IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTICT OF OKLAHOMA

1) INTERNET CERTIFICATE TECHNOLOGIES, LLC Plaintiff, vs. 2) UNIVERSAL CERTIFICATE GROUP, LLC, a Virginia LLC d/b/a GIVEANYTHING.COM and as CORPORATEREWARDS and as CORPORATELOYALTY.COM; 3) GIVEANYTHING.COM, Inc., a Delaware corporation; 4) GIVEANYTHING.COM, LLC,; 5) CORPORATEREWARDS.COM, LLC,; and 6) XYZ CORPORATIONS 1 – 99, Defendants.	Case No. CIV-14-1037-HE

COMPLAINT

1. Plaintiff, INTERNET CERTIFICATE TECHNOLOGIES, LLC, is a limited liability company organized in the State of Oklahoma ("ICT"). ICT owns U.S. Patent No. 6,370,514 issued to Marc A. Messner on March 9, 2002 claiming a method for marketing and redeeming vouchers for use in online purchases ("Voucher Patent"). The Voucher Patent is attached as Exhibit 1.

2. UNIVERSAL CERTIFICATE GROUP, LLC is a Virginia limited liability company doing business as giveanything.com, CorporateRewards.com, and CorporateLoyalty.com (collectively referenced herein as "UCG"). UCG's web site,

www.ucgroupllc.com, includes two primary links: a first to GiveAnything.com, and a second to CorporateRewards.com. UCG's web site claims that "CorporateRewards.com, CorporateLoyalty.com and GiveAnything.com are trademarks of Universal Certificate Group LLC."[1] CorporateLoyalty.com transfers a user to the CorporateRewards.com web site. Upon information and belief, UCG does business in this Judicial District and Nationwide via the Internet and shipment of goods around the country.

3. GIVEANYTHING.COM, Inc. ("GA Inc.") and GIVEANYTHING.COM, LLC ("GA LLC") appear to be substantially the same corporate entity. On information and belief, GA LLC is a successor to GA Inc. GA Inc. was incorporated December 2, 1999 in Delaware and is presently in good standing. According to its web site, GA LLC is domiciled in Virginia. A filing at the New York Secretary of State indicates that GA LLC is a Virginia limited liability company. However, a search on the Virginia Secretary of State's web site did not reveal a filing for GA LLC. *See* http://www.giveanything.com/content/customerService/terms.cfm. GA LLC's web site recites that it and CorporateRewards.com are "wholly owned entities" of UCG. *See* http://www.giveanything.com/content/customerService/aboutUs.cfm.

4. CORPORATEREWARDS.COM, LLC, has claimed in its trademark applications to be a Virginia limited liability company ("CR"). *See* U.S. Trademark Application No.

[1] "CorporateRewards.com" or variations thereof were the subject of U.S. Trademark Applications. 85904544 and 85904571 both filed by CorporateRewards.com, LLC on April 15, 2013 and abandoned in January and February of 2014. U.S. Trademark Application 78316855 was previously filed by UCG on October 22, 2003 and abandoned November 11, 2004. Giveanything.com was the subject of U.S. Trademark Application 78010575 filed May 31, 2000, registered September 18, 2001, and canceled June 20, 2008 for failure to file appropriate trademark maintenance paperwork (a Section 8). CorporateLoyalty does not appear to have ever been the subject of a federal trademark application.

85904544. However, a search on the Virginia Secretary of State's web site did not reveal a filing for CR. CR also appears to do business as "CorporateLoyalty." As noted above, UCG claims that CR is its wholly owned subsidiary. However, The Riverside Company, a private equity company that acquired Defendants in December 2012, described the company they bought as GiveAnything.com, Inc. (dba CorporateRewards). *See* http://goo.gl/xcF0b3

5. DIRECT RESPONSE TECHNOLOGIES, INC. is a forfeited Delaware corporation ("DRT"). DRT is, or was, a sublicensee of the Voucher Patent. It is not named as a party but it may need to be added depending on information gathered in discovery.

6. XYZ CORPORATION 1 – 99 is a placeholder for the multiple defendants that could be named herein as defendants regarding the alternative infringement cause of action. On www.corporaterewards.com/about-us/, a number of well-known companies are identified as clients of CorporateRewards including: Heinz, Northrop Grumman, AAA, Samsung, Aetna, esurance, Hyundai, IBM, Pepsico, Cleveland Clinic, Verizon, Ryder, UnityPoint Health, TIreDiscounters, Gojo, and Dollar/Thrifty. Other clients are believed to include Michelin, Pepsico, Ameriprise Financial, Hilton, Nokia and The Hanover Insurance Group. These companies' actions in using Defendants' services would infringe the Voucher Patent if it is determined that the License Agreement is void as Plaintiff prays herein. However, if the License Agreement is found to be in force and effect, they are presumptively permitted to use the Voucher Patent by dint of their client relationship with Defendants.

