

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

ECLIPSE IP LLC,

*Plaintiff,*

v.

HAILO NETWORK USA, INC.,

*Defendant.*

Case Number: 1:14-cv-1875

Judge:

Magistrate Judge:

**COMPLAINT FOR PATENT  
INFRINGEMENT AND JURY  
DEMAND**

Plaintiff Eclipse IP LLC (“Eclipse”), by and through its undersigned counsel, complains against Hailo Network USA, Inc. (“Hailo”) as follows:

**NATURE OF LAWSUIT**

1. This is a suit for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code §1 *et seq.* This Court has exclusive jurisdiction over the subject matter of the Complaint under 28 U.S.C. §§ 1331 and 1338(a).

**PARTIES AND PATENTS**

2. Eclipse is a company organized under the laws of Florida and having a principal place of business at 115 NW 17th St, Delray Beach, Florida 33444.

3. Eclipse owns all right, title, and interest in and has standing to sue for infringement of United States Patent No. 7,064,681 ("the '681 patent"), entitled "Response systems and methods for notification systems" (Exhibit A); United States Patent No. 7,479,901 ("the '901 patent"), entitled "Mobile thing determination systems and methods based upon user-device location" (Exhibit B); and United States Patent No. 7,538,691 ("the '691 patent"), entitled

"Mobile thing determination systems and methods based upon user-device location" (Exhibit C) (collectively, "the Eclipse Patents").

4. On information and belief, Hailo is a corporation existing under the laws of Delaware.

5. On information and belief, Hailo does regular business in this Judicial District and conduct leading to Hailo's acts of infringement has occurred in this Judicial District.

### **JURISDICTION AND VENUE**

6. This Court has personal jurisdiction over Hailo because it has engaged in continuous and systematic business in Illinois; upon information and belief, derives substantial revenues from commercial activities in Illinois; and upon information and belief, is operating and/or supporting products or services that fall within one or more claims of Eclipse's patents in this District.

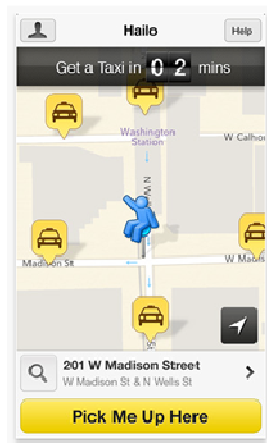
7. Venue is proper in this District under 28 U.S.C. §§ 1391(b) and (c) and 28 U.S.C. § 1400(a) at least because the claim arises in this Judicial District, Hailo may be found and transacts business in this Judicial District, and injuries suffered by Plaintiff took place in this Judicial District. Hailo is subject to the general and specific personal jurisdiction of this Court at least because of its contacts with the State of Illinois.

### **FACTUAL BACKGROUND**

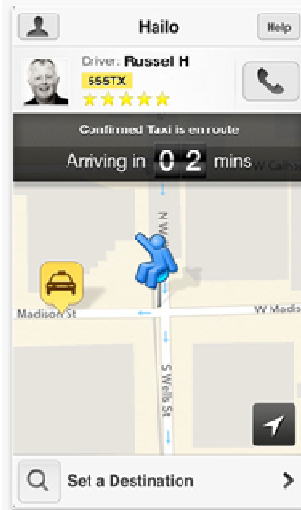
8. On information and belief, Hailo designs, makes, advertises, and/or distributes, a mobile application ("the Hailo Application") that connects users of the Hailo Application with drivers of cars for hire ("Hailo Drivers").

9. On information and belief, users of the Hailo Application can use their smartphone or tablet computer (“tablet”) to request that a vehicle pick them up from a given location.

10. On information and belief, when a user opens the Hailo Application, Hailo tracks the location of the user’s smartphone or tablet and attempts to pinpoint the user on a map. Hailo also tracks the location of Hailo Drivers. A non-limiting, exemplary image appears below:



11. On information and belief, when the user of the Hailo Application selects a pickup location, Hailo sends a pickup request to at least one available Hailo Driver. If that Hailo Driver declines or is non-responsive, Hailo sends the pickup request to other Hailo Drivers. When Hailo receives a response indicating that a Hailo Driver will accept the fare, Hailo notifies the user in at least one way. A non-limiting, exemplary image appears below:



12. On information and belief, through the Hailo Application, Hailo displays the location of the Hailo Driver, the pickup location, and the time until the Hailo Driver's arrival at the pickup location, allowing the user of the Hailo Application to track the Hailo Driver's progress.

