step of compiling data in a computer archive. ’713 Patent, col.47 ll.22–55. These dependent claims do not place any meaningful limitation on the method described in Claim 1, because they are drawn to the abstract ideas of editing data manually (Claims 2 and 5), formatting and storing data (Claims 3, 4, and 9), and editing data in a straightforward copy-and-paste fashion (Claims 5, 6, and 7). *Cf. Elec. Power Grp.*, 830 F.3d at 1351–52; *Content Extraction*, 776 F.3d at 1345–47.

In disputing that the asserted claims are drawn to abstract ideas, Berkheimer relies on the Federal Circuit’s recent decision in *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327 (Fed. Cir. 2016). In *Enfish*, the Federal Circuit considered a claim describing “an innovative logical model for a computer database” containing a “self-referential property.” *Id.* at 1330. This “self-referential” logical model had two features not found in conventional database models: it was capable of “stor[ing] all entity types in a single table,” rather than requiring separate tables, and it could “define the table’s columns by rows in that same table,” thus giving the model its “self-referential” property. *Id.* at 1332; *see also id.* at 1330–34 (comparing the structure of conventional versus self-referential logical models in further detail). The court concluded that the claim was not directed to a mere “abstract idea” because it was “focus[ed] . . . on the specific asserted improvement in computer capabilities (i.e. the self-referential table for a computer database).” *Id.* at 1336.

Pointing to this holding, Berkheimer contends that *Enfish* stands for the far-reaching proposition that “any improvement to computer functionality itself bypasses the *Alice* step 1 abstract idea ineligibility exception.” Pl.’s Not. Supplemental Authority at 1, ECF No. 165. Berkheimer’s argument relies on a misreading of *Enfish*. It is true that the *Enfish* court characterized the first step of *Alice* as an inquiry into whether the claims at issue were “directed to an improvement to computer functionality versus [] directed to an abstract idea.” *Enfish*, 822 F.3d at 1335. But *Enfish* did not go so far as to hold that *any* method purporting to improve computer functionality is patent-eligible under *Alice*. *See id.* (explaining that only “*some* improvements in computer-related technology” are “not abstract, such as a chip architecture, an LED display, and the like”) (emphasis added). Moreover, the decision did nothing to unsettle past Federal Circuit case law holding that claims calling for the addition of “conventional computer components to well-known business practices” are drawn to an abstract idea, *id.* at 1338, even when those claims purport to improve computer functionality through increased speed or efficiency. *See, e.g., Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1367 (Fed. Cir. 2015) (“Nor, in addressing the second step of *Alice*, does claiming the improved speed or efficiency inherent with applying the abstract idea on a computer provide a sufficient inventive concept.”); *Digitech*, 758 F.3d at 1347–48 (holding that a method claim reciting an “abstract process of gathering and combining data” was patent-ineligible even though it aimed to improve the accuracy of imaging devices). Here, the claims in the ’713 Patent purport to improve digital

archiving by “promot[ing] efficiency,” “achiev[ing] object integrity,” and “reduc[ing] turnaround time and costs.” ’713 Patent, col.2 ll.38–52, col.3 ll.40–50. These types of generic technological improvements can result from virtually any computer implementation of conventional business methods. The Court therefore disagrees with Berkheimer that its claims are directed to the kinds of specific, concrete, nonconventional improvements that made the claims in *Enfish* patent-eligible.

The asserted claims of the ’713 Patent are distinguishable from the *Enfish* claims in other ways as well. In *Enfish*, the claims at issue provided a specific, step-by-step algorithm instructing how to set up the self-referential data table covered by the plaintiff’s patent. *Enfish*, 822 F.3d at 1336–37 (providing the relevant claim language); *id.* at 1337 (“Here, the claims are not simply directed to *any* form of storing tabular data, but instead are specifically directed to a *self-referential* table for a computer database.”). In contrast, the claims of the ’713 Patent provide broadly phrased instructions to “present” a document to a parser, “parse” the document, “evaluate” the document after it has been parsed, and “present” the evaluated data to a person for “manual reconciliation.” ’713 Patent, col.47 ll.9–21. They offer no specific guidance as to how one might actually create a computer program or a computer processing system capable of carrying out these generic tasks. *Cf. TLI*, 823 F.3d at 612–15 (distinguishing *Enfish* on similar grounds and holding that a method claim for a server “described simply in terms of performing generic computer functions such as storing, receiving, and extracting data” was directed to a patent-ineligible abstract idea). In light of these significant differences

in the nature of the asserted claims, the Court finds that *Enfish* does not control the outcome of this case.

III. “Inventive Concept” Analysis

Because the representative claim of the ’713 Patent is directed to the abstract idea of collecting, organizing, comparing, and presenting data, the Court must next consider whether the claims contain an “inventive concept sufficient to transform the claimed abstract idea into a patent-eligible application.” *Alice*, 134 S. Ct. at 2357 (internal quotation marks omitted). Berkheimer argues that the claims include an inventive concept because they solve a problem “necessarily rooted in computer technology” and because they are “innovative enough to override the routine and conventional use of the computer.” Pl.’s Resp. at 6.

Berkheimer’s arguments are framed in language drawn from the Federal Circuit’s decision in *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014). In that case, the Federal Circuit considered a computer-implemented method patent that claimed “systems and methods of generating a composite web page that combine[d] certain visual elements [such as logos, colors, and fonts] of a ‘host’ website with content of a third-party merchant.” *Id.* at 1248. Upon “activation of a hyperlink on a host website,” these systems directed web users to a composite website that “retain[ed] the host website’s ‘look and feel,’” rather than taking users to a website wholly separate from the site of the original host. *Id.* at 1248–49. The Federal Circuit held that these methods included an inventive concept because they described a “solution [] necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of

computer networks” (namely, the problem of retaining website visitors) and because they “overr[ode] the routine and conventional sequence of events ordinarily triggered by the click of a hyperlink.” *Id.* at 1257–58.

Berkheimer compares his claims to the claims in *DDR Holdings* by emphasizing that the ’713 Patent “present[s] solutions to problems in computerized digital asset management systems, including: redundancy, one-to-many editing, and efficient digital asset control and usage.” Pl.’s Resp. at 7. Yet this description of the claims undercuts Berkheimer’s own argument that the claims solve problems “necessarily rooted in computer technology.” *Id.* at 6. The need to minimize redundancy in archival systems and to increase efficiency in editing, control, and usage of archived items is a challenge that by no means arises uniquely in the field of computer technology. Rather, it is a challenge that arises in any archival system, regardless of whether a computer is involved.

Moreover, instead of describing a process that overrides the routine and conventional use of a computer, each of the independent and dependent claims describes steps that employ only “well-understood, routine, and conventional” computer functions. *Content Extraction*, 776 F.3d at 1348 (citing *Alice*, 134 S. Ct. at 2359). Conventional steps limited to a “particular technological environment” and involving the use of a generic computer program to collect, store, analyze, edit, or present data do not contain an inventive concept sufficient to render the claims patent-eligible. *Alice*, 134 S. Ct. at 2358 (quoting *Bilski v. Kappos*, 561 U.S. 593, 610–11 (2010)); see also *Tranxition*, 2016 WL 6775967, at *3 (holding that method

claims for automatically migrating user information between two computers did not include an inventive concept, even though the computers performed the task differently than a human); *Content Extraction*, 776 F.3d at 1347–48 (holding that method claims did not include an inventive concept when they focused primarily on computerized “data collection, recognition, and storage”); *Digitech*, 758 F.3d at 1351 (holding that claims did not contain an inventive concept when they described a method for digitally “gathering and combining data” and “organizing this information into a new form”). Berkheimer’s arguments based on *DDR Holdings* are therefore unpersuasive.⁷

Finally, Berkheimer contends that the asserted claims are inventive because they are written with the “requisite degree of specificity.” Pl.’s Resp. at 6, 8. This last argument is likewise unpersuasive. The claims of the ’713 Patent, while rife with technical terms, recite the claimed methods at a relatively high level of generality. They neither disclose a specific algorithm instructing how the methods are to be implemented nor require the use of any particular computer hardware,

⁷ After the briefing on the present motion for summary judgment concluded, the Federal Circuit decided numerous § 101 cases, three of which involved method claims deemed to be patent-eligible. *See Amdocs (Israel) Ltd. v. Openet Telecom, Inc.*, No. 2015-1180, 2016 WL 6440387, at *1, 9–15 (Fed. Cir. Nov. 1, 2016) (methods of metering network bandwidth usage were patent-eligible); *McRO, Inc. v. Bandai Namco Games Am. Inc.*, No. 2015-1080, 2016 WL 4896481, at *7–10 (Fed. Cir. Sept. 13, 2016) (method of programming a computer to produce accurate “lip synchronization and facial expressions in animated characters” was patent-eligible); *Bascom Global Internet Servs., Inc. v. AT&T Mobility LLC*, 827 F.3d 1341, 1351–52 (Fed. Cir. 2016) (method for “filter[ing] content on the Internet that overcomes existing problems with other Internet filtering systems” was patent-eligible). Based on its own review of the Federal Circuit’s recent decisions, the Court concludes that Berkheimer’s asserted claims are distinguishable from the claims in these three cases for the same reasons that his claims are distinguishable from the claims in *Enfish*, discussed *supra*, and *DDR Holdings*.

software, or “parser.” As such, “[t]hough lengthy and numerous, the claims do not go beyond requiring the collection, analysis, and display of available information” in the field of digital archiving, “stating those functions in general terms, without limiting them to technical means for performing the functions that are arguably an advance over conventional computer and network technology.” *Elec. Power*, 830 F.3d at 1351. Without offering a specific, concrete contribution to the technology of digital archiving, the asserted independent and dependent claims cannot be said to contain an inventive concept rendering them patent-eligible.