JURISDICTION, VENUE AND CHOICE OF LAW

7. Jurisdiction is proper in this case under 28 U.S.C. §§ 1331, 1332 and 1338. Supplemental jurisdiction over non-federal claims is proper under 28 U.S.C. § 1367.

8. Venue is proper under the following: (a) 28 U.S.C. § 1391 because a substantial part of the events or omissions giving rise to Plaintiff's claims occurred in the State of Oklahoma; and (b) Defendants have committed acts of infringement in Oklahoma.

BRIEF DESCRIPTION OF CAUSES OF ACTION

9. Plaintiff seeks damages and injunctive relief under common law and statutory doctrines of breach of contract. Plaintiff asks that the Court find that Defendants have extinguished or rescinded the License Agreement, and thus ask the Court to restore the Voucher Patent to Plaintiff's ownership, unclouded by the License Agreement. Plaintiff prays for a full accounting of royalties owed under the License Agreement during the time it was in effect.

10. Should the Court determine that the License Agreement is void, extinguished or rescinded or has been otherwise negated, Plaintiff seeks damages and injunctive relief related to Defendants direct, indirect, contributory and willful infringement of the Voucher Patent. Claims for patent infringement arise, *inter alia*, under 35 U.S.C. §§ 271 (infringement), 281-285 (remedies for infringement).

11. Plaintiff seeks attorney fees and costs related to the foregoing claims.

BACKGROUND

12. On August 2, 1999, Marc A. Messner filed an application for patent on a Method for Marketing and Redeeming Vouchers for use in Online Purchases, which ripened into the Voucher Patent on April 9, 2002. Noteworthy is the fact that all claims were allowed as filed, thus allowing the application of the doctrine of equivalents to the claims of the Voucher Patent.

13. On February 29, 2000 Messner's interest in the Voucher Patent was assigned to starpay.com, Inc., a subsidiary of Messner's then employer. Starpay.com, Inc. later changed its name to starpay.com, LLC.

14. Following telephone discussions and emails between Messner and Edward Brookshire, then President and CEO of giveanything.com, Inc., on January 11, 2002 Messner, as President and CEO of starpay.com, Inc. wrote to Brookshire advising him of the pending issuance of the Voucher Patent and as follows:

> We believe the transaction flow described on your website and presented in other forms of documentation depicts a method that is very similar to that described in our patent. I have enclosed a copy of the application for your review. It is in everyone's best interest to discuss these matters as soon as possible.

15. Discussions between Messner on the one hand and Brookshire and John Patterson on the other hand continued, and on October 31, 2002 a letter from Messner was sent to Brookshire regarding "license terms." The intent was expressed to enter into a more definitive "final agreement."

16. UCG drafted a proposed Patent License Agreement that included the following definition of the "Gift Certificates," which were included within the scope of the license, and more noteworthy identified a large category of transactions that were to be excluded, to wit: those involving corporations or UCG's "corporate business initiatives."

> "Gift Certificates" means gift certificates directly purchased by consumers over the Internet through LICENSEE's main consumer website, which is presently found at www.giveanything.com. (As used herein, Gift Certificates excludes gift certificates purchased by or through corporations, companies, businesses, partnerships, or the like, or obtained through LICENSEE's corporate business initiatives, including, but not limited to, reward, incentive, loyalty, affinity or targeted solicitation programs.)

17. Starpy.com, Inc. countered this proposal with the following proposed revisions to the definition of "Gift Certificates." Some noteworthy proposed changes by starpay.com are underlined and italicized; the emphasized changes limited the language that otherwise would have excluded all certificates purchased by corporations or obtained through UCG's "corporate business initiatives." Starpay.com's changes had the effect putting certain corporate transactions back into "net revenue" used to calculate royalties.

> "Gift Certificates" means gift certificates directly purchased over the Internet using the Web Site. Gift Certificates excludes gift certificates purchased by or through corporations, companies, businesses, partnerships, or the like, or obtained through LICENSEE's corporate business initiatives, including, but not limited to, reward, incentive, loyalty, affinity or targeted solicitation programs *where such purchases are the direct result of sales efforts initiated by LICENSEE instead of on-line transactions initiated by or on behalf of the user*.