13. On information and belief, through the Hailo Application, Hailo also allows the user to communicate with the driver.

14. On information and belief, Hailo also notifies the user of the Hailo Application in at least one way when the Hailo Driver is arriving at the indicated pickup location. A non-limiting, exemplary image appears below:



### **HAILO'S ACTS OF PATENT INFRINGEMENT**

15. Eclipse reiterates and reincorporates the allegations set forth in paragraphs 1 through 14 above as if fully set forth herein.

16. Hailo owns, uses, deploys, and/or operates at least one service and/or system for booking a taxi electronically.

17. The at least one service and/or system allows users of a smartphone or tablet to request a taxi to pick them up.

18. To implement the at least one service and/or system, Hailo created and/or developed at least one smartphone application – the Hailo Application – which plays a material role in the at least one car booking service and/or system.

19. The Hailo Application is available on several different platforms, including but not limited to on smartphones and tablets running versions of Apple Inc.'s iOS platform and Google, Inc.'s Android platform.

20. Among other things, the Hailo Application allows users to schedule or arrange a pickup on their smartphone or tablet, and track the status of the vehicle on a map.

21. Among other things, Hailo tracks the location of the user's smartphone or tablet, tracks the location of a smartphone being used by each Hailo Driver, distributes requests for pickups received from users of the Hailo Application, receives responses from at least one Hailo Driver, and notifies the user when their vehicle is arriving at the pickup location.

**CLAIMS FOR RELIEF**

**COUNT 1**

**(Patent Infringement of U.S. Patent No. 7,064,681  
Under 35 U.S.C. § 271 et seq.)**

22. Eclipse reiterates and reincorporates the allegations set forth in paragraphs 1 through 21 above as if fully set forth herein.

23. On June 20, 2006, the United States Patent and Trademark Office duly and legally issued United States Patent No. 7,064,681, entitled "Response systems and methods for notification systems." Eclipse is the owner of the entire right, title and interest in and to the '681 patent. A true and correct copy of the '681 patent is attached as Exhibit A to this Complaint.

24. The '681 patent is valid and enforceable.

25. Eclipse is informed and believes, and thereupon alleges, that: (1) Hailo has infringed and continues to infringe one or more claims of the '681 patent, literally and/or under the doctrine of equivalents and additionally and/or in the alternative, (2) Hailo has actively induced and continues to actively induce the infringement of one or more claims of the '681 patent in this District and elsewhere in the United States.

26. On information and belief, Hailo has directly infringed and continues to directly infringe one or more claims of the '681 patent, in violation of 35 U.S.C. § 271(a), by, among other things, making, using, offering for sale, and/or selling a method for communication in connection with a computer-based notification system to, for example: notify a Hailo Driver of a requested pickup; receive a response indicating whether or not the Hailo Driver will perform the pickup; if the Hailo Driver will perform the pickup, refrain from sending additional notifications to the Hailo Driver until detection of one or more events indicating that the user's trip is

complete; and if the Hailo Driver will not pickup the user, notify another Hailo Driver in order to request assistance in picking up the user.

27. Additionally and/or in the alternative, on information and belief, Hailo has actively induced and continues to actively induce the infringement of one or more claims of the '681 patent, in violation of 35 U.S.C. § 271(b), by, among other things, actively, knowingly, and intentionally encouraging, aiding, and/or abetting others to make, use, offer for sale, and/or sell portions of a computer-based notification system that infringes one or more claims of the '681 patent, with the specific intent to encourage infringement and with the knowledge that the making, using, offering to sell, and/or selling of such a system would constitute infringement.

