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21	UNITED STATES DISTRICT COURT		
22	SOUTHERN DISTRICT OF CALIFORNIA		
23	AMERANTH, INC.,		Case No. 12-CV-1650 JLS (NLS)
24		Plaintiff,	
25	v.	rammi,	FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT
26	USABLENET, INC.,		DEMAND FOR JURY TRIAL
27	Defendant.		
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FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT Case No. 12-CV-1650 JLS (NLS)

FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Ameranth, Inc., for its First Amended Complaint against defendant Usablenet, Inc. (herein "Usablenet"), avers as follows:

PARTIES

- 1. Plaintiff Ameranth, Inc. ("Ameranth") is a Delaware corporation having a principal place of business at 5820 Oberlin Drive, Suite 202, San Diego, California 92121. Ameranth develops, manufactures and sells, *inter alia*, hospitality industry, entertainment, restaurant and food service information technology solutions under the trademarks 21st Century CommunicationsTM, and 21st Century RestaurantTM, among others, comprising the synchronization and integration of hospitality information and hospitality software applications between fixed, wireless and/or internet applications, including but not limited to computer servers, web servers, databases, affinity/social networking systems, desktop computers, laptops, "smart" phones and other wireless handheld computing devices.
- 2. Defendant Usablenet, Inc. (herein "Usablenet") is, on information and belief, a Delaware corporation having a principal place of business and headquarters in New York, New York. On information and belief, Usablenet makes, uses, sells and/or offers for sale, hotel and lodging, restaurant, foodservice, point-of-sale and/or property management and other hospitality information-technology products, software, components and/or systems within this Judicial District, including the Usablenet Products as defined herein.

JURISDICTION AND VENUE

- 3. This is an action for patent infringement arising under the Patent Laws of the United States, 35 U.S.C. §§ 271, 281-285.
- 4. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

- 5. On information and belief, Defendant engages in (a) the offer for sale or license and sale or license of hospitality, restaurant, food service, ordering, products and/or components in the United States, including this Judicial District, including services, products, software, and components, comprising wireless and internet POS and/or hospitality aspects; (b) the installation and maintenance of said services, products, software, components and/or systems in hospitality industry, hotel and lodging, restaurant, food service, and/or entertainment information technology systems in the United States, including this Judicial District; and/or (c) the use of hospitality industry, hotel and lodging, restaurant, food service, and/or entertainment information technology systems comprising said services, products, software, components and/or systems in the United States, including this Judicial District.
- 6. This Court has personal jurisdiction over Defendant because Defendant commits acts of patent infringement in this Judicial District including, *inter alia*, making, using, offering for sale or license, and/or selling or licensing infringing services, products, software, components and/or systems in this Judicial District. Usablenet has continued to engage in and perform such activities since the filing and service of the original complaint in this matter accusing Usablenet of infringement of the three Ameranth patents at issue herein.
- 7. Venue is proper in this Judicial District pursuant to 28 U.S.C. §§ 1391(b) and (c) and 1400(b).

BACKGROUND

8. Ameranth was established in 1996 to develop and provide its 21st Century CommunicationsTM innovative information technology solutions for the hospitality industry (inclusive of, <u>e.g.</u>, restaurants, hotels, casinos, nightclubs, cruise ships and other entertainment and sports venues). Ameranth has been widely recognized as a technology leader in the provision of wireless and internet-based systems and services to, *inter alia*, restaurants, hotels, casinos, -2-

cruise ships and entertainment and sports venues. Ameranth's award winning inventions enable, in relevant part, generation and synchronization of menus, including but not limited to restaurant menus, event tickets, and other products across fixed, wireless and/or internet platforms as well as synchronization of hospitality information and hospitality software applications across fixed, wireless and internet platforms, including but not limited to, computer servers, web servers, databases, affinity/social networking systems, desktop computers, laptops, "smart" phones and other wireless handheld computing devices.

- 9. Ameranth began development of the inventions leading to the patent-insuit and the other patents in this patent family in the late Summer of 1998, at a time when the then-available wireless and internet hospitality offerings were extremely limited in functionality, were not synchronized and did not provide an integrated system-wide solution to the pervasive ordering, reservations, affinity program and information management needs of the hospitality industry. Ameranth uniquely recognized the actual problems that needed to be resolved in order to meet those needs, and thereafter conceived and developed its breakthrough inventions and products to provide systemic and comprehensive solutions directed to optimally meeting these industry needs. Ameranth has expended considerable effort and resources in inventing, developing and marketing its inventions and protecting its rights therein.
- 10. Ameranth's pioneering inventions have been widely adopted and are thus now essential to the modern wireless hospitality enterprise of the 21st Century. Ameranth's solutions have been adopted, licensed and/or deployed by numerous entities across the hospitality industry.
- 11. The adoption of Ameranth's technology by industry leaders and the wide acclaim received by Ameranth for its technological innovations are just some of the many confirmations of the breakthrough aspects of Ameranth's inventions. Ameranth has received twelve different technology awards (three with "end