Conclusion

For the reasons stated herein, the Court finds that Claims 1–7 and 9 of the ’713 Patent are invalid for lack of patent eligibility under 35 U.S.C. § 101. Defendant Hewlett-Packard Company’s motion for summary judgment [155] is therefore granted. This case is hereby terminated.

IT IS SO ORDERED.

ENTERED 12/12/16



John Z. Lee
United States District Judge

EXHIBIT 6

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

ENFISH, LLC,

Plaintiff,

v.

MICROSOFT CORPORATION;
FISERV, INC.; INTUIT, INC.; SAGE
SOFTWARE, INC.; and JACK HENRY
& ASSOCIATES, INC.,

Defendants.

Case No. CV12-7360 MRP (MRWx)

FINAL JUDGMENT

1 Plaintiff Enfish, LLC (“Enfish”) filed this lawsuit against Defendants
 2 Microsoft Corporation; Fiserv, Inc.; Intuit, Inc.; Sage Software, Inc.; and Jack Henry
 3 & Associates, Inc. (collectively, “Defendants”), alleging that each Defendant had
 4 infringed U.S. Patent Nos. 6,151,604 and 6,163,775 (the “’604 and ’775 patents”).
 5 [Dkts. 1 & 30] Each Defendant answered, asserting defenses and declaratory
 6 judgment counterclaims that it has not infringed the ’604 or ’775 patents and that
 7 both patents are invalid. [Dkts. 33, 35, 37, 39 & 41]

8 By orders entered on March 31, November 11 and November 21, 2014 (Dkts.
 9 241, 242, 303 and 306), this Court granted summary judgment in Defendants’ favor
 10 on all asserted claims in the ’604 and ’775 patents as follows: (i) claims 31, 32, 46
 11 and 47 of the ’604 patent and claims 31, 32 and 47 of the ’775 patent are invalid for
 12 anticipation by the prior art; (ii) claims 1, 2 and 16 of the ’604 patent are invalid
 13 under 35 U.S.C. § 112(f); (iii) claims 1, 2, 16, 17, 31, 32, 46 and 47 of the ’604 patent
 14 and claims 31, 32 and 47 of the ’775 patent are invalid under 35 U.S.C. § 101; and
 15 (iv) Defendants have not infringed claim 17 of the ’604 patent.

16 Accordingly, the Court hereby ORDERS, ADJUDGES AND DECREES
 17 THAT:

- 18 1. Pursuant to the Court’s Order, final judgment against Enfish shall be
 19 entered in favor of each Defendant as a prevailing party;
- 20 2. Enfish’s Complaint, as amended, and all of its asserted causes of action
 21 are dismissed with prejudice and Enfish shall recover nothing in this
 22 action;
- 23 3. Defendants’ respective counterclaims for a declaration that the asserted
 24 claims of the ’604 and ’775 patents are invalid are granted;
- 25 4. Defendants’ respective counterclaims for a declaration that each
 26 Defendant has not infringed the ’604 patent are granted as to claim 17;
- 27 5. Except as expressly granted above, Defendants’ respective
 28 counterclaims and defenses are dismissed without prejudice as moot.

1 6. Pursuant to Federal Rule of Civil Procedure 54(d)(1) and Local Rules
2 54-2 and 54-3, Defendants are entitled to recover their costs incurred in
3 this action; and

4 7. Any request by Defendants for an award of attorneys' fees and related
5 nontaxable expenses under Federal Rule of Civil Procedure 54(d)(2)
6 shall be made pursuant to Local Rule 54-10.

7 Because no claims are remaining in this action, the Court expressly directs the
8 Clerk to enter this Final Judgment as set forth above pursuant to Federal Rule of Civil
9 Procedure 58.

10
11 DATED: November 26, 2014



The Honorable Mariana R. Pfaelzer
United States District Judge

EXHIBIT 7

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*Attorneys for Plaintiff Diebold, Incorporated
 in Civil Action No. 12-7640*

Document Filed Electronically

**UNITED STATES DISTRICT COURT
 DISTRICT OF NEW JERSEY**

CONTENT EXTRACTION AND TRANSMISSION LLC,	:	Civil Action No. 12-2501-PGS-TJB
	:	
Plaintiff,	:	District Judge Peter G. Sheridan
	:	Magistrate Judge Tonianne J. Bongiovanni
v.	:	
WELLS FARGO BANK, NATIONAL ASSOCIATION,	:	
	:	
Defendant.	:	
	x	
CONTENT EXTRACTION AND TRANSMISSION LLC,	:	Civil Action No. 12-6960-MAS-LHG
	:	
Plaintiff,	:	District Judge Michael A. Shipp
	:	Magistrate Judge Lois H. Goodman
v.	:	
THE PNC FINANCIAL SERVICES GROUP, INC. and PNC BANK NATIONAL ASSOCIATION,	:	
	:	
Defendants.	:	
	x	
DIEBOLD, INCORPORATED,	:	Civil Action No. 12-7640-PGS-TJB
	:	
Plaintiff,	:	District Judge Peter G. Sheridan
	:	Magistrate Judge Tonianne J. Bongiovanni
v.	:	
CONTENT EXTRACTION AND TRANSMISSION LLC, MITCHELL MEDINA, CATHERINE ELIAS, and JEAN-MARC ZIMMERMAN,	:	
	:	
Defendants.	:	
	x	

**FIRST AMENDED COMPLAINT AND DEMAND
 FOR TRIAL BY JURY IN CIVIL ACTION NO. 12-7640**

Plaintiff Diebold, Incorporated ("Diebold"), an Ohio corporation having its principal place of business at 5995 Mayfair Road, North Canton, Ohio 44720, as and for its first amended

complaint against Defendants Content Extraction and Transmission LLC, a New Jersey corporation having its principal place of business at 38 Loft Drive, Martinsville, New Jersey 08836; Catherine Elias, an individual having a residence and place of business at 38 Loft Drive, Martinsville, New Jersey 08836; Mitchell Medina, an individual having a residence at 36 Mimosa Close, Runda Estate, Nairobi, Kenya; and Jean-Marc Zimmerman, an individual residing at 233 Watchung Fork, Westfield, New Jersey 07090 and having a place of business at 226 St. Paul Street, Westfield, New Jersey 07090, hereby alleges as follows:

NATURE OF THE ACTION

1. Diebold, Incorporated, a prominent manufacturer of automatic teller machines and related products ("ATMs"), brings this lawsuit to stop Defendants from misusing the judicial system by filing meritless patent infringement suits against Diebold's customers, and to obtain compensation for the damages suffered by Diebold. Although Diebold has been selling ATMs which can process checks deposited without envelopes for over two decades, and Diebold's name has clearly and publicly appeared on such ATMs, Defendants have never sued Diebold for infringement or even threatened to do so, despite the grant of Defendants' patents some 14-19 years ago. Instead, beginning in April 2012, Defendants have sued Diebold customers, one at a time, such that Defendants are able to take advantage of the significant costs of defending such lawsuits to extract substantial payments from the customers, thus bringing the case to a quick conclusion while avoiding a court ruling on the lack of merit of the patent infringement charge. As Defendants surely anticipated, the customers have sought from Diebold reimbursement of such payments, causing harm and injury to Diebold and its reputation. Accordingly, in this action, Diebold requests a declaratory judgment that Defendants' patents are invalid and unenforceable; that they are not infringed by the operation of Diebold's ATMs; and that any infringement claims against Diebold or its customers are barred by laches. In another count,

Diebold seeks a judgment that Defendants' course of conduct in asserting their patents constitutes tortious interference with Diebold's contractual relationships with customers, as well as Diebold's prospective business advantage. Diebold also charges Defendants with violating the Federal Racketeering Influenced and Corrupt Organization ("RICO") statute based on their systematic filing of suits, and extortion of payments based on invalid patents.

PARTIES

2. Plaintiff Diebold, Incorporated is a corporation organized and existing under the laws of the State of Ohio, having its principal place of business at 5995 Mayfair Road, North Canton, Ohio 44720.