28. On information and belief, Hailo has had knowledge of the '681 patent at least as early as November 22, 2013, when it received a letter from Eclipse putting it on specific notice of the patent and its infringement thereof. Additionally, at least as early as November 22, 2013, Hailo knew or should have known that its continued offering, use, deployment, and/or operation of the at least one service and/or system for booking a taxi electronically and its continued support of others, if those parties perform any limitations of one or more of the claims of the '681 patent, would induce direct infringement of the '681 patent.

29. On information and belief, Hailo has not changed its conduct or ceased its infringing activities since November 22, 2013.

30. On information and belief, Hailo's aforesaid infringing activity has been done with knowledge and willful disregard of Eclipse's patent rights, making this an exceptional case within the meaning of 35 U.S.C. § 285.

31. Hailo's aforesaid infringing activity has directly and proximately caused damage to Plaintiff Eclipse, including loss of profits from sales and/or licensing revenues it would have

made but for the infringements. Unless enjoined, the aforesaid infringing activity will continue and cause irreparable injury to Eclipse for which there is no adequate remedy at law.

**COUNT 2**

(Patent Infringement of U.S. Patent No. 7,479,901  
Under 35 U.S.C. § 271 et seq.)

32. Eclipse reiterates and reincorporates the allegations set forth in paragraphs 1 through 31 above as if fully set forth herein.

33. On January 20, 2009, the United States Patent and Trademark Office duly and legally issued United States Patent No. 7,479,901, entitled "Mobile thing determination systems and methods based upon user-device location." Eclipse is the owner of the entire right, title and interest in and to the '901 patent. A true and correct copy of the '901 patent is attached as Exhibit B to this Complaint.

34. The '901 patent is valid and enforceable.

35. Eclipse is informed and believes, and thereupon alleges, that: (1) Hailo has infringed and continues to infringe one or more claims of the '901 patent, literally and/or under the doctrine of equivalents and additionally and/or in the alternative, (2) Hailo has actively induced and continues to actively induce the infringement of one or more claims of the '901 patent in this District and elsewhere in the United States.

36. On information and belief, Hailo has directly infringed and continues to directly infringe one or more claims of the '901 patent, in violation of 35 U.S.C. § 271(a), by, among other things, making, using, offering for sale, and/or selling a method for a notification system to, for example: monitor the user's location; receive a request for a pickup; notify a Hailo Driver of the requested pickup; receive a response from the Hailo Driver; and communicate the response to the user.



37. Additionally and/or in the alternative, on information and belief, Hailo has actively induced and continues to actively induce the infringement of one or more claims of the '901 patent, in violation of 35 U.S.C. § 271(b), by, among other things, actively, knowingly, and intentionally encouraging, aiding, and/or abetting others to make, use, offer for sale, and/or sell portions of a notification system that infringes one or more claims of the '901 patent, with the specific intent to encourage infringement and with the knowledge that the making, using, offering to sell, and/or selling of such a system would constitute infringement.

38. On information and belief, Hailo has had knowledge of the '901 patent at least as early as November 22, 2013, when it received a letter from Eclipse putting it on specific notice of the patent and its infringement thereof. Additionally, at least as early as November 22, 2013, Hailo knew or should have known that its continued offering, use, deployment, and/or operation of the at least one service and/or system for booking a taxi electronically and its continued support of others, if those parties perform any limitations of one or more of the claims of the '901 patent, would induce direct infringement of the '901 patent.

39. On information and belief, Hailo has not changed its conduct or ceased its infringing activities since November 22, 2013.

40. On information and belief, Hailo's aforesaid infringing activity has been done with knowledge and willful disregard of Eclipse's patent rights, making this an exceptional case within the meaning of 35 U.S.C. § 285.

41. Hailo's aforesaid infringing activity has directly and proximately caused damage to Plaintiff Eclipse, including loss of profits from sales and/or licensing revenues it would have made but for the infringements. Unless enjoined, the aforesaid infringing activity will continue and cause irreparable injury to Eclipse for which there is no adequate remedy at law.

**COUNT 3**  
**(Patent Infringement of U.S. Patent No. 7,538,691**  
**Under 35 U.S.C. § 271 et seq.)**

42. Eclipse reiterates and reincorporates the allegations set forth in paragraphs 1 through 41 above as if fully set forth herein.

