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13
14 UNITED STATES DISTRICT COURT
15 NORTHERN DISTRICT OF CALIFORNIA
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17 IPVENTURE, INC.,
18 Plaintiff,
19 v.
20 FEDEX CORPORATION, and
21 FEDERAL EXPRESS CORPORATION,
22 Defendants.

Case No. _____

**COMPLAINT FOR PATENT
INFRINGEMENT**

DEMAND FOR JURY TRIAL

23
24 Plaintiff IpVenture, Inc. (“IpVenture”) for its Complaint against Defendants FedEx
25 Corporation (“FedEx”) and Federal Express Corporation (“Federal Express”) (collectively,
26 “Defendants”) hereby alleges as follows:
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1 **NATURE OF THE ACTION**

2 1. This is a civil action for the infringement of United States Patent No. 8,725,165
3 (“the ’165 Patent”) under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*

4 **PARTIES**

5 2. IpVenture is a corporation organized under the laws of California with its
6 principal place of business located at 5150 El Camino Real, Building A, Suite 22, Los Altos,
7 California, 94022.

8 3. Defendant FedEx is a corporation organized under the laws of Delaware and
9 having a principal place of business at 942 South Shady Grove Road, Memphis, Tennessee,
10 38120. FedEx may be served with process in California through CT Corporation System,
11 818 W Seventh Street, Los Angeles, California, 90017.

12 4. Defendant Federal Express is a corporation organized under the laws of
13 Delaware and having a principal place of business at 3610 Hacks Cross Road, Memphis,
14 Tennessee, 38125. Federal Express may be served with process in California through CT
15 Corporation System, 818 W Seventh Street, Los Angeles, California, 90017.

16 **JURISDICTION AND VENUE**

17 5. This Court has jurisdiction over the subject matter of this action pursuant to 28
18 U.S.C. §§ 1331 and 1338(a) because this action arises under the Patent Laws of the United
19 States, including 35 U.S.C. § 271 *et seq.*

20 6. This Court has personal jurisdiction over Defendants because Defendants have
21 committed, aided, abetted, contributed to, and/or participated in infringement of the ’165
22 Patent in this judicial district that caused harm and injury to IpVenture. In addition,
23 Defendants have knowingly induced, and continue to knowingly induce, infringement within
24 this State and within this District by encouraging its customers to implement and perform
25 infringing methods with the knowledge and intent to facilitate patent infringement by those
26 customers within this District.

1 7. This Court also has personal jurisdiction over Defendants because, among other
2 things, Defendants have established minimum contacts within the forum such that the
3 exercise of jurisdiction over Defendants will not offend traditional notions of fair play and
4 substantial justice. Defendants have established continuous and systematic general business
5 contacts within this District as to justify suit against Defendants on causes of action arising
6 from dealings distinct from those activities.

7 8. Venue is proper in this judicial district as to Defendants pursuant to 28 U.S.C.
8 §§ 1391 and 1400(b).

9 **INTRADISTRICT ASSIGNMENT**

10 9. Pursuant to Civil Local Rules 3-2(c) and 3-5(b), this intellectual property action
11 is to be assigned on a district-wide basis.

12 **THE PATENT-IN-SUIT**

13 10. On May 13, 2014, the '165 Patent, titled "Method And System For Providing
14 Shipment Tracking And Notifications," was duly and lawfully issued by the United States
15 Patent and Trademark Office ("PTO"). The '165 Patent is attached hereto as Exhibit A.

16 11. IpVenture owns the '165 Patent and holds the right to sue and recover damages
17 for infringement thereof, including past infringement.

18 **FACTUAL BACKGROUND**

19 12. Since its founding in 2002, IpVenture has partnered with inventors and
20 entrepreneurs to turn ideas into ground-breaking technologies. IpVenture provides a number
21 of innovative solutions including but not limited to technologies related to location-based
22 devices and services.

23 13. FedEx is a global company that provides a broad portfolio of transportation,
24 ecommerce, and business services. In addition to its express, ground, and freight
25 transportation businesses, FedEx also provides sales, marketing, and information technology
26 support for its various transportation business segments. FedEx also has a business segment
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1 that provides customers with retail access to FedEx shipping services, customer service,
2 technical support, and billing and collection services.

3 14. FedEx introduced its SenseAwareSM products and services in 2009 to provide
4 customers with near real-time shipping information about their packages. FedEx's
5 SenseAwareSM includes a small multi-sensor monitoring device and information sharing
6 services that are integrated into a web-based application allowing customers to stay
7 connected with their shipments. For example, a SenseAwareSM device can be placed into a
8 shipment to gauge and transmit shipment data, including the shipment's location,
9 temperature, light exposure, relative humidity, and barometric pressure. Customers can then
10 view information and receive alerts concerning the package(s) during shipment.

11 15. In a November 17, 2009 press release, FedEx stated that "[o]ne of the basic
12 needs we saw was a sensor-based logistics industry that wasn't solidifying as quickly as we
13 thought it should around useful sharing of sensor information." FedEx stated that
14 "SenseAware will provide business decision makers the ability to quickly and easily
15 collaborate on many types of information data across their global supply chain."

16 16. FedEx's SenseAware press release acknowledged that "Pilot customers
17 immediately recognized the benefits of the technology during an internal testing phase and
18 realized the potential to shorten inventory turnaround time on closed loop shipments by
19 having complete inbound visibility to all shipments." FedEx further stated that "[b]y having
20 the correct and necessary data, users can make the proper business decisions to replenish or
21 make other arrangements to meet the business requirements."