3. Defendant Content Extraction And Transmission LLC ("CET") is a limited liability company organized and existing under the laws of the State of New Jersey, having its principal place of business at 38 Loft Drive, Martinsville, New Jersey 08836, and is subject to the jurisdiction of this Court pursuant to the laws of the State of New Jersey and Rule 4 of the Federal Rules of Civil Procedure. Defendant CET has waived any objection to personal jurisdiction, venue, or insufficiency of service pursuant to Fed. R. Civ. P. 12(h)(1)(A).

4. Defendant CET is a sham corporation functioning solely as an instrumentality for the benefit and purported protection of its owners and so-called "members." CET has no place of business other than the personal residence of Defendant Catherine Elias. Notwithstanding the requirement of Local Civil Rule 10.1(a) of the District of New Jersey that, "The initial pleading, motion, or other paper of any party filed in any cause other than criminal actions in this Court shall state in the first paragraph the street and post office address of each named party to the case or, if the party is not a natural person, the address of its principal place of business," none of the patent infringement complaints filed by CET against Diebold customers, in the District of New Jersey or elsewhere, contained a street or post office address for CET.

5. Defendant CET was formed effective as of November 2, 2011, the day before it filed its first suit, through a Certificate of Formation (a copy of which is annexed as Exh. 1), which lists as members/managers only Defendant Catherine Elias, her husband Ted Elias, and Bethany Zimmerman, the wife of Defendant Jean-Marc Zimmerman. Its agent for service of process is Defendant Jean-Marc Zimmerman. CET neither makes nor sells products, and offers no services. CET has no full-time employees. Dun & Bradstreet, which has a database of approximately 213 million companies, is able to provide no credit, financial, or other information regarding CET. In addition, Diebold will likely have evidentiary support, after a reasonable opportunity for further investigation or discovery as to matters uniquely in the possession of Defendants, to establish that CET has no assets other than the CET Patents identified below and the monies not yet distributed from payments received from adversary litigants; it has no tangible assets at all; it operates solely as a vehicle for litigation-related activities, receiving revenue obtained through its sole business, patent litigation, and distributing revenue to its shareholders and so-called members; it has little or no capitalization; and on information and belief, it disregards corporate formalities such as meetings of shareholders and directors.

6. Upon information and belief, Defendant Mitchell Medina ("Medina") is a citizen of the United States presently located in Nairobi, Kenya. Defendant Medina transacts and does business in New Jersey through an office and place of business at 38 Loft Drive, Martinsville, New Jersey 08836, and is subject to the jurisdiction of this Court pursuant to the laws of the State of New Jersey and Rule 4 of the Federal Rules of Civil Procedure. Defendant Medina has waived any objection to personal jurisdiction, venue, or insufficiency of service pursuant to Fed. R. Civ. P. 12(h)(1)(A).

7. Defendant Medina is a named inventor on each of the CET Patents identified below. Medina has been actively involved in the business strategies employed by CET and other predecessor companies that have filed multiple patent infringement suits against corporations, and have demanded and received payments in amounts less than the costs that Defendants would have incurred in such actions for investigating and defending against the charge of patent infringement. Two of those prior companies were International Patent Holdings Ltd. and Millennium L.P., both of which were companies that owned the CET patents-in-suit prior to CET. In a complaint filed by Medina on May 14, 2009, he described International Patent Holdings Ltd. and Millennium L.P. as "Medina entities." In an affidavit dated July 29, 2009, Medina stated that Millennium L.P. "is my entity." In an affidavit dated July 29, 2009, Defendant Zimmerman referred to his representation in nearly 100 lawsuits since 2002 as having represented "entities controlled" by Defendant Medina, and also stated that he "represented Mitchell Medina," not such entities. In a patent infringement suit brought by another predecessor owner of the CET Patents, Eon-Net, LP, Defendant Medina was held responsible for a substantial portion of the conduct that formed the basis for massive sanctions, including the systematic disposal of corporate records. In addition, Diebold will likely have evidentiary support, after a reasonable opportunity for further investigation or discovery as to information uniquely in the possession of Defendants, which will establish that Defendant Medina has participated in the filing of and extraction of payments in sham patent litigation brought in the name of CET and has derived revenue from monies paid to CET as a result of such sham patent litigation, such that Defendant Medina, alone or in conjunction with the other individual Defendants, participates in or approves decisions of, dominates, and/or controls the affairs of Defendant CET and is the *alter ego* of Defendant CET.

8. Defendant Catherine Elias ("Elias") is an individual having a residence and an office and place of business at 38 Loft Drive, Martinsville, New Jersey 08836, and is subject to the jurisdiction of this Court pursuant to the laws of the State of New Jersey and Rule 4 of the Federal Rules of Civil Procedure. Defendant Elias has waived any objection to personal jurisdiction, venue, or insufficiency of service pursuant to Fed. R. Civ. P. 12(h)(1)(A).

9. Defendant Elias is a named inventor on the CET Patents described below. Defendant Elias, along with her husband, Ted Elias, are identified in the foregoing Certificate of Formation for CET as two of the three members/managers of Defendant CET. To the only extent CET has any place of business, it is housed in Defendant Elias's personal residence. In addition, Diebold will likely have evidentiary support, after a reasonable opportunity for further investigation or discovery as to matters uniquely within the control of Defendants, to establish that Defendant Elias has participated in the filing of and the extraction of payments in sham patent litigation brought in the name of CET; has received revenue that has passed through CET to Defendant Elias and others as a result of activities leading to payments by the defendants sued in the patent infringement actions brought by CET; such that alone or in conjunction with the other individual Defendants, Defendant Elias participates in or approves decisions of, dominates, and/or controls the affairs of Defendant CET and is the *alter ego* of Defendant CET.

10. Defendant Jean-Marc Zimmerman ("Zimmerman") is an attorney-at-law having an office and place of business at 226 St. Paul Street, Westfield, New Jersey 07090, and is subject to the jurisdiction of this Court pursuant to the laws of the State of New Jersey and Rule 4 of the Federal Rules of Civil Procedure. Defendant Zimmerman has waived any objection to personal jurisdiction, venue, or insufficiency of service pursuant to Fed. R. Civ. P. 12(h)(1)(A).

11. Defendant Zimmerman participated in the formation of CET by causing or enabling his wife, Bethany Zimmerman, to be named as a member/manager, and by serving as the agent for service of process on CET. Defendant Zimmerman has participated directly in the decisions to sue, the filing of suits, the activities and communications leading to the negotiation of payments in sham patent infringement actions brought in the name of CET. He has personally signed and filed the complaints in at least three sham patent infringement suits filed by CET as discussed further herein. Defendant Zimmerman was personally sanctioned in the foregoing suit brought by CET's predecessor, Eon-Net, as discussed in further detail herein. In addition, Diebold will likely have evidentiary support, after a reasonable opportunity for further investigation or discovery as to matters uniquely in the control of Defendants, to establish that Defendant Zimmerman has been and is the owner of a contingency or other interest in funds sought and received by CET and predecessor entities formed by one or more of the Defendants from third parties accused of infringing portions of a large patent portfolio in which Defendants Medina and/or Elias are named inventors, including the CET Patents, all or a portion of such funds having been passed through to Defendant Zimmerman and others, such that Defendant Zimmerman, alone or in conjunction with the other individual Defendants, participates in or approves decisions of, dominates and/or controls the affairs of Defendant CET and is the *alter ego* of Defendant CET.

JURISDICTION AND VENUE

12. Counts 1 and 2 of this action arises under the patent laws of the United States, 35 U.S.C. §§ 1 *et seq.*, and the Declaratory Judgment Act, 28 U.S.C. §§ 2201-02. Subject matter jurisdiction over Counts 1 and 2 of this action is conferred upon this Court by 28 U.S.C. § 1338(a).

13. Count 3 of this action is so related to the claims set forth in Counts 1 and 4 that it forms part of the same case or controversy under Article III of the United States Constitution; is in the nature of unfair competition and is joined with substantial and related claims under the patent laws of the United States; and is between citizens of different states in which the matter in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs. Accordingly, subject matter jurisdiction over Count 3 is conferred upon this Court by 28 U.S.C. §§ 1332(a), 1338(b), and 1367(a).

14. This Court has subject matter jurisdiction over Count 4 pursuant to 28 U.S.C. § 1331 and the Federal RICO Act, 18 U.S.C. §§ 1961 *et seq.*, which depends in part on the claims and facts asserted in Counts 1-3.

15. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b)(2) inasmuch as a substantial part of the events or omissions giving rise to the claims occurred within this judicial district. Venue with regard to the RICO claim is proper under 18 U.S.C. § 1965(a) inasmuch as Defendants reside, are found, have an agent, and/or transact their affairs in this judicial district.

BACKGROUND FACTS

The CET Patent Portfolio

16. Defendant CET owns and/or claims to be the owner of the following United States patents:

Patent No.	Issue Date
5,258,855 ("855 Patent")	11/2/93
5,369,508 ("508 Patent")	11/29/94
5,625,465 ("465 Patent")	4/29/97
5,768,416 ("416 Patent")	6/16/98
6,094,505 ("505 Patent")	7/25/00

Patent No.	Issue Date
7,259,887 ("887 Patent")	8/21/07
7,474,434 ("434 Patent")	1/6/09

The foregoing patents are hereinafter referred to as the "CET Patents."

