

IN THE UNITED STATES DISTRICT COURT OF APR 17 SOUTHERN DISTRICT OF OHIO WESTERN DIVISION

AXCESS FINANCIAL SERVICES, INC.,

Plaintiff,

٧.

PI-NET INTERNATIONAL, INC.,

Defendant.

Case No. 1:14 CV319

Judge

J. BECKWITH

COMPLAINT FOR DECLARATORY
JUDGMENT OF PATENT
INVALIDITY AND NONINFRINGEMENT

DEMAND FOR JURY TRIAL

Axcess Financial Services, Inc. ("Axcess"), for its complaint against Pi-Net International, Inc. ("Pi-Net"), states as follows:

NATURE OF THE ACTION

 This is an action for declaration of non-infringement and invalidity of claims of U.S. patents.

PARTIES

- Plaintiff Axcess is an Ohio corporation and has its principal place of business at
 Montgomery Road, Suite 400, Cincinnati, Ohio 45236.
- Plaintiff Pi-Net International, Inc. ("Pi-Net") is a California corporation founded by Dr. Lakshmi Arunachalam and has its principal place of business at 222 Stanford Avenue, Menlo Park, California 94025.

JURISDICTION AND VENUE

This Court has subject matter jurisdiction over this action under at least 28 U.S.C.
 §§ 1331, 1338(a), and 2201.

- 5. This Court has personal jurisdiction over Pi-Net under Ohio Rev. Code § 2307.382 at least because of Pi-Net's efforts to enforce its patents—including U.S. Patent No. 8,346,894 (the "'894 Patent")—against Ohio residents. Among other things, Dr. Arunachalam and Pi-Net (1) have threatened Ohio residents with lawsuits for alleged patent infringement, including allegations of infringement of claims of the '894 Patent and U.S. Patent Nos. 8,108,492 (the "'492 Patent") and 5,987,500 (the "'500 Patent"); (2) have filed lawsuits against Ohio residents—such as Bath & Body Works Brand Management, Inc.; Macys Inc.; and Victoria's Secret Direct, LLC—for alleged patent infringement for one or more of these patents; and, on information and belief, (3) have licensed patents, including at least the '894 Patent, to one or more Ohio residents.
- 6. Copies of the '894, '492, and '500 Patents are attached as Exhibits A, B, and C, respectively.
- 7. In addition, Pi-Net asserts on its Internet home page to offer "products and services," and have rights to patents—including the '894, '492, and '500 Patents—that "power any real-time Web transaction from any Web application from any device on any network."

 Upon information and belief, Pi-Net offers, or has offered, its "products and services" to persons in this judicial district.
 - 8. Venue is proper in this Court under at least 28 U.S.C. §§ 1391 and 1400(b).

BACKGROUND

9. Dr. Arunachalam is the named inventor of the '894, '492, and '500 Patents.

- 10. On March 7, 2013, Dr. Arunachalam filed a complaint against Axcess in the U.S. District Court for the District of Delaware, Case. No. 1:13-cv-01335-RGA, alleging that Axcess had infringed one or more claims of the '894 Patent.
- 11. The complaint alleged, among other things, that Axcess infringed at least claim 3 of the patent "by operating without authority one or more systems which are reflected in the [following] websites":
 - http://www.checkngo.com
 - https://www.checkngo.com/pdlApplication.aspx
 - http://www.ukloanstore.co.uk
- 12. On information and belief, Dr. Arunachalam has since assigned all right, title, and interest in the '894 Patent to her company, Pi-Net.
 - 13. On information and belief, Pi-Net is also the owner of the '492 and '500 Patents.
- 14. On April 11, 2014, Dr. Arunachalam's lawsuit against Axcess in the U.S. District Court for the District of Delaware was dismissed without prejudice.
- 15. Pi-Net, through counsel, has accused Axcess of patent infringement and threatened to file a new complaint against Axcess for infringement of one or more claims of each of the '894, '492, and '500 Patents.

FIRST CLAIM FOR RELIEF (Declaratory Judgment of Non-infringement)

- 16. Axcess incorporates the foregoing allegations as if fully restated herein.
- 17. Axcess has not and is not now infringing any valid claim of the '894, '492, or '500 Patents.

- 18. A justiciable controversy exists as to whether Axcess has been or is now infringing any valid claim of the '894, '492, or '500 Patents.
- 19. Axcess seeks a declaration from this Court that Axcess has not and is not now infringing any valid claim of the '894, '492, or '500 Patents.

SECOND CLAIM FOR RELIEF (Declaratory Judgment of Invalidity)

- 20. Axcess incorporates the foregoing allegations as if fully restated herein.
- 21. All claims of the '894, '492, and '500 Patents are invalid for failure to comply with one or more of the requirements of 35 U.S.C. §§ 101, et seq., including §§ 102, 103, and 112.
- 22. A justiciable controversy exists as to whether the claims of the '894, '492, and '500 Patents are valid.
- 23. Axcess seeks a declaration from this Court that the claims of the '894, '492, and '500 Patents are invalid.

PRAYER FOR RELIEF

WHEREFORE, Axcess prays for the following relief against Pi-Net:

- A. That judgment be entered finding that Axcess has not infringed and is not infringing any valid claim of the '894, '492, or '500 Patents;
- B. That this Court enter a declaration that the claims of the '894, '492, and '500 Patents are invalid;
- C. Permanently enjoining Pi-Net, its officers, agents, directors, servants, employees, subsidiaries, and assigns, and all those acting under the authority of or in privy with them or with any of them, from asserting or otherwise seeking to enforce the '894, '492, or '500 Patents against Axcess;

- D. That this case be deemed an exceptional case under 35 U.S.C. § 285 and that Axcess be awarded its costs and attorneys' fees; and
- E. That Axcess be awarded such other and further relief as this Court deems equitable and just.

JURY DEMAND

Axcess hereby demands a trial by jury of all issues.

Respectfully submitted,

/s/ John F. Bennett

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