18. Starpay.com, l.l.c. [sic] ("Starpay LLC") and UCG executed a Patent License Agreement effective March 28, 2003 ("License Agreement"). A copy of the License Agreement is attached as Exhibit 2.

19. For more than five years after execution of the License Agreement, UCG paid Plaintiff's predecessors in interest some royalties under the License Agreement. Messner became convinced that UCG was underpaying royalties, but due to the increasing financial difficulties facing Starpay LLC's parent company, The Beard Company, it was not willing or able to pursue these potential claims at the time.

20. Effective August 4, 2003 UCG entered into a Patent Sublicense Agreement with DRT ("Sublicense"). A copy of the Sublicense was provided to Starpay LLC and is attached hereto as Exhibit 3. The Sublicense included a tortured definition of "Vouchers" covered by the Sublicense. On information and belief, UCG failed to separately account for any revenues

associated with the Sublicense. UCG contemporaneously provided a copy of the Sublicense to Starpay LLC. Such notice of the sublicense is required by the License Agreement: "written notice of sublicenses shall be given [by UCG]…as soon as practicable" (Exhibit 2 at ¶ 3).

21. On information and belief, license payments by UCG to Plaintiff's predecessors ceased circa 2010, and no payments have been made under the License Agreement since that time. Plaintiff is handicapped regarding records because records of Plaintiff's predecessors were largely destroyed in the normal course of their business or in connection with Beard's bankruptcy.

22. Starpay LLC and its successor to the Voucher Patent, Advanced Internet Technologies, LLC ("AIT"), were owned or controlled by The Beard Company, Inc. The Beard Company, Inc. filed for Chapter 7 bankruptcy in Case No. 12-15050 in the Western Dist. of Okla. With full knowledge of the bankruptcy trustee, AIT conveyed the Voucher Patent and any rights appurtenant thereto to Marc Messner on January 22, 2014. *See* Purchase Agreement Exhibit 3. Marc Messner subsequently assigned his rights to ICT.

23. On March 19, 2014 Plaintiff paid the 11.5-year patent maintenance fees to the United States Patent and Trademark Office.

24. Once Plaintiff secured rights to the Voucher Patent and License Agreement, they wrote to UCG through counsel on May 13, 2014 raising three concerns: royalty payments and the need for an accounting regarding same, any sublicenses and payments regarding same, and potential need to take enforcement action against infringers. *See* Exhibit 4. Receipt of a return green card on a certified letter indicated receipt by at least one of Defendants of the letter. However, no response has been received from Defendants.

25. Thus, it appeared that negotiations ended before they could begin. Plaintiff was left with no alternative but to file the present litigation in an effort to vindicate its rights.

FIRST CAUSE OF ACTION

BREACH OF CONTRACT

26. Plaintiff incorporates the preceding and subsequent allegations of this Complaint into this cause of action as if fully restated herein.

27. Plaintiff is successor to a valid, enforceable contract, the License Agreement, with Defendants for the payment of agreed royalties.

28. The License Agreement was in force and effect circa 2010, when Defendants wrongly ceased paying royalties to Plaintiff's predecessors.

29. Defendants breached the License Agreement by failing to properly account for their sales, and to subsequently pay Plaintiff's predecessors.

30. At no time pertinent to this matter, prior to inexplicably ceasing royalty payments, did Defendants dispute their obligation to pay the agreed upon royalties to Plaintiff's predecessors pursuant to the License Agreement.

31. As result of Defendants' breach Plaintiff has suffered damages in the form of unpaid royalties.

32. As a further result of Defendants' breach, Plaintiff has suffered damages in that Defendants have and are continuing to benefit from the use of the Voucher Patent without compensation payable to Plaintiff.

SECOND CAUSE OF ACTION

EXTINGUISHMENT, RECISSION AND RESTORATION

33. Plaintiff incorporates the preceding and subsequent allegations of this Complaint into this cause of action as if fully restated herein.

34. Defendants extinguished or rescinded the License Agreement.

35. As the License Agreement has been extinguished or rescinded, Plaintiff asks the Court to restore the Voucher Patent to Plaintiff's ownership, unclouded by the License Agreement.

36. Plaintiff seeks injunctive relief in the form of a temporary injunction barring Defendants from further use of the Voucher Patent during the pendency of this litigation.