17. The CET Patents are part of a family of patents (hereinafter the "Medina/Elias Patent Family"). Each of the patents in the Medina/Elias Patent Family, including the CET Patents, have substantially the same specification; have closely related claims; and claim the benefit of the filing date of U.S. Patent Application Serial No. 07/672,865, filed on March 20, 1991.

Enforcement Of The CET Patents Against Diebold Customers

18. Defendants have been and are now engaged in a nationwide scheme to indiscriminately sue, *inter alia*, banks and other financial institutions (hereinafter collectively "banks") that purchase and use ATMs (for the convenience of their customers) for allegedly infringing the CET Patents and extorting payments from said banks. Instead of approaching ATM manufacturers like Diebold, Defendants simply sue banks, which do not manufacture ATMs, and which, in some cases, do not have the resources to investigate and defend claims of patent infringement.

19. On April 26, 2012, CET filed an action for patent infringement against Wells Fargo Bank, National Association ("Wells Fargo") in the United States District Court for the District of New Jersey, Civil Action No. 3:12-cv-2501. Annexed hereto as Exhibit 2 is a true copy of CET's complaint as filed against Wells Fargo.

20. In its complaint against Wells Fargo, CET alleged that the '855, '508, '465, '416, '887, and '434 Patents were duly and legally issued and that CET is the owner by assignment of all right, title, and interest in said patents. CET's complaint against Wells Fargo expressly

alleged infringement by Wells Fargo of CET's '855, '508, '465, and '416 Patents in connection with, *inter alia*, the processing of check and cash deposits made by customers of Wells Fargo at its ATMs using envelope-free deposit service, along with application programs.

21. Wells Fargo has purchased ATMs from Diebold which are capable of performing certain steps that can process check and cash deposits using envelope-free deposit service.

22. CET's complaint against Wells Fargo failed to identify any model(s) of the accused ATMs, or even the supplier(s) of the ATMs accused by CET of infringement, notwithstanding that such information is plainly visible on the customer interface of the Wells Fargo's ATMs; failed to identify the "application programs"; failed to identify the claims being asserted or even clearly state which of the patents cited in the complaint were being asserted and which were not; failed to identify a statutory act of infringement; and failed to plead the elements of inducement of infringement and contributory infringement. CET's complaint failed to identify any facts showing that CET conducted even the most fundamental comparison of elements of patent claims with the products and processes charged with patent infringement.

23. On or about October 17, 2012, Wells Fargo made demand of Diebold that it indemnify Wells Fargo in connection with CET's suit against Wells Fargo.

24. On or about May 16, 2012, CET filed an action for patent infringement in the United States District Court for the District of New Jersey against Bank of America Corporation and Bank of America, National Association (collectively "Bank of America"), Civil Action No. 3:12-cv-2924. Annexed hereto as Exhibit 3 is a true copy of CET's complaint as filed against Bank of America.

25. In its complaint against Bank of America, CET alleged that the '855, '508, '465, '416, '887, and '434 Patents were duly and legally issued and that CET is the owner by

assignment of all right, title, and interest in said patents. CET further alleged that Bank of America infringed the '855, '508, '465, and '416 Patents in connection with the processing of check and cash deposits made by Bank of America customers at its ATM machines, along with application programs.

26. Bank of America has purchased ATM machines from Diebold that are capable of performing certain steps that can process check and cash deposits using envelope-free deposit service.

27. CET's complaint against Bank of America failed to identify any model(s) of the accused ATMs, or even the supplier(s) of the ATMs accused of infringement, notwithstanding that such information is plainly visible on the customer interface of Bank of America's ATMs; failed to identify the "application programs"; failed to identify the claims being asserted or even clearly state which of the patents cited in the complaint were being asserted and which were not; failed to identify a statutory act of infringement; and failed to plead the elements of inducement of infringement and contributory infringement. CET's complaint failed to identify any facts showing that CET conducted even the most fundamental comparison of elements of patent claims with the products and processes charged with patent infringement.

28. On or about June 27, 2012, Bank of America made demand of Diebold that it indemnify Bank of America in connection with CET's suit against Bank of America.

29. On or about July 30, 2012, CET filed an action for patent infringement against San Diego County Credit Union in the United States District Court for the Southern District of California, Civil Action No. 3:12-cv-01878. Annexed hereto as Exhibit 4 is a true copy of CET's complaint as filed against San Diego County Credit Union.

30. In its complaint against San Diego County Credit Union, CET alleged that the '885, '508, '465, '416, '887, and '434 Patents were duly and legally issued and that CET was the owner by assignment of all right, title, and interest in said patents. CET also specifically alleged that San Diego County Credit Union infringed the '465 and '416 Patents in connection with the processing of check and cash deposits made by customers of San Diego County Credit Union at its ATMs using envelope-free deposit service, along with application programs.

31. San Diego County Credit Union has purchased ATM machines from Diebold that are capable of performing certain steps that can process check and cash deposits using envelope-free deposit service. At the time CET filed its suit against San Diego County Credit Union, Diebold was the sole supplier of ATMs to San Diego County Credit Union.

32. CET's complaint against San Diego County Credit Union failed to identify any model(s) of the accused ATMs, or even the supplier(s) of the ATMs, notwithstanding that such confirmation is plainly visible on the customer interface of the defendant's ATMs; failed to identify the "application programs"; failed to identify the claims being asserted or even clearly state which of the patents cited in the complaint were being asserted and which were not; failed to identify a statutory act of infringement; and failed to plead the elements of inducement of infringement and contributory infringement. CET's complaint failed to identify any facts showing that CET conducted even the most fundamental comparison of elements of patent claims with the products and processes charged with patent infringement.

33. On or about August 28, 2012, San Diego County Credit Union made demand of Diebold that it indemnify San Diego County Credit Union.

34. On or about November 8, 2012, CET filed an action for patent infringement against The PNC Financial Services Group, Inc. and PNC Bank National Association

(collectively "PNC") in the United States District Court for the District of New Jersey, Civil Action No. 3:12-cv-06960. Annexed hereto as Exhibit 5 is a true copy of CET's complaint as filed against PNC.

35. In its complaint against PNC, CET alleged that the '885, '508, '465, '416, '887, and '434 Patents were duly and legally issued and that CET was the owner by assignment of all right, title, and interest in said patents. CET also specifically alleged that PNC infringed the '885, '508, '465, and '416 Patents in connection with the processing of check and cash deposits made by customers of PNC at its ATMs using envelope-free deposit service, along with application programs.

36. PNC has purchased ATM machines from Diebold that are capable of performing certain steps that can process check and cash deposits using envelope-free deposit service. At the time CET filed suit against PNC, Diebold was the predominant supplier of ATMs to PNC.

37. CET's complaint against PNC failed to identify any model(s) of the accused ATMs, or even the supplier(s) of the ATMs, notwithstanding that such confirmation is plainly visible on the customer interface of the defendant's ATMs; failed to identify the "application programs"; failed to identify the claims being asserted or even clearly state which of the patents cited in the complaint were being asserted and which were not; failed to identify a statutory act of infringement; and failed to plead the elements of inducement of infringement and contributory infringement. CET's complaint failed to identify any facts showing that CET conducted even the most fundamental comparison of elements of patent claims with the products and processes charged with patent infringement.

38. On or about November 14, 2012, CET filed an action for patent infringement against JPMorgan Chase & Co. and JPMorgan Chase Bank, National Association (collectively

"JPMorgan Chase") in the United States District Court for the District of Delaware, Civil Action No. 1:12-cv-01462. Annexed hereto as Exhibit 6 is a true copy of CET's complaint as filed against JPMorgan Chase.

39. In its complaint against JPMorgan Chase, CET alleged that the '885, '508, '465, '416, '887, and '434 Patents were duly and legally issued and that CET was the owner by assignment of all right, title, and interest in said patents. CET also specifically alleged that JPMorgan Chase infringed the '885, '508, '465, and '416 Patents in connection with the processing of check and cash deposits made by customers of JPMorgan Chase at its ATMs using envelope-free deposit service, along with application programs.

40. JPMorgan Chase has purchased ATM machines from Diebold that are capable of performing certain steps that can process check and cash deposits using envelope-free deposit service.

41. CET's complaint against JPMorgan Chase failed to identify any model(s) of the accused ATMs, or even the supplier(s) of the ATMs, notwithstanding that such confirmation is plainly visible on the customer interface of the defendant's ATMs; failed to identify the "application programs"; failed to identify the claims being asserted or even clearly state which of the patents cited in the complaint were being asserted and which were not; failed to identify a statutory act of infringement; and failed to plead the elements of inducement of infringement and contributory infringement. CET's complaint failed to identify any facts showing that CET conducted even the most fundamental comparison of elements of patent claims with the products and processes charged with patent infringement.