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customer" partners) and has been widely recognized as a hospitality 1 2 wireless/internet technology leader by almost all major national and hospitality 3 print publications, e.g., The Wall Street Journal, New York Times, USA Today 4 Ameranth was personally nominated by Bill Gates, the and many others. 5 Founder of Microsoft, for the prestigious Computerworld Honors Award that 6 Ameranth received in 2001 for 7 reservations/ticketing system with the Improv Comedy Theatres. 8 nomination, Mr. Gates described Ameranth as "one of the leading pioneers of 9 information technology for the betterment of mankind." This prestigious award 10 was based on Ameranth's innovative synchronization of wireless/web/fixed 11 Subsequently, the United States Patent and hospitality software technology. 12 Trademark Office granted Ameranth a number of currently-issued patents, two of 13 which are the basis for this lawsuit. Ameranth has issued press releases 14 announcing these patent grants on business wires, on its web sites and at 15 numerous trade shows since the first of the presently-asserted patents issued in 16 A number of companies have licensed patents and technology from 17 Ameranth, recognizing and confirming the value of Ameranth's innovations. At 18 all relevant times, Ameranth marked its own products with the numbers of the 19 Ameranth patents then issued, thereby providing companies, competitors and 20 participants in the hospitality industry with notice of Ameranth's patents. 21 Furthermore, companies that license Ameranth's products have marked their

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Ameranth's patents.

RELATED CASES PREVIOUSLY FILED

products with Ameranth's patent numbers, thereby also providing notice of

The Ameranth patents asserted herein, U.S. Patent No. 6,384,850 (the "850 patent"), U.S. Patent No. 6,871,325 (the "325 patent"), and U.S. Patent No. 8,146,077 (the "'077 patent"), are all patents in Ameranth's "Information Management and Synchronous Communications" patent family.

1 Ameranth is also currently asserting claims of these same patents in 2 separate lawsuits, against other defendants, that are already pending in this Court. 3 The first-filed lawsuit asserts claims of the '850 and '325 patents and is entitled 4 Ameranth v. Pizza Hut, Inc. et al., Case No. 3:11-cv-01810-JLS-NLS. Lawsuits subsequently filed by Ameranth in this Court, asserting claims of the '077 patent, 5 6 include Case Nos. 3:12-cv-00729-JLS-NLS; 3:12-cv-00731-JLS-NLS; 3:12-cv-7 00732-JLS-NLS; 3:12-cv-00733-JLS-NLS; 3:12-cv-00737-JLS-NLS; 3:12-cv-8 00738-JLS-NLS (settled); 3:12-cv-00739-JLS-NLS and 3:12-cv-00742-JLS-9 NLS. Other lawsuits filed by Ameranth in this Court asserting claims of the 10 '850, '325, and '077 patents are Case No. 3:12-cv-00858-JLS-NLS; 3:12-cv-11 1201-JLS-NLS (settled): 3:12-cv-01627-JLS-NLS; 3:12-cv-01629-JLS-NLS; 12 3:12-cv-01630-JLS-NLS; 3:12-cv-01631-JLS-NLS; 3:12-cv-01633-JLS-NLS; 13 3:12-cv-01634-JLS-NLS; 3:12-cv-01636-JLS-NLS; 3:12-cv-01640-JLS-NLS; 14 3:12-cv-01642-JLS-NLS; 3:12-cv-01643-JLS-NLS; 3:12-cv-01644-JLS-NLS; 15 3:12-cv-01646-JLS-NLS 3:12-cv-01647-JLS-NLS (settled); 3:12-cv-01648-JLS-16 NLS; 3:12-cv-01649-JLS-NLS; 3:12-cv-01651-JLS-NLS; 3:12-cv-01652-JLS-17 NLS; 3:12-cv-01653-JLS-NLS; 3:12-cv-01654-JLS-NLS; 3:12-cv-01655-JLS-18 NLS; 3:12-cv-01656-JLS-NLS; 3:12-cv-01659-JLS-NLS; 3:13-cv-00350-JLS-19 NLS; 3:13-cv-00352-JLS-NLS; 3:13-cv-00353-JLS-NLS; 3:13-cv-0836-JLS-20 NLS and 3:13-cv-01072-MMA-BGS. All of the above still-pending cases have 21 been consolidated for pre-trial through claim construction except for 3:13-cv-22 00350-JLS-NLS; 3:13-cv-00352-JLS-NLS; 3:13-cv-00353-JLS-NLS; 3:13-cv-23 0836-JLS-NLS and 3:13-cv-01072-MMA-BGS. These related cases include 24 patent infringement actions against customers and business partners of Usablenet 25 to whom Usablenet has sold, licensed or otherwise provided the Usablenet 26 products accused of infringement herein and to whom, upon information and 27 Usablenet continues to provide supporting services, 28 maintenance, etc., including, for example, Marriot, Hilton, Best Western, and

