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

AMERICAN NEEDLE, INC.

Plaintiff,

Case No.

v.

SHUTTERFLY, INC.,

Defendant.

COMPLAINT FOR PATENT INFRINGEMENT

American Needle, Inc. brings this patent-infringement action against Shutterfly, Inc.

Parties

1. American Needle is an Illinois corporation with its principal place of business in Buffalo Grove, Illinois.

2. Shutterfly is a Delaware corporation with its principal place of business in Redwood City, California.

Jurisdiction and Venue

3. This action arises under the patent laws of the United States, 35 U.S.C. §§

101 *et seq*.

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

5. This Court may exercise personal jurisdiction over Shutterfly. This is because Shutterfly conducts continuous and systematic business in Illinois and this District. For example, Shutterfly sells customized coffee mugs to consumers in this

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District. This patent-infringement claim arises directly from Shutterfly's continuous and systematic activity in this District. In short, this Court's exercise of jurisdiction over Shutterfly would be consistent with the Illinois long-arm statute, 735 ILCS § 5/2-209, and traditional notions of fair play and substantial justice.

6. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(2).

Claim of Patent Infringement

7. American Needle is the exclusive owner of U.S. Patent 7,319,980 (the "'980 patent"), which is attached as Exhibit 1.

8. The '980 patent is valid and enforceable.

9. Shutterfly has and is directly infringing claims of the '980 patent. Shutterfly practices the method for facilitating sales to potential customers claimed in the '980 patent. Shutterfly uses a computer network server for facilitating sales of objects (*e.g.*, coffee mugs or apparel) to potential customers.

Prayer for Relief

WHEREFORE, American Needle prays for the following relief against Shutterfly:

- (a) Judgment that Shutterfly has directly infringed claims of the '980 patent;
- (b) For a reasonable royalty;
- (c) For pre-judgment interest and post-judgment interest at the maximum rate allowed by law;
- (d) For such other and further relief as the Court may deem just and proper.

Demand for Jury Trial

American Needle demands a trial by jury on all matters and issues triable by jury.

Dated: May 5, 2015

Respectfully submitted,

By:

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