42. On or about December 3, 2012, JPMorgan Chase made demand of Diebold that it indemnify JPMorgan Chase.

**COUNT 1 — DECLARATORY JUDGMENT
OF INVALIDITY, UNENFORCEABILITY, AND LACHES**

43. This count seeks a declaratory judgment that the CET Patents are invalid under several provisions of the Patent Code, 35 U.S.C. §§ 1 *et seq.*; that the CET Patents are unenforceable due to misuse; and that any claims for infringement of the CET Patents by Diebold or its customers is barred by laches.

44. Diebold repeats and realleges the preceding allegations as though fully set forth herein.

45. Diebold has, for many years, manufactured and sold, within the United States, ATMs that have optional components or modules that provide the capability of processing check and cash deposits without envelopes. Diebold also offers and supplies to some of its customers software used in the operation of Diebold ATMs that process check and cash deposits without envelopes.

46. Commencing in or about 1991, Diebold manufactured and sold its "i Series" ATMs, which could be purchased with a device allowing checks, without envelopes, to be fed into the ATM (hereinafter "check acceptor"), including models 1062i, 1070i, 1072i, 1073i, and 1074i. Diebold concurrently offered and provided to customers software designed to be used with these ATMs.

47. Commencing in or about 1994, Diebold manufactured and sold its "ix Series" ATMs, which could be purchased with a check acceptor, including models 1062ix, 1070ix, 1072ix, 1073ix, and 1074ix. Diebold concurrently offered and provided to customers software designed to be used with these ATMs.

48. Commencing in or about 2003, Diebold manufactured and sold its "Opteva" ATMs, which could be purchased with check acceptors and/or a device allowing cash, without

an envelope, to be fed into the ATM (hereinafter "cash acceptor"), including Opteva models 720, 740, 750, 750 Drive Up, 760, 828, and 868. Diebold concurrently offered and provided to customers software designed to be used with these ATMs.

49. Each of the foregoing ATMs clearly identified Diebold as the supplier and was used by Diebold customers openly and publicly, such that members of the public could readily ascertain that such ATMs had check acceptors and/or cash acceptors.

50. One or more of the foregoing ATMs were in use by Diebold's customers during the terms of the CET Patents. For example, Diebold's Opteva models were in public use at least nine years prior to CET's first assertion of the CET Patents against Diebold customers.

51. By virtue of at least its manufacture and sale of ATMs having the capability of conducting steps for processing check and cash deposits without envelopes, Diebold has made more than meaningful preparations to conduct activity that has been accused of infringement of the CET Patents, based on the assertions of patent infringement that have been made against Diebold's customers by CET.

52. CET has committed affirmative acts related to the enforcement of its patent rights, including the filing and pursuit of actions for patent infringement against customers of Diebold, including at least Wells Fargo, Bank of America, San Diego County Credit Union, PNC, and JPMorgan Chase.

53. By virtue of the foregoing, Diebold has suffered injuries in fact; namely, an invasion of a legally protected interest in selling its ATM machines free of any baseless claims of patent infringement, which interest is concrete and particularized, and is imminent as well as actual in view of CET's filing of at least five suits against Diebold ATM customers. The foregoing injuries to Diebold are directly and causally connected to CET's conduct; namely, the

assertion of its patent rights against at least Wells Fargo, Bank of America, San Diego County Credit Union, PNC, and JPMorgan Chase.

54. By virtue of at least the foregoing, there is a definite and concrete controversy between Diebold and CET, touching the legal relations of the parties that have adverse legal interests in the validity, enforceability, and infringement of the CET Patents, which is real and substantial, and which admits of specific relief through a decree of a conclusive character; namely, a declaratory judgment of invalidity, unenforceability, and/or noninfringement.

55. The foregoing controversy between Diebold and CET extends, at a minimum, to the '855, '508, '465, and '416 Patents, which were expressly accused of infringement in CET's above-identified suits against Diebold's customers.

56. The foregoing controversy also extends to the '887 and '434 Patents, which were expressly listed and asserted to have been duly and legally issued in CET's complaints against Diebold's customers.

57. The foregoing controversy also extends to the '505 Patent because it has the same specification as the remaining CET Patents and claims related to the remaining CET Patents; and because it was expressly asserted, along with the remaining CET Patents, in at least four other actions filed by CET in the United States District Court for the District of New Jersey in 2011 and 2012; namely, *Content Extraction & Transmission LLC v. Executive Technologies, Inc. d/b/a Searchexpress*, Civil Action No. 3:11-cv-6472; *Content Extraction & Transmission LLC v. Bancotec, Inc.*, Civil Action No. 3:11-cv-7635; *Content Extraction & Transmission LLC v. Capsys Technologies LLC*, Civil Action No. 3:11-cv-7502; and *Content Extraction & Transmission LLC v. LSSP Corp. d/b/a eDRAWER*, Civil Action No. 3:12-cv-0863.

58. The CET Patents, and each of the claims thereof, are invalid under 35 U.S.C. § 101 for failure to claim patentable subject matter because the claims are directed to unpatentable abstract ideas.

59. The CET Patents, and each of the claims thereof, are invalid under 35 U.S.C. §§ 102 and/or 103, because the subject matter of each of those claims was anticipated by the prior art, or because the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the alleged invention was made to a person having ordinary skill in the art to which said subject matter pertains.

60. The CET Patents, and each of the claims thereof, are invalid under 35 U.S.C. § 112, first paragraph, for at least the reason that the specification does not contain a written description of the claimed subject matter, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, at least to the extent the claims are construed in a manner that would purportedly cover the products and methods against which such claims have been asserted.

61. The CET Patents are unenforceable due to patent misuse for at least the reasons set forth above and in Counts 3 and 4 of this First Amended Complaint.

62. Laches bars any claim of infringement by CET based on the CET Patents, at least to the extent such claim of infringement is based on any Diebold ATMs with check acceptors and/or cash acceptors operated using Diebold-supplied software. Such laches precludes recovery against Diebold for any act of alleged infringement that has occurred prior to such time, if ever, that CET sues Diebold for infringement. Such laches defense is available to Diebold's

customers and precludes any recovery against Diebold customers at least to the extent CET's infringement claim is based on the use of Diebold ATMs with Diebold-supplied software. CET and its predecessors cannot excuse their unreasonable delay in first asserting their patents against Diebold and/or its customers, where the asserted patents issued as much as 19 years ago; where several of the asserted patents had already expired before CET began to assert them; and where Diebold's ATMs with check acceptors and/or cash acceptors have been openly marketed and openly and publicly used with Diebold-supplied software for at least two decades with Diebold identified on such ATMs as the supplier/manufacturer.

63. Diebold has no adequate remedy at law.

COUNT 2 — DECLARATORY JUDGMENT OF NONINFRINGEMENT

64. This count seeks a declaratory judgment that none of the Diebold ATMs with check acceptor and/or cash acceptor options, including any or all of the software Diebold offers to customers for licensing for use with said ATMs, which have been made and sold by Diebold and used by Diebold's customers, during the period of enforceability of the CET Patents have infringed or are infringing such patents.

65. Diebold repeats and realleges the allegations of the preceding paragraphs as though fully set forth herein.

66. Neither Diebold nor any of its ATM customers has directly infringed, induced infringement, or contributorily infringed any valid and enforceable claim of the CET Patents in connection with Diebold's "i Series" ATMs with check acceptor option, including any or all of the software Diebold offers to customers for licensing for use with said ATMs.

67. Neither Diebold nor any of its ATM customers has directly infringed, induced infringement, or contributorily infringed any valid and enforceable claim of the CET Patents in

connection with Diebold's "ix Series" ATMs with check acceptor option, including any or all of the software Diebold offers to customers for licensing for use with said ATMs.

68. Neither Diebold nor any of its ATM customers has directly infringed, induced infringement, or contributorily infringed any valid and enforceable claim of the CET Patents in connection with Diebold's "Opteva" Series ATMs with check acceptor option, including any or all of the software Diebold offers to customers for licensing for use with said ATMs.

69. Neither Diebold nor any of its ATM customers has directly infringed, induced infringement, or contributorily infringed any valid and enforceable claim of the CET Patents in connection with Diebold's "Opteva" Series ATMs with cash acceptor option, including any or all of the software Diebold offers to customers for licensing for use with said ATMs.

70. Diebold has no adequate remedy at law.

COUNT 3 — TORTIOUS INTERFERENCE

71. This count seeks pecuniary and injunctive relief from Defendants' tortious interference with Diebold's contractual relations with its ATM customers and Diebold's prospective business advantage with existing and potential future customers.

72. Diebold repeats and realleges the preceding allegations as though fully set forth herein.

73. Diebold is a party to contracts of sale with customers of Diebold's ATMs, pursuant to which Diebold supplies, services, and stands behind its ATM machines and software. Among the parties to such contracts with Diebold are Wells Fargo, Bank of America, San Diego County Credit Union, PNC, and JPMorgan Chase. Defendants are not and have never been parties to those contracts.