43. On May 26, 2009, the United States Patent and Trademark Office duly and legally issued United States Patent No. 7,538,691, entitled "Mobile thing determination systems and methods based upon user-device location." Eclipse is the owner of the entire right, title and interest in and to the '691 patent. A true and correct copy of the '691 patent is attached as Exhibit C to this Complaint.

44. The '691 patent is valid and enforceable.

45. Eclipse is informed and believes, and thereupon alleges, that: (1) Hailo has infringed and continues to infringe one or more claims of the '691 patent, literally and/or under the doctrine of equivalents and additionally and/or in the alternative, (2) Hailo has actively induced and continues to actively induce the infringement of one or more claims of the '691 patent in this District and elsewhere in the United States.

46. On information and belief, Hailo has directly infringed and continues to directly infringe one or more claims of the '691 patent, in violation of 35 U.S.C. § 271(a), by, among other things, making, using, offering for sale, and/or selling a method for implementation in connection with a computer-based notification system to: determine the user's location; identify a pickup location; and notify the user when the taxi is approaching the pickup location.

47. Additionally and/or in the alternative, on information and belief, Hailo has actively induced and continues to actively induce the infringement of one or more claims of the '691 patent, in violation of 35 U.S.C. § 271(b), by, among other things, actively, knowingly, and

intentionally encouraging, aiding, and/or abetting others to make, use, offer for sale, and/or sell portions of a computer-based notification system that infringes one or more claims of the '691 patent, with the specific intent to encourage infringement and with the knowledge that the making, using, offering to sell, and/or selling of such a system would constitute infringement.

48. On information and belief, Hailo has had knowledge of the '691 patent at least as early as November 22, 2013, when it received a letter from Eclipse putting it on specific notice of the patent and its infringement thereof. Additionally, at least as early as November 22, 2013, Hailo knew or should have known that its continued offering, use, deployment, and/or operation of the at least one service and/or system for booking a taxi electronically and its continued support of others, if those parties perform any limitations of one or more of the claims of the '691 patent, would induce direct infringement of the '691 patent.

49. On information and belief, Hailo has not changed its conduct or ceased its infringing activities since November 22, 2013.

50. On information and belief, Hailo's aforesaid infringing activity has been done with knowledge and willful disregard of Eclipse's patent rights, making this an exceptional case within the meaning of 35 U.S.C. § 285.

51. Hailo's aforesaid infringing activity has directly and proximately caused damage to Plaintiff Eclipse, including loss of profits from sales and/or licensing revenues it would have made but for the infringements. Unless enjoined, the aforesaid infringing activity will continue and cause irreparable injury to Eclipse for which there is no adequate remedy at law.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff Eclipse asks this Court to enter judgment against Hailo and against each of Hailo's respective subsidiaries, affiliates, agents, servants, employees and all persons in active concert or participation with it, granting the following relief:

1. A judgment that Hailo has infringed each and every one of the Eclipse Patents;
2. A permanent injunction against Hailo, its respective officers, agents, servants, employees, attorneys, parent and subsidiary corporations, assigns and successors in interest, and those persons in active concert or participation with them, enjoining them from infringement and inducement of infringement of each and every one of the Eclipse Patents;
3. An award of damages adequate to compensate Eclipse for the infringement that has occurred, together with prejudgment interest from the date infringement of the Eclipse Patents began;
4. A reasonable royalty for Hailo's use of Eclipse's patented technology, as alleged herein;
5. An award to Eclipse of all remedies available under 35 U.S.C. §§ 284 and 285, including enhanced damages up to and including trebling of Eclipse's damages for Hailo's willful infringement, and reasonable attorneys' fees and costs; and,
6. Such other and further relief as this Court or a jury may deem proper and just.

**JURY DEMAND**

Eclipse demands a trial by jury on all issues so triable pursuant to Federal Rule of Civil Procedure 38.

Dated: March 17, 2014

Respectfully submitted,

*/s/ David C. Van Dyke*

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