# IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NORTH CAROLINA WESTERN DIVISION

Case No: 5:13-cv-00717-FL

ROBERT MANKES,	)
Plaintiff,	) )
v.	) AMENDED COMPLAINT
VIVID SEATS LTD.,	)
Defendant.	) )

Plaintiff Robert Mankes ("Mankes"), by and through his counsel, complaining of Defendant Vivid Seats Ltd. ("Vivid Seats"), hereby demands a jury trial and alleges and says:

## NATURE OF THE ACTION

1. This is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. §§ 271, et seq., to enjoin and obtain damages resulting from Vivid Seats's unauthorized use of systems that infringe one or more claims of United States Patent No. 6,477,503 ("the '503 Patent"), attached hereto as Exhibit A and entitled "Active Reservation System." Mankes seeks injunctive relief to prevent Vivid Seats from continuing to infringe the '503 Patent, and, in addition, seeks a recovery of monetary damages resulting from Vivid Seats's infringement of the '503 Patent.

### **PARTIES**

- 1. Plaintiff Mankes is a private individual residing at 801-107 Moratuck Dr., Raleigh, North Carolina 27604.
- 2. Plaintiff Mankes is the sole inventor and owner of all right, title, and interest in and to the '503 Patent.

3. Upon information and belief, Vivid Seats is an Illinois company having a principal place of business in Chicago, Illinois.

### JURISDICTION AND VENUE

- 4. This action arises under the patent laws of the United States, including 35 U.S.C. §§ 271 *et seq*. This Court has subject matter jurisdiction under the provisions of 28 U.S.C. §§ 1331 and 1338(a).
- 5. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b), 1391(c), & 1400(b).
- 6. This Court has personal jurisdiction over Vivid Seats, and venue is proper in this district, because Vivid Seats has regularly conducted business in North Carolina and this judicial district, and infringement has occurred and continues to occur in North Carolina and this district. In addition, the Court has personal jurisdiction over Vivid Seats because it has established minimum contacts with the forum and the exercise of the Court's jurisdiction over Vivid Seats would not offend traditional notions of fair play and substantial justice.

#### **FACTS**

- 7. The '503 Patent is generally directed to a reservation system that controls an inventory.
  - 8. The '503 Patent was duly and legally issued on November 5, 2002.
- 9. Mankes invented the system disclosed in the '503 Patent to allow vendors that offer reservations to effectively control and allocate inventory between a physical site location and an internet-based sales portal.
- 10. Defendant Vivid Seats markets and uses a reservation system that infringes one or more claims of the '503 Patent.

# COUNT I PATENT INFRINGEMENT 35 U.S.C. § 271

- 11. Mankes realleges and incorporates by reference the preceding paragraphs of the Amended Complaint.
- 12. Mankes is the assignee and lawful owner of all right, title, and interest in and to the '503 Patent.
- 13. Vivid Seats uses and operates an internet-based reservation system for reserving, buying, and selling tickets to sporting events, concerts, and theatrical performances throughout the United States. The Vivid Seats system is used by professional ticket resellers and individual sellers "pre-screened" by Vivid Seats (collectively, the "Sellers") to sell tickets to live events to internet-based consumers.
- 14. Upon information and belief, Sellers allocate their available ticket inventory between a local inventory and an online inventory of tickets for sale to internet-based consumers through Vivid Seats' system. Sellers update their available ticket inventory based on local sales and communicate their available ticket inventory to Vivid Seats. When internet-based consumers make ticket purchases through Vivid Seats, Sellers update their available ticket inventory accordingly. Vivid Seats confirms ticket sales to internet-based consumers who purchase tickets using its service.
- 15. Mankes sent Vivid Seats a letter dated April 25, 2013 in which he offered Vivid Seats a license to practice the '503 Patent. Even though Vivid Seats is aware of the '503 Patent and Mankes' license offer, Vivid Seats continues to sell its reservation system services to the Sellers without a license to practice the '503 Patent.

# COUNT I PATENT INFRINGEMENT 35 U.S.C. § 271

- 16. Mankes realleges and incorporates by reference the preceding paragraphs of the Amended Complaint.
- 17. Mankes is the assignee and lawful owner of all right, title, and interest in and to the '503 Patent.
- 18. Vivid Seats was aware of the '503 Patent at the time they sold their reservation system services to the Sellers.
- 19. Vivid Seats's reservation system performs some of the steps of the claimed invention.
- 20. By serving as a platform through which Sellers can sell their available ticket inventory, Vivid Seats's reservation system performs some of the steps of the claimed invention.
- 21. Vivid Seats actively markets its reservation system services to Sellers. Vivid Seats incentivizes Sellers to use its services by charging "an industry low 10% commission" for ticket sales made through its system. Vivid Seats allows Sellers retain the balance of the proceeds of their ticket sales.
- 22. Through its marketing and offering financial incentives, Vivid Seats has induced Sellers to perform, and/or contributed to Sellers' performing, the other steps of the claimed invention by having the Sellers use the Vivid Seats reservation system.
- 23. By using Vivid Seats' reservation system, the Sellers performed these other steps of the claimed invention.
- 24. Vivid Seats's acts of infringement have caused damage to Mankes, and Mankes is entitled to recover damages adequate to compensate for the infringement.

25. Vivid Seats's continuing infringement of the '503 Patent will continue to damage Mankes' business, causing irreparable harm unless enjoined by the Court.

### PRAYER FOR RELIEF

WHEREFORE Mankes respectfully prays for judgment against Vivid Seats, granting Mankes the following relief:

- A. That the Court enter judgment that Vivid Seats has infringed U.S. Patent No. 6,477,503;
- B. That the Court permanently enjoin Vivid Seats and its parents, subsidiaries, affiliates, successors and assigns, and each of their respective officers, directors, agents, servants, employees, attorneys, and all persons within their control from using and offering to sell, advertising products and/or employing systems or products and/or otherwise making use of systems or products that infringe any of the claims of the '503 Patent, or otherwise engaging in acts of infringement of the '503 Patent;
- C. That the Court order an accounting to determine the damages to be awarded to Mankes as a result of Vivid Seats's infringement;
- D. That the Court, pursuant to 35 U.S.C. § 284, enter an award to Mankes of such damages as he shall prove at trial that are adequate to compensate Mankes for Vivid Seats's infringement of the '503 Patent, said damages to be no less than a reasonable royalty;
- E. That the Court assess pre-judgment and post-judgment interest and costs against Vivid Seats, together with an award of such interest and costs to Mankes, in accordance with 35 U.S.C. § 284;
- F. That the Court grant Mankes such other, further, and different relief as the Court may deem just and proper.

## **DEMAND FOR JURY TRIAL**

Mankes demands a trial by jury be held on all issues so triable.

Respectfully submitted, this the 28th day of February, 2014.

# Coats & Bennett, PLLC Attorneys for Robert Mankes

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#### CERTIFICATE OF SERVICE

I hereby certify that on this the 28th day of February, 2014, a copy of the foregoing **AMENDED COMPLAINT** was filed with the Clerk of Court using the CM/ECF system which will send notification to opposing counsel at the following addresses, and also by US Mail, first class, postage prepaid, to the following addresses:

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