74. In addition to Diebold's contractual relations with customers, Diebold has real and reasonable prospective advantageous business relations with the foregoing customers as well as

potential customers, pursuant to which Diebold has sought and will seek to provide such actual and prospective customers with additional ATM machines. Diebold customers which have not been sued by Defendants have become aware of such suits and have expressed concern about same to Diebold, thus causing damage to Diebold's reputation and causing lost sales that Diebold may never be able to ascertain or calculate.

75. Based at least on the fact that ATMs sold by Diebold clearly, openly, and publicly identify Diebold as the supplier of such ATMs, Defendants had knowledge, when they sued Diebold's customers, that contractual relationships and/or business relationships existed between Diebold and its ATM customers providing Diebold with advantageous business relations. Defendants knew or should have known that such business relationships between Diebold and San Diego County Credit Union related not only to ATM machines and related products previously sold to San Diego County Credit Union, but also included Diebold's need to maintain goodwill and provide support to encourage San Diego County Credit Union to purchase additional ATMs and other products from Diebold in the future. Because Diebold was the sole supplier of check-accepting ATMs to San Diego County Credit Union at the time Defendants filed suit against it, any investigation or inspection of any of that bank's ATMs would have made clear to Defendants that Diebold was the supplier and was a party to contracts of sale and had an ongoing business relationship with that bank that would have been impacted by the lawsuit Defendants filed. Similarly, with regard to PNC, since Diebold was the predominant supplier of check-accepting ATMs to PNC at the time Defendants' suit against PNC was filed, Defendants knew or should have been aware that Diebold had an agreement with PNC relating to the sale of such ATMs to PNC and that there was an ongoing business relationship between Diebold and PNC whereby Diebold sought to encourage additional business and sale of Diebold products by

maintaining goodwill and support for ATM machines previously sold. At a minimum, Defendants should have known that Diebold had entered contracts of sale with its customers, and that it was likely that Diebold warranted that its ATMs and software were delivered free of any rightful claim of any third person by way of patent infringement.

76. By virtue of their acts as aforesaid; namely, the filing of a number of unfounded and sham lawsuits against Diebold customers without reciting any details regarding the acts committed by Diebold customers giving rise to said suits, creating the impression that the mere purchase of a Diebold ATM could cause the purchaser to be subject to liability, Defendants have interfered with, disrupted, and negatively impacted Diebold's contractual relations and business activities and relationships and Diebold's prospective business advantage with the customers CET has sued, as well as Diebold's relations with other actual and prospective ATM customers. Such acts of interference have been intentional, knowing, and malicious.

77. As a direct and proximate consequence of Defendants' acts of interference, and because of the business relationships between Diebold and its customers, Diebold has been requested to provide and has provided compensation to such of its customers who have made payments to CET. Absent Defendants' acts of interference, in all reasonable probability, Diebold would not have received demands for indemnification, would not have been asked to provide compensation to customers who have made payments to CET, and would not have incurred the burden and expense associated with the foregoing.

78. Defendants' acts of interference have been committed in objective and subjective bad faith and with malice for at least the reasons set forth above and the additional reasons set forth below.

79. The patent infringement suits filed by CET and the other Defendants were sham and objectively baseless actions based on complaints that were factually and legally defective and filed in bad faith for at least the following reasons:

- a. Each complaint CET filed against the customer banks failed to contain legally sufficient factual and legal bases to support charges of patent infringement insofar as they failed to identify the infringing instrumentalities, *i.e.*, the brands, manufacturers, or even categories of ATMs at issue and the methods, procedures, software, or other specific information regarding the operation of said ATMs. The CET complaints failed to present any information demonstrating that CET had conducted an investigation as required by Fed. R. Civ. P. 11 or possessed a reasonable basis to file suit. This fact was called to the attention of CET by Bank of America in an August 3, 2012 filing; yet CET never amended its complaint against Bank of America to remedy these deficiencies, and thereafter filed substantially identical complaints against PNC and JPMorgan Chase with the identical deficiencies.
- b. The fact that CET's allegations of induced infringement and contributory infringement were blatantly insufficient at least for failing to allege knowledge of the patents and knowledge of the infringement. This fact was called to the attention of CET by Bank of America in an August 3, 2012 filing; yet CET never amended its complaint against Bank of America to remedy these deficiencies, and thereafter filed substantially identical complaints against PNC and JPMorgan Chase with the identical deficiencies.

- c. That in each of the suits filed by CET against Diebold customers, the complaint identified two of the CET Patents, the '887 and '434 Patents, and alleged that they were duly and legally issued and that CET was the owner of all right, title, and interest in such patents, yet it never alleged that such patents were infringed, making CET's claims as to those two patents manifestly baseless and insufficient.
- d. That with regard to two more of CET's patents, the '855 and '508 Patents, since they had expired in 2010, and in view of a clear case of laches that would have been apparent had Defendants conducted any meaningful investigation, there could be no claim for past or future damages as to those two patents.
- e. With further regard to CET's '855 and '508 Patents, even if the filing of suits under the expired '855 and '508 Patents could have been construed as giving the defendant banks in those suits knowledge of the patents and purported knowledge of the infringement thereof, to support a claim for infringement during the period following the filing of such complaints, there could have been no such claim for induced infringement or contributory infringement as to CET's '855 and '508 Patents, which had expired before CET filed any suits.
- f. That CET's complaints failed to even allege a statutory act of infringement under 35 U.S.C. § 271, such as making, using, selling, offering to sell, or importing.
- g. That three related patents in the Medina/Elias Patent Family had been held invalid under 35 U.S.C. § 101 by Judge Hochberg of this Court on a motion to dismiss in a case brought by Glory Licensing LLC ("Glory"), a predecessor owner of the CET Patents; that Glory had abandoned its appeal of that ruling without even having filed a brief; and that Bank of America had filed a motion to dismiss on

August 3, 2012, demonstrating that the same rationale applied to the CET Patents at issue, yet CET continued to file new lawsuits.

80. In or about 2000, Defendants Medina, Elias, and/or Zimmerman formed a Cayman Islands entity known as Millennium, LP ("Millennium"). Defendants Medina, Elias, and/or Zimmerman, alone or in combination with each other, dominated and controlled Millennium, and/or were the alter ego of Millennium.

81. Between 2000 and 2010, Millennium filed at least 59 patent infringement suits asserting various patents within the Medina/Elias Patent Family, including several of what would later become the CET Patents, including the '855, '508, '465, '416, and '505 Patents.

82. Upon information and belief, all or substantially all of those suits were concluded by payments sometimes characterized as representing a "nuisance" value, in which Defendants Medina, Elias, and Zimmerman, along with Millennium, took advantage of the high cost that those sued parties would pay for defending such actions, as compared with the amount paid to Millennium. Such payments were obtained before any of the sued parties presented a challenge to the validity of the patents at issue.

83. In or about 2001, Defendants Medina, Elias, and/or Zimmerman formed an Island of Nevis entity known as Eon-Net, L.P. ("Eon-Net"). Defendants Medina, Elias, and/or Zimmerman, alone or in combination with each other, dominated and controlled Eon-Net and/or were the alter ego of Eon-Net.

84. Commencing in or about 2001, Defendants Medina, Elias, and Zimmerman began to assert through Eon-Net certain patents from the Medina/Elias Patent Family against a large number of defendants. These included U.S. Patent Nos. 6,683,697 ("the '697 Patent"), 7,075,673

("the '673 Patent"), and 7,184,162 ("the '162 Patent"). In all, Defendants Medina, Elias, Zimmerman, and Eon-Net asserted such patents in at least 46 lawsuits.

85. In pursuing the foregoing suits, Defendants Medina, Elias, and Zimmerman, along with Eon-Net, obtained numerous quick payments by exploiting the high cost to defend complex litigation in order to extract lower payments, and before any meaningful challenge to the validity of the patents could be mounted.

86. In one such patent infringement suit that Eon-Net and Defendants Medina, Elias, and Zimmerman brought, they could not obtain a quick payment, *Eon-Net LP v. Flagstar Bancorp*, Civil Action No. C05-2129 (W.D. Wash.). In that case, Eon-Net and Defendant Zimmerman were correctly found by the district court and/or by the United States Court of Appeals for the Federal Circuit to have acted in bad faith based upon various matters, including: having filed numerous complaints that were virtually identical but which failed to give adequate notice of the acts that were alleged to be infringing; having demonstrated indicia of extortion by demanding payments that were small relative to the high cost of patent litigation; by having failed to perform a reasonable prefiling investigation; by having destroyed documents relevant to the action; by having failed to participate in good faith in claim construction proceedings; by having maintained a purported document retention policy by which Defendants did not retain any documents at all; by claiming that their patents covered virtually all web-based commerce, a contention that was unsupportable; by suppressing evidence that the defendant had previously been licensed; by demonstrating disdain for the judicial system; by having avoided challenges to the validity of their patents; by having exercised the ability to impose disproportionate discovery costs on the defendants sued, at least in part because accused infringers often possess enormous amounts of potentially relevant documents that must be ultimately collected and produced; and

by having placed little if anything at risk in such suits, because Eon-Net was a nonpracticing entity that did not engage in business activities, such that Eon-Net did not face any business risk resulting from any possible loss of patent protection as a result of its enforcement activities.