Office.

Starwood. On information and belief, Usablenet's contracts and agreements with such Usablenet customers contain intellectual property infringement indemnity provisions such that Usablenet has been made aware of the claims of patent infringement asserted by Ameranth against such Usablenet customers and business partners implicating the Usablenet products.

14. The original complaint in this matter was filed in this Court on June 29, 2012, and subsequently served upon Usablenet. At least since that time, Usablenet has had direct and acknowledge knowledge of Ameranth's patents and that Usablenet's products infringe those patents as alleged therein. Nonetheless, Usablenet has continued, and is continuing, to make, use, offer for sale or license and/or sell or license infringing systems, products, and/or services in the United States without authority or license from Ameranth and to engage in acts of infringement as set forth herein.

COUNT I

Patent Infringement (U.S. Pat. No. 6,384,850) (35 U.S.C. § 271)

15. Plaintiff reiterates and incorporates the allegations set forth in paragraphs 1-14 above as if fully set forth herein.

- 16. On May 7, 2002, United States Patent No. 6,384,850 entitled "Information Management and Synchronous Communications System with Menu Generation" ("the '850 patent") (a true and copy of which is attached hereto as **Exhibit A**) was duly and legally issued by the United States Patent & Trademark
- 17. Plaintiff Ameranth is the lawful owner by assignment of all right, title and interest in and to the '850 patent.
- 18. On information and belief, defendant Usablenet has indirectly infringed and continues to indirectly infringe one or more valid and enforceable claims of the '850 patent, in violation of 35 U.S.C. § 271(b), by actively, knowingly, and -6-

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intentionally inducing direct infringement by other persons, in the United States without authority or license from Ameranth, by providing customized software and custom mobile web interfaces/sites linked to and synchronized with the databases/servers used by the systems of the direct infringers, integration, instruction, and technical support (collectively, the "Usablenet Products"), to hotel companies, travel aggregators, and other direct infringers (including but not limited to Best Western, Hilton, Hyatt, Marriott, Starwood, and Expedia) for use in their online/mobile reservation systems and marketing and advertising Usablenet's software, mobile web interfaces/sites, apps, integration, technical support, and related products and services to hotel companies, travel aggregators, and other direct infringers. Additionally, Usablenet contributorily infringes by selling and/or offering for sale the aforementioned customized software and custom mobile web interfaces/sites to direct infringers including but not limited to Best Western, Hilton, Hyatt, Marriott, Starwood, and Expedia. Ameranth has previously served Usablenet with infringement contentions in this action further describing the details of Usablenet's infringement of Ameranth's patents. Those infringement contentions, redacted to protect confidential information, are attached hereto as **Exhibit D** and incorporated herein by reference.

19. On information and belief, systems including one or more of the Usablenet Products, as deployed and/or used at or from one or more locations by Usablenet, its agents, distributors, partners, affiliates, licensees, and/or their customers, infringe one or more valid and enforceable claims of the '850 patent, by, *inter alia*, doing at least one of the following: (a) Generating and transmitting menus in a system including a central processing unit, a data storage device, a computer operating system containing a graphical user interface, one or more displayable main menus, modifier menus, and sub-modifier menus, and application software for generating a second menu and transmitting it to a wireless handheld computing device or a Web page; and/or (b) Enabling

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ordering, reservations, and other hospitality functions via iPhone, Android, and other internet-enabled wireless handheld computing devices as well as via Web pages, storing hospitality information and data on at least one central database, on at least one wireless handheld computing device, and on at least one Web server and Web page, and synchronizing applications and data, including but not limited to applications and data relating to ordering, between at least one central database, wireless handheld computing devices, and at least one Web server and Web page; utilizing an interface that provides a single point of entry that allows the synchronization of at least one wireless handheld computing device and at least one Web page with at least one central database; allowing information to be entered via Web pages, transmitted over the internet, and automatically communicated to at least one central database and to wireless handheld computing devices; allowing information to be entered via wireless handheld the computing devices. transmitted over internet, and automatically communicated to at least one central database and to Web pages.

