

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

SFA SYSTEMS, LLC,)	
)	
Plaintiff,)	
)	Civil Action No. 6:14-cv-171-LED
v.)	
)	JURY TRIAL DEMANDED
EBAY INC.,)	
)	
Defendant.)	
_____)	

FIRST AMENDED COMPLAINT

For its Complaint, Plaintiff SFA Systems, LLC ("SFA"), by and through the undersigned counsel, alleges as follows:

THE PARTIES

1. SFA is a Texas limited liability company with a place of business located at 1400 Preston Road, Suite 472, Plano, TX 75093.
2. Defendant eBay Inc. is a Delaware corporation with, upon information and belief, a place of business located at 7700 West Parmer Lane, Building D, Austin, Texas 78729.

JURISDICTION AND VENUE

3. This action arises under the Patent Act, 35 U.S.C. § 1 *et seq.*
4. Subject matter jurisdiction is proper in this Court under 28 U.S.C. §§ 1331 and 1338.
5. Upon information and belief, Defendant conducts substantial business in this forum, directly or through intermediaries, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in

other persistent courses of conduct and/or deriving substantial revenue from goods and services provided to individuals in this district.

6. Venue is proper in this district pursuant to §§ 1391(b), (c) and 1400(b).

THE PATENTS-IN-SUIT

7. On May 23, 2000, United States Patent No. 6,067,525 (the "'525 patent"), entitled "Integrated Computerized Sales Force Automation System," was duly and lawfully issued by the U.S. Patent and Trademark Office. A true and correct copy of the '525 patent is attached hereto as Exhibit A.

8. On May 10, 2011, United States Patent No. 7,941,341 (the "'341 patent"), entitled "Sales Force Automation System and Method," was duly and lawfully issued by the U.S. Patent and Trademark Office. A true and correct copy of the '341 patent is attached hereto as Exhibit B.

9. SFA is the assignee and owner of the right, title and interest in and to the '525 and '341 patents, including the right to assert all causes of action arising under said patents and the right to any remedies for infringement of them.

COUNT I – INFRINGEMENT OF U.S. PATENT NO. 6,067,525

10. SFA repeats and realleges the allegations of paragraphs 1 through 9 as if fully set forth herein.

11. Without license or authorization and in violation of 35 U.S.C. § 271(a), Defendant has infringed and continues to infringe the '525 patent by making, using, importing, offering for sale, and/or selling computer implemented sales systems and methods for facilitating processes relating to the sale and provision of products and services on the www.ebay.com website, including, but not limited to, the "People who shopped for this item also looked at" recommendation feature.

12. Defendant has also otherwise been making and using, without license, supply chain methods, sales methods, sales systems, marketing methods, marketing systems, and inventory systems covered by one or more claims of the '525 patent.

13. SFA's initial complaint was filed on March 14, 2014.

14. Defendant was served the initial complaint on March 26, 2014.

15. Thus, Defendant has been on notice of the '525 patent since, at the latest, the date it was served the Complaint.

16. Upon information and belief, Defendant has not altered its infringing conduct after receiving the initial complaint.

17. Upon information and belief, Defendant's continued infringement despite its knowledge of the '525 patent and the accusations of infringement has been objectively reckless and willful.

18. Despite Defendant's knowledge of the '525 patent, Defendant has continued to, and still is continuing to, among other things, make, use, offer for sale, and/or sell computer implemented sales systems and methods for facilitating processes relating to the sale and provision of products and services on the www.ebay.com website, including, but not limited to, the "People who shopped for this item also looked at" recommendation feature, and supply chain methods, sales methods, sales systems, marketing methods, marketing systems, and inventory systems covered by one or more claims of the '525 patent.

19. Upon information and belief, Defendant has induced others and continues to induce others, including, but not limited to, Defendant's users and customers, to infringe the '525 patent in violation of 35 U.S.C. § 271(b) by taking active steps to encourage and facilitate direct infringement by others with knowledge

of that infringement, such as, upon information and belief, by making, using, offering for sale, and/or selling within this district and elsewhere in the United States and/or importing into this district and elsewhere in the United States, computer implemented sales systems and methods for facilitating processes relating to the sale and provision of products and services on the www.ebay.com website, including, but not limited to, the "People who shopped for this item also looked at" recommendation feature, and supply chain methods, sales methods, sales systems, marketing methods, marketing systems, and inventory systems, which when used as intended infringe at least covered by one or more claims of the '525 patent. Defendant's customers who use such products and/or services directly infringe the claims of the '525 patent. Since at least the filing of the original complaint in this action, Defendant has had actual knowledge of the '525 patent and has known that the use of such systems and methods by its users and customers constituted direct infringement of the '525 patent. Despite Defendant's actual knowledge of the '525 patent and the knowledge that its customers infringed, Defendant continued to, and still continues to, actively encourage its customers to infringe by, *inter alia*, making, using, offering for sale, selling and/or importing into this district and elsewhere in the United States such systems and methods. Defendant further intends that its users and customers use such systems and methods in a manner that infringes the claims of the '525 patent.