87. In or about 2009, Defendants Medina, Elias, and/or Zimmerman formed another Island of Nevis entity known as Glory Licensing LLC ("Glory"). Upon information and belief, Defendants Medina, Elias, and/or Zimmerman dominated and controlled the affairs of Glory and/or were the alter ego of Glory.

88. In 2009, Glory filed a series of at least seven suits alleging infringement of one or more of a group of patents within the Medina/Elias Patent Family, including U.S. Patent Nos. 7,570,383 ("the '383 Patent"); 7,672,007 ("the '007 Patent"); and 7,619,768 ("the '768 Patent").

89. On May 16, 2011, in the action entitled *Glory Licensing LLC v. Toys "R" Us, Inc.*, Civil Action No. 09-4252, the United States District Court for the District of New Jersey ruled on a motion to dismiss that each of the '383, '768, and '007 Patents were invalid under 35 U.S.C. § 101. On a motion for reconsideration, in an order dated June 30, 2011, the Court adhered to that ruling and denied reconsideration.

90. Although Glory lodged an appeal to the United States Court of Appeals for the Federal Circuit from the foregoing rulings, Appeal No. 2011-1429, no appeal brief was filed by Glory, and Glory's appeal was dismissed on August 25, 2011.

91. At the time Defendants filed their suits against Wells Fargo, Bank of America, San Diego County Credit Union, PNC, and JPMorgan Chase, they were aware of all of the foregoing facts but, nonetheless, filed the aforementioned suits against Wells Fargo, Bank of America, San Diego County Credit Union, PNC, and JPMorgan Chase.

92. On or about August 3, 2012, Bank of America filed a motion to dismiss the suit against it on the basis that the CET Patents asserted against Bank of America were invalid under 35 U.S.C. § 101 for substantially the same reasons found in the *Glory v. Toys "R" Us* action.

93. Notwithstanding Bank of America's motion, and notwithstanding all of the events that preceded it as set forth herein, Defendants maintained their actions against Wells Fargo, Bank of America, San Diego County Credit Union, and filed additional actions against PNC and JPMorgan Chase.

94. Subsequent to the filing of Bank of America's motion, Defendants extracted payments from Bank of America and San Diego County Credit Union. Defendants extracted such payments with the knowledge that at least San Diego County Credit Union was seeking indemnification from Diebold and/or other suppliers. Annexed hereto as Exhibit 7 is a true copy of a September 10, 2012 Joint Motion For Extension Of Time, which stated that a reason for the extension was so that counsel for San Diego County Credit Union could "contact suppliers of the accused products/services." Thus, these payments were even more egregiously obtained than were the payments in the *Eon-Net* actions, because Defendants CET, Medina, Elias, and/or Zimmerman knew that the amounts being paid by the parties they sued would cost those parties less because they would seek compensation from Diebold and other suppliers.

95. The foregoing facts, including the pattern of conduct exhibited under corporate shells that preceded CET, establish that Defendants' suits against Diebold's customers were brought with malice and subjective bad faith. Rather than vindicate any legitimate patent rights, and attempt to recover damages based on the customers' usage of the alleged inventions purportedly covered by the patents, Defendants sued Diebold's customers with the knowledge and intent that the customers would make a nuisance payment to Defendants having no

relationship to the customers' usage of the alleged inventions purportedly covered by the patents, or any other bona fide damage claim, and that the customers would do so irrespective of the merits of the patent infringement claims simply because the cost of investigating and defending against the patent infringement claims far exceeded Defendants' payment demands; because the customer banks were perceived by Defendants to have the financial wherewithal to make the payments; and (in at least certain instances) because Defendants knew and expected that the customer banks could seek and obtain compensation from Diebold and/or other suppliers.

96. By virtue of all of the foregoing, Defendants have tortiously interfered with the contractual relations and prospective business advantage of Diebold in bad faith in violation of the laws of New Jersey and California. Such violations will continue unless and until Defendants are restrained by the Court.

97. Diebold has no adequate remedy at law.

**COUNT 4 — FEDERAL RACKETEER
INFLUENCED AND CORRUPT ORGANIZATIONS ACT**

98. This count seeks treble damages for violation of the federal RICO statute by Defendants in connection with their use of baseless patent suits filed in bad faith to extort payments from Diebold ATM customers to Diebold's detriment and damage.

99. Diebold repeats and realleges the preceding allegations as though fully set forth herein.

100. This is an action for civil relief for RICO violations under 18 U.S.C. §§ 1961 *et seq.*

101. Each of the Defendants is a "person" within the meaning of 18 U.S.C. § 1961(3).

102. Defendants, along with other companies that have owned and/or enforced rights in the Medina/Elias Patents, including but not limited to International Patent Holdings Ltd.,

Millennium, Eon-Net, and Glory, constitute one or more "enterprises" within the meaning of 18 U.S.C. § 1961(4) (hereinafter "Enterprise"). Although the corporate shell or name under which Defendants operate periodically changes, based on information and belief, the same individuals remain continuously associated with and involved in directing and/or controlling the Enterprise.

103. Through the predicate acts set forth herein, Defendants have engaged in "racketeering activity" within the meaning of 18 U.S.C. § 1961(1). Such racketeering activity has included extortion which is chargeable under state law and punishable by imprisonment for more than one year within the meaning of 18 U.S.C. § 1961(1)(A). Such extortion includes violation of N.J.S.A. § 2C:20-5(c) insofar as Defendants have exposed or publicized asserted facts; namely, allegations of patent infringement, tending to impair the business reputation of Diebold's customers and Diebold itself. Such extortion under state law also includes violation of § 518 of the California Penal Code, insofar as Defendants have obtained property from another with the other's consent; namely, payments in response to baseless patent infringement suits filed in bad faith, which have been induced by wrongful use of fear, or under color of official right; namely, the fear of having to incur extraordinary legal expenses to investigate and defend against baseless claims, and the color of official right constituting the assertion of United States patents and utilization of United States district courts. More particularly, after filing sham patent infringement suits against Diebold's customers, Defendants made payment demands seeking dollar amounts from the banks that bore no relationship to any amount based on an investigation and calculation of an infringement damage claim. Rather, such payment demands by CET presented a dollar amount driven by the respective banks' perceived ability to pay and which was substantially less than the costs that would be incurred by defendant banks to investigate CET's claims, and successfully defend in court against those claims.

104. Based on information and belief, such demands for payment by CET were accompanied by time limitations on acceptance by the defendant banks, thus pressuring the defendant banks to simply pay off Defendants and be rid of the case quickly and at a relatively low cost as compared to the extraordinary costs of investigating and defending, irrespective of the merits of the claims or lack thereof. For example, in the Bank of America case, the case was dismissed with prejudice on October 12, 2012, the day of a scheduled hearing on Bank of America's motion to dismiss CET's complaint for invalidity of CET's patents. With respect to the timing of the dismissal with prejudice of the San Diego County Credit Union case, the dismissal followed repeated extensions of time postponing the date for San Diego County Credit Union to respond to the complaint and publicly state its defenses and/or grounds to dismiss. (*See, e.g.*, Exh. 7.) The motion for dismissal was actually filed on November 7, 2012, 12 days after the final extension expired for San Diego County Credit Union to respond to the complaint. Such time limitations and rapid dismissals impeded Diebold from taking affirmative action to intervene or become formally involved in said litigations. The timing of the dismissals also avoided any court decision that would be unfavorable to CET.

105. Defendants' predicate acts as set forth herein also include racketeering activity within the meaning of 18 U.S.C. § 1961(1)(B), including acts indictable under several sections of Title 18 of the United States Code. Such acts include violations of 18 U.S.C. § 1951 (relating to extortion). Upon information and belief, Defendants have used telephone, facsimile, e-mail, and/or U.S. mail across state lines to extort payments in baseless patent infringement suits brought against customers of Diebold and others. Defendants' acts constitute "extortion" within the meaning of 18 U.S.C. § 1951(b)(2) insofar as Defendants have obtained property from another with the consent of the other; namely, payments in response to baseless patent litigation,

which payments have been induced by the wrongful use of actual and threatened fear under color of official right; namely, the fear of incurring exorbitant defense fees, and the official right constituting United States patents and use of the process of United States district courts.