- 20. On information and belief, customers of Usablenet, including consumers and hotel and restaurant operators, use the Usablenet Products. These include customers and business partners that Ameranth has sued for patent infringement (such as Best Western, Hilton, Hyatt, Marriott, Starwood, and Expedia), which lawsuits are known to Usablenet by virtue of Usablenet's business relationship with such defendants and Usablenet's own participation in the consolidated patent infringement actions pending in this Court. Usablenet provides instruction and direction regarding the use of the Usablenet Products, and advertises, promotes, and encourages the use of the Usablenet Products in a manner understood and intended to infringe the claims of Ameranth's patents, as further described herein.
- 21. For example, Usablenet provides direct infringers (including, *inter alia*, Best Western, Hilton, Hyatt, Marriott, Starwood, and Expedia) of the asserted

Ameranth Patents with customized software and custom mobile web interfaces/sites linked to and synchronized with the databases/servers used by the systems of the direct infringers, and Usablenet further provides technical support and services to those direct infringers. The Usablenet Products thus provided are intended to cause, and do cause, the direct infringers and their accused systems to infringe the claims of Ameranth's patents, for example by enabling operation on handheld computing devices via mobile websites and interfaces, providing integrations with third party applications, *etc*.

- 22. As a further example, when a consumer directs his or her mobile-phone browser to, for example, Starwood Hotels' mobile website, the browser is automatically redirected to a Usablenet-operated URL. For Marriott's mobile website, according to a published article, "Marriott chose m-commerce technology vendor Usablenet Inc. to build and maintain the site ... Consumers don't need to know a special URL for the mobile site—entering www.marriott.com into a mobile browser automatically redirects them to the mobile-optimized site ... Part of the reason the hotel chain went with [Usablenet] was because Marriott could optimize an m-commerce site for thousands of types of handsets."
- 23. Hyatt's mobile website, "created by Usablenet, lets guests locate and book a hotel, access reservations and check in or out through any Web-enabled mobile device. The multi brand functionality is available to guests from around the world who are traveling to any Hyatt location. ... 'Our new Hyatt Mobile functionality provides access to all the tools and content our guests need to interact with Hyatt when they do not have access to a computer,' said Lynda Bott, director of Hyatt brand Web sites at Hyatt Hotels & Resorts," in another published article.
- 24. As another example, an article on Usablenet's website advertises the company's success in creating a mobile "app" for the Best Western hotel chain;

Usablenet's chief marketing officer describes that Usablenet-created app (and some of its infringing capabilities) as follows: "When the user opens the app they are able to get to local content quickly via the 'find hotels near me' function, as well as access the full range of app capabilities by viewing the main menu which contains the navigation to key areas such as Best Western Rewards log-in, ability to make reservations, view maps, access favorite location lists, do trip planning and find nearby reservations, attractions and more . . . The app also offers an array of customer service options such as click-to-call and connect with Best Western via a number of social networks."

- 25. Usablenet's website further advertises the company's ability to create "custom mobile experiences" and Usablenet's "industry-leading experience in creating and delivering mobile sites and experiences that support all the major smart phones and newest operating systems".
- 26. Usablenet's head of innovation and platform strategy stated in a recent article that, "In the last couple of years we've been doing not just mobile, but things like Facebook apps, kiosk apps, tablet apps; the explosion of the devices that the consumer has in their hands beyond just a mobile smartphone is also driving our growth ... That's really what our platform is about ... Providing it to our clients so we can power the different versions of their mobile sites or apps for all the different devices that come out for market." Another article notes Usablenet's "niche, providing mobile versions of websites to a variety of industries" including hospitality companies."
- 27. Usablenet's website also advertises the functionality (including infringing features) of the mobile website created by Usablenet for Expedia: "Expedia.com is leveraging the Usablenet Mobile 2.0 platform to include advanced new features using the smartphone's internal GPS to offer hotel options based on the user's current location ... [and] can expand the navigation on their HTML5 mobile site via collapsible menus and pop-up windows that streamline

purchasing by maximizing the small screen design ... For example, Expedia can display multiple images that let users scroll, swipe and zoom in on a product or property image. The platform also uses advanced GPS functionality that customizes a user's experience based on location. "By offering rich app-like features to all Web-enabled mobile phones, the platform provides brands with a cost-effective service that creates app-like mobile sites across all major mobile operating systems, resulting in an enhanced consumer experience that increases customer engagement and drives sales," [Usablenet president Nick] Taylor said.