20. SFA is entitled to recover from Defendant the damages sustained by SFA as result of Defendant's infringement of the '525 patent in an amount subject to proof at trial, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

COUNT II – INFRINGEMENT OF U.S. PATENT NO. 7,941,341

21. SFA repeats and realleges the allegations of paragraphs 1 through 20 as if fully set forth herein.

22. Without license or authorization and in violation of 35 U.S.C. § 271(a), Defendant has infringed and continues to infringe the '341 patent by making, using, importing, offering for sale, and/or selling computer implemented sales systems and methods for facilitating processes relating to the sale and provision of products and services on the www.ebay.com website, including, but not limited to, the "People who shopped for this item also looked at" recommendation feature.

23. Defendant also has otherwise been making and using, without license, supply chain methods, sales methods, sales systems, marketing methods, marketing systems, and inventory systems covered by one or more claims of the '341 patent.

24. SFA's initial complaint was filed on March 14, 2014.

25. Defendant was served the initial complaint on March 26, 2014.

26. Thus, Defendant has been on notice of the '341 patent since, at the latest, the date it was served the Complaint.

27. Upon information and belief, Defendant has not altered its infringing conduct after receiving the initial complaint.

28. Upon information and belief, Defendant's continued infringement despite its knowledge of the '341 patent and the accusations of infringement has been objectively reckless and willful.

29. Despite Defendant's knowledge of the '341 patent, Defendant has continued to, and still is continuing to, among other things, make, use, offer for sale, and/or sell computer implemented sales systems and methods for facilitating processes

relating to the sale and provision of products and services on the www.ebay.com website, including, but not limited to, the "People who shopped for this item also looked at" recommendation feature, and supply chain methods, sales methods, sales systems, marketing methods, marketing systems, and inventory systems covered by one or more claims of the '341 patent.

30. Upon information and belief, Defendant has induced others and continues to induce others, including, but not limited to, Defendant's users and customers, to infringe the '341 patent in violation of 35 U.S.C. § 271(b) by taking active steps to encourage and facilitate direct infringement by others with knowledge of that infringement, such as, upon information and belief, by making, using, offering for sale, and/or selling within this district and elsewhere in the United States and/or importing into this district and elsewhere in the United States, computer implemented sales systems and methods for facilitating processes relating to the sale and provision of products and services on the www.ebay.com website, including, but not limited to, the "People who shopped for this item also looked at" recommendation feature, and supply chain methods, sales methods, sales systems, marketing methods, marketing systems, and inventory systems, which when used as intended infringe at least covered by one or more claims of the '341 patent. Defendant's customers who use such products and/or services directly infringe the claims of the '341 patent. Since at least the filing of the original complaint in this action, Defendant has had actual knowledge of the '341 patent and has known that the use of such systems and methods by its users and customers constituted direct infringement of the '341 patent. Despite Defendant's actual knowledge of the '341 patent and the knowledge that its customers infringed, Defendant continued to, and still continues to, actively encourage its

customers to infringe by, *inter alia*, making, using, offering for sale, selling and/or importing into this district and elsewhere in the United States such systems and methods. Defendant further intends that its users and customers use such systems and methods in a manner that infringes the claims of the '341 patent.

31. SFA is entitled to recover from Defendant the damages sustained by SFA as result of Defendant's infringement of the '341 patent in an amount subject to proof at trial, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

PRAYER FOR RELIEF

WHEREFORE, SFA requests that this Court enter judgment against Defendant as follows:

- A. An adjudication that Defendant has infringed the '525 and '341 patents;
- B. A judgment that Defendant has induced infringement of the '525 and '341 patents;
- C. An award of damages to be paid by Defendant adequate to compensate SFA for Defendant's past infringement of the '525 and '341 patents and any continuing or future infringement through the date such judgment is entered, including interest, costs, expenses and an accounting of all infringing acts including, but not limited to, those acts not presented at trial;
- D. A declaration that this case is exceptional under 35 U.S.C. § 285, and an award of SFA's reasonable attorneys' fees;
- E. An award of enhanced damages pursuant to 35 U.S.C. § 284 for Defendant's willful infringement of the '525 and '341 patents subsequent to the date of its notice of the '525 and '341 patents; and

F. An award to SFA of such further relief at law or in equity as the Court deems just and proper.

Dated: June 19, 2014

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