22 17. In a November 2009 press release video, Jerry Beyl, FedEx Vice President of
23 Sales, stated that "this is an innovation in the life sciences sector that will change the
24 marketplace." Mark Hamm, Vice President of FedEx Innovation, further stated in the video
25 that "we are excited about the possibilities and we have big plans for it."

26 18. Federal Express is a wholly-owned subsidiary of FedEx and operates in the
27 express transportation, global trade services, and logistic services businesses directed to the
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1 transportation and distribution of goods and documents. On November 24, 2009, Federal
2 Express filed a service mark registration with the United States Patent and Trademark Office
3 (“PTO”) for the word SENSEAWARE. The PTO registered the SENSEAWARE service
4 mark on August 9, 2011.

5 19. The ’165 patent is a continuation of U.S. Patent No. 7,212,829 (“the ’829
6 patent”). Beginning in July 2011, IpVenture approached FedEx to discuss a license to
7 IpVenture’s ’829 Patent. IpVenture explained to FedEx, including through correspondence
8 with Christine Richards and Chris Cherry, that FedEx was using IpVenture’s patented
9 inventions in its SenseAwareSM products and services. Over the next three months,
10 IpVenture attempted to meet and negotiate license terms with FedEx, but FedEx failed to
11 meet with IpVenture or even provide a substantive response to IpVenture’s infringement
12 claim. Despite IpVenture’s good faith efforts to negotiate a business solution, FedEx has
13 failed to license IpVenture’s patent and continues to use IpVenture’s intellectual property
14 without authority.

15 20. IpVenture asserted a patent infringement action against Defendants in this Court
16 on November 4, 2011 concerning Defendants’ infringement of the ’829 patent. On April 20,
17 2012, the Court stayed the litigation pending reexamination of the ’829 patent. The
18 reexamination of the ’829 patent is currently pending in the United States Patent and
19 Trademark Office.

20 21. The ’165 patent issued on May 13, 2014. FedEx has been aware of the ’165
21 patent at least since May 30, 2014, when it filed a Petition For Inter Partes Review of the
22 ’165 patent in the United States Patent and Trademark Office.

23 COUNT I

24 **Infringement of the ’165 Patent**

25 22. Paragraphs 1-21 are incorporated by reference as if fully restated herein.

26 23. Defendants have infringed, and continue to infringe, literally and/or under the
27 doctrine of equivalents, one or more claims of the ’165 Patent by using and/or implementing
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1 in the United States infringing location-based devices and services, including at least
2 SenseAwareSM, without authority and in violation of 35 U.S.C. § 271.

3 24. Defendants have also contributed to infringement, and/or actively induced
4 others to infringe (including customers for Defendants' SenseAwareSM products and
5 services), literally and/or under the doctrine of equivalents, one or more claims of the '165
6 Patent by making, using, offering to sell, selling and/or importing in or into the United States
7 infringing location-based devices and services, including SenseAwareSM, without authority
8 and in violation of 35 U.S.C. § 271.

9 25. Upon information and belief, Defendants have been aware of the '165 Patent at
10 least since FedEx filed a Petition For Inter Partes Review of the '165 patent with the United
11 States Patent and Trademark Office on May 30, 2014.

12 26. Upon information and belief, Defendants have willfully infringed the '165
13 Patent.

14 27. IpVenture has suffered damages as a result of Defendants' willful infringement
15 of the '165 Patent.

16 28. Defendants' willful infringement of the '165 Patent renders this an exceptional
17 case under 35 U.S.C. § 285.

18 **PRAYER FOR RELIEF**

19 WHEREFORE, IpVenture respectfully requests the following relief:

20 a) A judgment that Defendants have infringed, induced infringement of, and/or
21 contributorily infringed, the '165 Patent;

22 b) A judgment that IpVenture be awarded damages adequate to compensate it for
23 Defendants' past infringement and any continuing or future infringement of the '165 Patent
24 up until the date such judgment is entered, including interest, costs, and disbursements, with
25 an accounting, as needed, as provided under 35 U.S.C. § 284;

1 c) A judgment that Defendants' infringement of the '165 Patent has been willful
2 and trebling all damages awarded to IpVenture for such infringement pursuant to 35 U.S.C.
3 § 284;

4 d) That this case be found an exceptional case under 35 U.S.C. § 285, entitling
5 IpVenture to be awarded the attorney fees, costs, and expenses that it incurs in prosecuting
6 this action;

7 e) A preliminary and permanent injunction preventing Defendants, and those in
8 active concert or participation with Defendants, from directly infringing, contributorily
9 infringing, and/or inducing the infringement of the '165 Patent;

10 f) A judgment requiring that, in the event a permanent injunction preventing future
11 acts of infringement is not granted, IpVenture be awarded a compulsory ongoing licensing
12 fee; and

13 g) Such other and further relief as the Court may deem just and proper.

14 **DEMAND FOR JURY TRIAL**

15 IpVenture hereby demands trial by jury on all claims and issues so triable.

16
17 DATED: November 3, 2014

Respectfully submitted,

18 BLACK & HAMILL LLP

19 /s/ Andrew G. Hamill

20 Bradford J. Black
21 Andrew G. Hamill

22 Attorneys for IpVenture, Inc.
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