- 28. Usablenet has also advertised its relevant products and services as "Usablenet's unique mobile Web platform, Usablenet Mobile, is a fully managed service that enables companies to translate all existing Web site functionality to a full-featured mobile interface. Usablenet Mobile provides leading brands with a new channel to extend marketing, commerce and client service efforts to their customers' mobile phones. The solution requires no IT resources on the client side, works on all Web-enabled mobile devices worldwide and can be implemented in six weeks," and Usablenet works with leading brands to translate their existing website content and functionality to mobile Web, mobile application, kiosk, and assistive platforms. The solution requires no IT resources on the client side and can be implemented in eight to ten weeks. The platform extends marketing, commerce, and other client services to their customers' chosen interface."
- 29. The Usablenet Products thus are intended to enable and assist, and in fact enable and assist, the direct infringers and their systems to practice and infringe upon the claims of Ameranth's patents, which patents are known to Usablenet as alleged herein. Usablenet's websites, product literature, statements in industry articles, customer materials, *etc.*, including those described herein and in the infringement contentions previously served upon Usablenet by Ameranth in this

matter, encourage and promote use of the Usablenet Products to infringe the claims of the Ameranth patents asserted in this lawsuit.

- 30. At least since the filing and service of the original complaint in this action against Usablenet, Usablenet has had direct and actual knowledge of the '850 patent, and knew or should have known that its continued offering and deployment of the Usablenet Products, and its continued support of consumers, restaurant operators, and other users of the Usablenet Products, would induce direct infringement by those users. Additionally, Usablenet intended that its actions would induce direct infringement by those users, as described herein.
- 31. On information and belief, Defendant has indirectly infringed and continues to indirectly infringe one or more valid and enforceable claims of the '850 patent, in violation of 35 U.S.C. § 271(c).
- 32. By distributing, selling, offering, offering to sell or license and/or selling or licensing the Usablenet Products, Usablenet provides non-staple articles of commerce to others customized and specially adapted for use in infringing systems, products, and/or services, including but not limited to customers/ business partners that Ameranth has sued for infringement, of which suits Usablenet is aware. Such Usablenet products, as deployed, sold, licensed and otherwise provided to direct infringers, are specialized and customized for use in infringing systems, including integration with hospitality applications, databases and data, such that they have no substantial non-infringing use. Additionally, Usablenet provides instruction and direction regarding the use of the Usablenet Products, and advertises, promotes, and encourages the use of the Usablenet Products, as described herein. Users of systems including one or more of the Usablenet Products directly infringe one or more valid and enforceable claims of the '850 patent for the reasons set forth hereinabove.
- 33. On information and belief, at least since the filing of the original complaint in this action against Usablenet, Usablenet has had direct and actual -12-

knowledge of the '850 patent, including knowledge that the Usablenet Products, which are non-staple articles of commerce, have been used as a material part of the claimed invention of the '850 patent, and that there are no substantial non-infringing uses for the Usablenet Products.

34. The aforesaid infringing activity of defendant Usablenet has directly and proximately caused damage to plaintiff Ameranth, including loss of profits from sales or licensing it would have made but for the infringements. Unless enjoined, the aforesaid infringing activity will continue and cause irreparable injury to Ameranth for which there is no adequate remedy at law.

COUNT II

Patent Infringement (U.S. Pat. No. 6,871,325)

(35 U.S.C. § 271)

- 35. Plaintiff reiterates and reincorporates the allegations set forth in paragraphs 1-34 above as if fully set forth herein.
- 36. On March 22, 2005, United States Patent No. 6,871,325 entitled "Information Management and Synchronous Communications System with Menu Generation" ("the '325 patent") (a true and correct copy of which is attached hereto as **Exhibit B**) was duly and legally issued by the United States Patent & Trademark Office.
- 37. Plaintiff Ameranth is the lawful owner by assignment of all right, title and interest in and to the '325 patent.
- 38. On information and belief, defendant Usablenet has indirectly infringed and continues to indirectly infringe one or more valid and enforceable claims of the '325 patent, in violation of 35 U.S.C. § 271(b), by actively, knowingly, and intentionally inducing direct infringement by other persons, in the United States without authority or license from Ameranth, by providing customized software and custom mobile web interfaces/sites linked to and synchronized with the databases/servers used by the systems of the direct infringers, integration,

instruction, and technical support (collectively, the "Usablenet Products"), to hotel companies, travel aggregators, and other direct infringers (including but not limited to Best Western, Hilton, Hyatt, Marriott, Starwood, and Expedia) for use in their online/mobile reservation systems and marketing and advertising Usablenet's software, mobile web interfaces/sites, apps, integration, technical support, and related products and services to hotel companies, travel aggregators, and other direct infringers. Additionally, Usablenet contributorily infringes by selling and/or offering for sale the aforementioned customized software and custom mobile web interfaces/sites to direct infringers including but not limited to Best Western, Hilton, Hyatt, Marriott, Starwood, and Expedia. Ameranth has previously served Usablenet with infringement contentions in this action further describing the details of Usablenet's infringement of Ameranth's patents. Those infringement contentions, redacted to protect confidential information, are attached hereto as **Exhibit D** and incorporated herein by reference.