37. Plaintiff also seeks a permanent injunction restraining Defendants from use of the Voucher Patent.

THIRD CAUSE OF ACTION

ACCOUNTING

38. Plaintiff incorporates the preceding and subsequent allegations of this Complaint into this cause of action as if fully restated herein.

39. The License Agreement either implicitly or explicitly provide for Plaintiff with the right to an accounting for Defendants' sales.

40. Defendants have failed or refused to properly account to Plaintiff despite their contractual obligations and demand by Plaintiff.

41. Therefore, Plaintiff prays for a full accounting of royalties owed under the License Agreement.

42. Plaintiff, after obtaining rights to the Voucher Patent in 2014, began researching information regarding Defendants. Multiple press stories were identified that cast doubt on whether Defendants were forthcoming in payment of their royalty obligations. A press release from May 7, 2003 announces a "joint venture" between CorporateRewards.com and Maritz. *See* http://www.internetretailer.com/mobile/2003/05/08/corporaterewards-com-and-maritz-rewards-form-joint-venture. The announcement of the CorporateRewards-Maritz joint venture touts giveanything.com's "patented technology." On information and belief, no notice was ever given to Plaintiffs or their predecessors of a sublicense to Maritz. The article describes Maritz as then being ranked 157th on Forbes' list of the 500 biggest private companies.

43. UGC was purchased in December 2012 by The Riverside Company, a private equity firm which claims to have over $4.6 billion in assets under management. Riverside saw Defendants' potential because, among other strengths, CorporateRewards claims to have achieved double-digit revenue growth six years in a row of its business built on the Voucher Patent.

FOURTH CAUSE OF ACTION -- ALTERNATIVE

PATENT INFRINGEMENT

44. Plaintiff incorporates the preceding and subsequent allegations of this Complaint into this cause of action as if fully restated herein.

45. Should the Court determine that the License Agreement has been extinguished or rescinded, Plaintiff asks the Court to restore the Voucher Patent to Plaintiff's ownership, unclouded by the License Agreement. If such a finding is made regarding the License Agreement being extinguished or rescinded, then Plaintiff asserts patent infringement claims against the defendants herein by name and may also seek to add as named defendants the clients of

CorporateRewards including, but not limited to: Heinz, Northrop Grumman, AAA, Samsung, Aetna, esurance, Hyundai, IBM, Pepsico, Cleveland Clinic, Verizon, Ryder, UnityPoint Health, TireDiscounters, Gojo, and Dollar/Thrifty.

46. Upon information and belief, Defendants have infringed, induced infringement of, and contributorily infringed the Voucher Patent, and are still doing so by making, selling, offering for sale, and using software and processes embodying the patented inventions of the Voucher Patent, and will continue to do so unless enjoined by this Court.

47. Upon information and belief, Defendants' infringement has been and is willful and deliberate.

48. Defendants and their subsidiaries, affiliates, parents, successors, assigns, officers, agents, servants, employees, attorneys, and all persons acting in concert or in participation with them, or any of them, should be temporarily and preliminarily enjoined during the pendency of this action, and permanently enjoined thereafter from infringing, contributing to the infringement of, and inducing infringement of the Voucher Patent, and specifically from directly or indirectly making, using, selling, or offering for sale, any products or services embodying the inventions of the patent-in-suit during the life of the Voucher Patent, without the express written authority of Plaintiff.

49. Defendants should be directed to fully compensate Plaintiff for all damages attributable to Defendants' infringement of the Voucher Patent in an amount according to proof at trial.

50. This case should be deemed exceptional and damages awarded trebled. In addition, Plaintiff should be awarded its attorney fees and costs.

51. Defendants should be required to account for all gains, profits, advantages, and unjust enrichment derived from its violations of law.

52. WHEREFORE, Plaintiff prays for a determination that Defendants have breached the License Agreement and that Defendants have extinguished or rescinded the License Agreement so the Voucher Patent should be restored to Plaintiff's full ownership unclouded by the License Agreement. Thereafter, Plaintiff prays that Defendants be found to have infringed the Voucher Patent. Plaintiff prays for an award of damages which should be tripled since Defendants infringement was willful, for an award of attorney fees and costs, and for other such relief as the law allows and the Court deems proper. Should the License Agreement remain in force, Plaintiff seeks an award of damages for Defendants' failure to pay royalties due thereunder and for costs associated with the action.

PLAINTIFFS DEMAND A TRIAL BY JURY ON ALL ISSUES SO TRIABLE.

Respectfully submitted,

/s/ Edward L. White

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