106. Defendants have engaged in a continuous "pattern of racketeering activity" within the meaning of 18 U.S.C. § 1961(5) inasmuch as Defendants have committed far more than two acts of racketeering activity, and the last of a substantial number of predicate acts occurred within less than ten years after the commission of a prior act of racketeering activity. Continuously between November 2011 and November 2012, Defendants filed at least 12 baseless actions for patent infringement under the CET Patents, including actions against Wells Fargo, Bank of America, San Diego County Credit Union, PNC, and JP Morgan Chase. Previously, between 2000 and 2009, Enterprise members Millennium, Eon-Net, Glory, Medina, Elias, and Zimmerman continuously filed in excess of 100 patent infringement suits for the same purpose, *i.e.*, to extort payments from defendants under the threat of having to incur enormous legal fees to investigate and defend such actions. Upon information and belief, such pattern of racketeering activity will continue unless restrained by the Court, because the cost of filing new infringement actions is minimal and, in any event, is more than funded by payments from earlier actions. More specifically, Defendants have been following a course of conduct calculated to avoid suing a party like Diebold, with sufficient incentive and resources to defend the lawsuit on the merits, and which would place Defendants' asserted patents at risk of being declared invalid. Instead, Defendants have been suing Diebold's customers, one by one. Each filed complaint fails to present specifics as to the activities or products accused of infringement and the particular patent claims infringed. After filing, Defendants enter into discussions with the Diebold customer, indicating a willingness to accept payment of an amount substantially less than the

funds required for the customer to investigate and litigate the case to judgment, and substantially less than the damages that could be asserted by Defendants if its patents were found valid and infringed. On information and belief, Defendants knew prior to filing the lawsuits against Diebold's customers that this course of conduct would likely have the results already obtained in the suits filed against Bank of America and San Diego County Credit Union, and in many if not most of the cases described above brought by the prior corporate entities comprising the Enterprise, which were dismissed prior to any decision of the court addressing the merits of Defendants' patents.

107. Defendants have violated 18 U.S.C. § 1962(b) through the foregoing pattern of racketeering activity by which Defendants acquired and maintained the foregoing Enterprise that is engaged in interstate commerce, *i.e.*, baseless patent litigation initiated and used as a vehicle to extract payments across state lines. Such actions across state lines included:

- a. In CET's suit against Wells Fargo, during the period May 8-9, 2012, Defendants caused a summons and factually and legally defective complaint to be transmitted in bad faith via interstate e-mail, facsimile, or mail to a process server located at 503 S. Pierre Street, Pierre, South Dakota 57501.
- b. In CET's case against San Diego County Credit Union, on or about July 30, 2012, Defendants caused a factually and legally defective complaint to be transmitted in bad faith across state lines via interstate e-mail, facsimile, or mail to the Southern District of California for the filing of that suit. On or about August 9, 2012, Defendant Zimmerman caused an application for admission *pro hac vice* to be transmitted across state lines via e-mail, facsimile, or mail to the Southern District of California. And, on information and belief, in or about November 2012,

Defendants communicated with regard to payment demands across state lines, via interstate telephone and/or e-mail, with the defendant located in the Southern District of California.

- c. In their suit against JPMorgan Chase, on or about November 15, 2012, Defendants caused a factually and legally defective complaint to be sent in bad faith from Defendants' offices in New Jersey across state lines via interstate e-mail, facsimile, or mail to local counsel in Wilmington, Delaware, and thereafter to a process server located at 1001 North Jefferson Street, Wilmington, Delaware 19801.
- d. Upon information and belief, in or about October 2012, Defendants negotiated a payment from Bank of America with the bank's lawyers in New York and/or North Carolina across state lines via interstate telephone and/or e-mail.

108. Defendants have violated 18 U.S.C. § 1962(c) by conducting and participating in, directly or indirectly, the conduct of the Enterprise's affairs through a pattern of racketeering activity. Such activities have affected and are affecting interstate commerce, including the interstate commerce in ATMs between Diebold, which is headquartered in Ohio, and its customers including Wells Fargo, Bank of America, San Diego County Credit Union, PNC, and JPMorgan Chase, to which Diebold has sold ATM machines for installation and use in numerous other states.

109. Diebold is a "person" within the meaning of 18 U.S.C. § 1961(3), since, as a corporation, it is an entity capable of holding a legal or beneficial interest in property.

110. Diebold is a person injured in its business or property within the meaning of 18 U.S.C. § 1964(c). Diebold's damages have included payments made to customer banks, such

payments being the direct result of payments made by customer banks to CET under CET's threats that without such payments, such banks would have to prosecute the litigations and incur massive expenses to investigate and defend against baseless patent infringement claims.

111. Defendants' federal RICO violations will continue unless and until restrained by the Court.

112. Diebold has no adequate remedy at law.

WHEREFORE, Diebold demands judgment against Defendants as follows:

- A. a declaration that the CET Patents are invalid;
- B. a declaration that the CET Patents are unenforceable;
- C. a declaration that CET's claims for patent infringement against (i) Diebold and (ii) Diebold customers at least insofar as they have used Diebold-supplied ATMs with check and/or cash acceptor option with any or all of the software Diebold offers to customers for licensing with said ATMs, are barred by laches;
- D. a declaration that neither (i) Diebold nor (ii) Diebold customers insofar as they have used Diebold-supplied ATMs with check and/or cash acceptor option operated with software Diebold offers to its customers with said ATMs, have infringed or are infringing any valid and enforceable claim of the CET Patents;
- E. an award of compensatory damages to Diebold on account of Defendants' acts of tortious interference;
- F. an award of punitive damages to Diebold on account of Defendants' acts of tortious interference;
- G. an award of threefold the damages sustained by Diebold in accordance with 18 U.S.C. § 1964(c);

- H. an award of Defendants' profits;
- I. a preliminary and permanent injunction enjoining Defendants, their officers, agents, servants, employees, and attorneys, and other persons who are in active concert or participation with them, from suing Diebold or from threatening to sue or suing any of its customers for infringement of any of the CET Patents or any other patents within the Medina/Elias Patent Family, and from continuing to prosecute existing suits against Diebold customers, and/or from continuing their acts of tortious interference and violation of the RICO statute;
- J. a declaration that this action is exceptional within the meaning of 35 U.S.C. § 285 and an award to Diebold of its reasonable attorney fees;
- K. an award to Diebold of its reasonable attorney fees pursuant to 18 U.S.C. § 1964(c);
- L. an award of Diebold's costs; and
- M. such other and further relief as the Court may deem just and proper.

JURY DEMAND

Pursuant to Fed. R. Civ. P. 38(b), plaintiffs hereby demand a trial by a jury on all issues so triable.

Respectfully submitted,

LERNER, DAVID, LITTENBERG,
KRUMHOLZ & MENTLIK, LLP
*Attorneys for Plaintiff Diebold, Incorporated
in Civil Action No. 12-7640*

Dated: February 21, 2013

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EXHIBIT 8

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

CONTENT EXTRACTION AND
TRANSMISSION LLC,

Plaintiff,

v.

WELLS FARGO BANK, NATIONAL
ASSOCIATION,

Defendant.

No. 12-2501 (MAS) (TJB)

CONTENT EXTRACTION AND
TRANSMISSION LLC,

Plaintiff,

v.

THE PNC FINANCIAL SERVICES
GROUP, INC., et al.,

Defendants.

No. 12-6960 (MAS) (TJB)

ORDER

This matter comes before the Court on Defendant the PNC Financial Services Group, Inc., and PNC Bank, N.A.'s (collectively, "PNC" or "Defendant"),¹ Motion to Dismiss pursuant to Federal Rule of Civil Procedure ("Rule") 12(b)(6). (Def.'s Br., ECF No. 6-1.)² Plaintiff Content Extraction and Transmission LLC ("Plaintiff" or "CET"), filed Opposition. (Pl.'s Opp'n, ECF No. 8.) Defendant filed a Reply. (ECF No. 9.) The Court has carefully considered the Parties' submissions and decided the matter without oral argument pursuant to Local Civil Rule


¹ For purposes of this Order, the Court refers to the PNC entities as a single defendant.

² All cites to the record, unless noted otherwise, are to *CET v. PNC*, Civil Action No. 12-6960.

78.1. For the reasons set forth in the accompanying Opinion issued today, and other good cause shown,

IT IS, on this 31st day of July, 2013, **ORDERED** that:

- 1) Defendant's Motion to Dismiss is granted.
- 2) Plaintiff's U.S Patent Nos. 5,258,855 (the "855 Patent"), 5,369,508 (the "508 Patent"), 5,625,465 (the "465 Patent"), and 5,768,416 (the "416 Patent") are declared invalid as abstract ideas not patentable under 35 U.S.C. § 101.
- 3) The Clerk is ordered to close both civil actions listed in the above caption.
- 4) This Order and accompanying Opinion shall also be docketed in Civil Action No. 12-7640.



MICHAEL A. SHIPP
UNITED STATES DISTRICT JUDGE

CERTIFICATE OF SERVICE

I hereby certify that on May 31, 2023, a true and correct copy of the foregoing was electronically filed via the Court's CM/ECF system and therefore served on all counsel of record.

/s/ Benjamin E. Weed
Benjamin E. Weed