39. On information and belief, systems including one or more of the Usablenet Products, as deployed and/or used at or from one or more locations by Usablenet, its agents, distributors, partners, affiliates, licensees, and/or their customers, infringe one or more valid and enforceable claims of the '325 patent, by, *inter alia*, doing at least one of the following: (a) Generating and transmitting menus in a system including a central processing unit, a data storage device, a computer operating system containing a graphical user interface, one or more displayable main menus, modifier menus, and sub-modifier menus, and application software for generating a second menu and transmitting it to a wireless handheld computing device or a Web page; and/or (b) Enabling ordering, reservations, and other hospitality functions via iPhone, Android, and other internet-enabled wireless handheld computing devices as well as via Web pages, storing hospitality information and data on at least one central database, on at least one wireless handheld computing device, and on at least one Web server

and Web page, and synchronizing applications and data, including but not limited to applications and data relating to orders, between at least one central database, wireless handheld computing devices, and at least one Web server and Web page; and sending alerts, confirmations, and other information regarding orders to various wireless mobile devices.

- 40. On information and belief, customers of Usablenet, including consumers and hotel and restaurant operators, use the Usablenet Products in a manner that infringes upon one or more valid and enforceable claims of the '325 patent. These include customers and business partners that Ameranth has sued for patent infringement and which lawsuits are known to Usablenet by virtue of Usablenet's business relationship with such defendants and Usablenet's own participation in the consolidated patent infringement actions pending in this Court. Usablenet provides instruction and direction regarding the use of the Usablenet Products and advertises, promotes, and encourages the use of the Usablenet Products in a manner understood and intended to infringe the claims of Ameranth's patents. Some examples are set forth in paragraphs 21-28 herein.
- 41. The Usablenet Products thus are intended to enable and assist, and in fact enable and assist, the direct infringers and their systems to practice and infringe upon the claims of Ameranth's patents, which patents are known to Usablenet as alleged herein. Usablenet's websites, product literature, statements in industry articles, customer materials, *etc.*, including those described herein and in the infringement contentions previously served upon Usablenet by Ameranth in this matter, encourage and promote use of the Usablenet Products to infringe the claims of the Ameranth patents asserted in this lawsuit.
- 42. On information and belief, Defendant actively induces others to infringe the '325 patent in violation of 35 U.S.C. §271(b) by knowingly encouraging, aiding and abetting customers of Usablenet, including consumers and hotel and restaurant operators, to use the infringing Usablenet Products in the United States -15-

in an manner known, understood, and intended to infringe Ameranth's patents without authority or license from Ameranth.

- 43. On information and belief, Defendant contributorily infringes and continues to contributorily infringe one or more valid and enforceable claims of the '325 patent, in violation of 35 U.S.C. § 271(c) by offering to sell and/or selling components of systems on which claims of the '325 patent read, constituting a material part of the invention, knowing that the components were especially adapted for use in systems which infringe claims of the '325 patent.
- 44. By distributing, selling, offering to sell or license and/or selling or licensing the Usablenet Products, Defendant provides non-staple articles of commerce to others customized and specially adapted for use in infringing systems, products, and/or services, including but not limited to customer/business partners that Ameranth has previously sued for patent infringement and of which suits Usablenet is aware. Such Usablenet Products, as deployed, sold, licensed and otherwise provided to direct infringers, are specialized and customized for use in infringing systems, including integration with hospitality applications, databases and data, such that they have no substantial non-infringing use. Additionally, Usablenet provides instruction and direction regarding the use of the Usablenet Products and advertises, promotes, and encourages the use of the Usablenet Products, as describe herein. Users of the Usablenet Products directly infringe one or more valid and enforceable claims of the '325 patent, for the reasons set forth hereinabove.
- 45. At least since the filing and service of the original complaint in this action against Usablenet, Usablenet has had direct and actual knowledge of the '325 patent, including knowledge that the Usablenet Products, which are non-staple articles of commerce, have been used as a material part of the claimed invention of the '325 patent, and that there are no substantial non-infringing uses

for the Usablenet Products. Usablenet has, nonetheless, continued to engage in infringing acts despite such knowledge.

46. The aforesaid infringing activity of defendant Usablenet has directly and proximately caused damage to plaintiff Ameranth, including loss of profits from sales or licensing it would have made but for the infringements. Unless enjoined, the aforesaid infringing activity will continue and cause irreparable injury to Ameranth for which there is no adequate remedy at law.

COUNT III

Patent Infringement (U.S. Pat. No. 8,146,077)

(35 U.S.C. § 271)

- 47. Plaintiff reiterates and incorporates the allegations set forth in paragraphs 1-46 above as if fully set forth herein.
- 48. On March 27, 2012, United States Patent No. 8,146,077 entitled "Information Management and Synchronous Communications System with Menu Generation, and Handwriting and Voice Modification of Orders" (a true copy of which is attached hereto as **Exhibit C** and incorporated herein by reference) was duly and legally issued by the United States Patent & Trademark Office.
- 49. Plaintiff Ameranth is the lawful owner by assignment of all right, title and interest in and to the '077 patent.
- 50. On information and belief, defendant Usablenet has indirectly infringed and continues to indirectly infringe one or more valid and enforceable claims of the '077 patent, in violation of 35 U.S.C. § 271(b), by actively, knowingly, and intentionally inducing direct infringement by other persons, in the United States without authority or license from Ameranth, by providing customized software and custom mobile web interfaces/sites linked to and synchronized with the databases/servers used by the systems of the direct infringers, integration, instruction, and technical support (collectively, the "Usablenet Products"), to hotel companies, travel aggregators, and other direct infringers (including but not -17-

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limited to Best Western, Hilton, Hyatt, Marriott, Starwood, and Expedia) for use in their online/mobile reservation systems and marketing and advertising Usablenet's software, mobile web interfaces/sites, apps, integration, technical support, and related products and services to hotel companies, travel aggregators, and other direct infringers. Additionally, Usablenet contributorily infringes by selling and/or offering for sale the aforementioned customized software and custom mobile web interfaces/sites to direct infringers including but not limited to Best Western, Hilton, Hyatt, Marriott, Starwood, and Expedia. Ameranth has previously served Usablenet with infringement contentions in this action further describing the details of Usablenet's infringement of Ameranth's patents. Those infringement contentions, redacted to protect confidential information, are attached hereto as **Exhibit D** and incorporated herein by reference.

51. On information and belief, systems including one or more of the Usablenet Products, as deployed and/or used at or from one or more locations by Usablenet, its agents, distributors, partners, affiliates, licensees, and/or their customers, infringe one or more valid and enforceable claims of the '077 patent, by, inter alia, doing at least one of the following: (a) Configuring and transmitting menus in a system including a central processing unit, a data storage device, a computer operating system containing a graphical user interface, one or more displayable master menus, menu configuration software enabled to generate a menu configuration for a wireless handheld computing device in conformity with a customized display layout, and enabled for synchronous communications and to format the menu configuration for a customized display layout of at least two different wireless handheld computing device display sizes, and/or (b) Enabling ordering, reservations, and other hospitality functions via iPhone, Android, and other internet-enabled wireless handheld computing devices as well as via Web pages, storing hospitality information and data on at least one database, on at least one wireless handheld computing device, and on at least one -18-

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Web server and Web page, and synchronizing applications and data, including but not limited to applications and data relating to orders, between at least one database, wireless handheld computing devices, and at least one Web server and Web page; utilizing communications control software enabled to link and synchronize hospitality information between at least one database, wireless handheld computing device, and web page, to display information on web pages and on different wireless handheld computing device display sizes, and to allow information to be entered via Web pages, transmitted over the internet, and automatically communicated to at least one database and to wireless handheld computing devices; allowing information to be entered via wireless handheld devices. transmitted the and automatically computing over internet, communicated to at least one database and to Web pages.

- 52. On information and belief, customers of Usablenet, including consumers and hotel and restaurant operators, use the Usablenet Products in a manner that infringes upon one or more valid and enforceable claims of the '077 patent. These include customers and business partners that Ameranth has sued for patent infringement, which lawsuits are known to Usablenet by virtue of Usablenet's business relationship with such defendants and Usablenet's own participation in the consolidated patent infringement actions pending in this Court. Usablenet provides instruction and direction regarding the use of the Usablenet Products and advertises, promotes, and encourages the use of the Usablenet Products in a manner understood and intended to infringe the claims of Ameranth's patents. Some examples are set forth in paragraphs 21-28, above.
- 53. The Usablenet Products thus are intended to enable and assist, and in fact enable and assist, the direct infringers and their systems to practice and infringe upon the claims of Ameranth's patents, which patents are known to Usablenet as alleged herein. Usablenet's websites, product literature, statements in industry articles, customer materials, *etc.*, including those described herein and -19-

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in the infringement contentions previously served upon Usablenet by Ameranth in this matter, encourage and promote use of the Usablenet Products to infringe the claims of the Ameranth patents asserted in this lawsuit.

- On information and belief, Defendant actively induces others to infringe the '077 patent in violation of 35 U.S.C. §271(b) by knowingly encouraging, aiding and abetting customers of Usablenet, including consumers and hotel restaurant operators, including entities that Ameranth has sued for infringement and which suits are known to Usablenet, to use the infringing Usablenet Products in the United States without authority or license from Ameranth in a manner known, understood, and intended to infringe Ameranth's patents.
- On information and belief, Defendant contributorily infringes and continues to contributorily infringe one or more valid and enforceable claims of the '077 patent, in violation of 35 U.S.C. § 271(c) by offering to sell and/or selling components of systems on which claims of the '077 patent read, constituting a material part of the invention, knowing that the components were especially adapted for use in systems which infringe claims of the '077 patent.
- 56. By distributing, selling, offering, offering to sell or license and/or selling or licensing the Usablenet Products, Defendant provides non-staple articles of commerce to others customized and specially adapted for use in infringing systems, products, and/or services, including but not limited to customers/ business partners that Ameranth has sued for infringement, of which suits Usablenet is aware. Such Usablenet Products, as deployed, sold, licensed and otherwise provided to direct infringers, are specialized and customized for use in infringing systems, including integration with hospitality applications, databases and data, such that they have no substantial non-infringing use. Additionally, Usablenet provides instruction and direction regarding the use of the Usablenet Products and advertises, promotes, and encourages the use of the Usablenet

Products, as described herein. Users of the Usablenet Products directly infringe one or more valid and enforceable claims of the '077 patent, for the reasons set forth hereinabove.

- 57. On information and belief, at least since the filing of the original complaint in this matter against Usablenet, Usablenet has had direct and actual knowledge of the '077 patent, including knowledge that the Usablenet Products, which are non-staple articles of commerce, have been used as a material part of the claimed invention of the '077 patent, and that there are no substantial non-infringing uses for the Usablenet Products. Nonetheless, Usablenet has continued to engage in acts of infringement as described herein.
- 58. The aforesaid infringing activity of defendant Usablenet has directly and proximately caused damage to plaintiff Ameranth, including loss of profits from sales or licensing it would have made but for the infringements. Unless enjoined, the aforesaid infringing activity will continue and cause irreparable injury to Ameranth for which there is no adequate remedy at law.

PRAYER FOR RELIEF

WHEREFORE, plaintiff Ameranth respectfully prays for judgment against defendant Usablenet, as follows:

- 1. Adjudging that the manufacture, use, offer for sale or license and /or sale or license of the Usablenet Products indirectly infringes valid and enforceable claims of the '850 patent, and the '325 patent, and the '077 patent, as set forth hereinabove;
- 2. Adjudging that Defendant has infringed, actively induced others to infringe and/or contributorily infringed valid and enforceable claims of the '850 patent, and the '325 patent, and the '077 patent, as set forth hereinabove;
- 3. Enjoining Defendant, and its officers, directors, employees, attorneys, agents, representatives, parents, subsidiaries, affiliates and all other persons acting in concert, participation or privity with Defendant, and their successors

and assigns, from infringing, contributorily infringing and/or inducing others to infringe the valid and enforceable claims of the '850 patent, and the '325 patent, and the '077 patent;

- 4. Awarding Ameranth the damages it has sustained by reason of Defendant's infringement, as alleged herein, together with interest and costs pursuant to 35 U.S.C. § 284;
- 5. Adjudging this to be an exceptional case and awarding Ameranth its attorney's fees pursuant to 35 U.S.C. §285;
- 6. Awarding to Ameranth its costs of suit, and interest as provided by law; and
- 7. Awarding to Ameranth such other and further relief that this Court may deem just and proper.

DEMAND FOR JURY TRIAL

Ameranth demands trial by jury of its claims set forth herein to the maximum extent permitted by law.

Respectfully submitted,

Dated: July 15, 2013 CALDARELLI HEJMANOWSKI & PAGE LLP

By:<u>/s/ William J. Caldarelli</u>
William J. Caldarelli

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Attorneys for Plaintiff AMERANTH, INC.

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