

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF CONNECTICUT**

CONNECTQUEST, LLC,

Plaintiff,

v.

FACEBOOK, INC.,

Defendant.

Civil Action No.

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff ConnectQuest, LLC (“ConnectQuest”), by its attorneys, for its complaint against Facebook, Inc. (“Facebook”), alleges as follows:

THE PARTIES

1. Plaintiff ConnectQuest, LLC is a limited liability company organized and existing under the laws of Connecticut with its principal place of business at 44 Hedgehog Lane, West Simsbury, CT 06092.

2. Upon information and belief, Defendant Facebook, Inc. is a corporation organized and existing under the laws of Delaware with a principle place of business at 1 Hacker Way, Menlo Park, California 94025.

JURISDICTION AND VENUE

3. This is a claim for patent infringement and arises under the patent laws of the United States, Title 35 of the United States Code. This Court has jurisdiction over the subject matter of this claim under 28 U.S.C. §§ 1331 and 1338(a).

4. This Court has personal jurisdiction over Defendant because, upon information and belief and among other things, the Defendant is transacting business within this District and has committed acts and, on information and belief, will continue to commit acts within this District giving rise to this action including offering and providing the infringing products and/or placing infringing product into the stream of commerce in such a way as to reach customers in this District.

5. In addition, this Court has personal jurisdiction over Defendant by virtue of its widespread and continuous contacts with the state of Connecticut. Among other things, Facebook actively advertises in Connecticut, and provides services to over one million members residing in the state of Connecticut, including through a smartphone-based Facebook application (“Facebook mobile app”) available for download for iOS, Android, and Windows Phone devices. Facebook has been registered to do business in Connecticut under Business I.D. No. 0883875 since 2007.

6. Venue is proper in this judicial District under 28 U.S.C. §§ 1391(b), (c) and 1400(b).

BACKGROUND FACTS

1. Plaintiff is the owner by assignment of United States Patent No. 8,831,642, entitled “Close Proximity Notification System,” which was duly and legally issued by the United States Patent and Trademark Office on September 9, 2014 (the “ ‘642 Patent”). A true and correct copy of the ‘642 Patent is attached hereto as Exhibit A.

2. Plaintiff is engaged in the business of marketing, offering for sale, and/or selling products covered by the ‘642 Patent, including but not necessarily limited to a product called “CQ™ Beacon” to retailers and other businesses, which allows Plaintiff’s customers to advertise,

provide discounts and loyalty bonuses, and otherwise engage consumers in close proximity to the CQ™ Beacon. Plaintiff also provides a free “CQ™ App” for iOS and Android devices that allows customers to receive signals from the CQ™ Beacon.

3. Plaintiff’s innovative approach to proximity-based retail engagement has been written about in publications such as WIRED.com, the Hartford Business Journal, and CRM magazine.

4. The ‘642 Patent generally discloses a novel system for providing information to a user of a mobile device, such as a smart phone, when the user is located in close proximity to a point of interest (e.g., a store, restaurant, or other establishment), using a device equipped with a short-range wireless transmitter to provide notifications or other similar information, including but not limited to special offers, coupons, or general information regarding the point of interest, to the user of the mobile device.

5. In or around September and November 2014, Plaintiff, through its counsel, sent multiple correspondence to Defendant informing it of the ‘624 Patent. A true and correct copy of this correspondence is attached hereto as Exhibit B.

6. Upon information and belief, Defendant began a trial of Facebook’s Bluetooth® Beacon (“Facebook Beacon”) in six retail establishments in New York City, NY on or about January 2015. These Facebook Beacons provide a signal that instructs a Facebook mobile app on a user’s mobile device (e.g., a smart phone) to display what Defendant refers to as “Place Tips” when the user is in proximity of the Facebook Beacon.

7. Upon information and belief, Defendant announced on June 8, 2015 that it would begin to offer free Facebook Beacons to retailers and businesses across the United States, including in this judicial district, and posted a form on its website, at

<https://www.facebook.com/business/a/facebook-bluetooth-beacons#request>, to allow businesses to request a Facebook Beacon to use at their location.

8. Upon information and belief, Defendant has solicited businesses in Connecticut for the Facebook Beacons, and has shipped and/or will ship Facebook Beacons to businesses in Connecticut.

9. Upon information and belief, the Facebook Beacon requires no set up on the part of a business that receives it. According to Defendant's website, https://www.facebook.com/business/a/facebook-bluetooth-beacons#getting_started, all a business needs to do to enable its Facebook Beacon is to "pull it out of the packaging – really that's all it takes." Once the Facebook Beacon is removed from its packaging and a sticker on the back side of the device is removed, Defendant's "Place Tips" regarding the business will be displayed in any Facebook mobile app on the mobile device of any user that comes within proximity of the beacon.

10. Similarly, upon information and belief, users of the Facebook mobile app do not need to do anything within in the app itself to enable Place Tips.

11. Upon information and belief, Defendant has had specific knowledge of the '624 patent at least since the Plaintiff sent its first correspondence in or around September 2014.

12. Upon information and belief, Defendant willfully and specifically intended to infringe and/or to encourage its customers to infringe one or more claims of the patents-in-suit and knew or should have known that its actions would induce its customers to infringe one or more claims of the patents-in-suit

COUNT I
(Infringement of U.S. Patent No. 8,831,642)

13. Plaintiff repeats and realleges Paragraphs 1-12 as though fully set forth herein.

14. Defendant Facebook directly infringes and will continue to infringe at least claim 1 of the '642 Patent by, among other activities, making, using, providing or offering to provide its Facebook Beacon product and Facebook mobile app which practice the claimed methods and/or processes, and/or by knowingly and actively inducing others to infringe, and/or by contributing to the infringement of others.

15. Defendant's infringement, contributory infringement, and/or inducement to infringe has injured Plaintiff, and Plaintiff is entitled to recover damages adequate to compensate it for such infringement.

16. Upon information and belief, Defendant's acts of infringement, contributory infringement, and /or inducement to infringe has been willful, deliberate, and objectively reckless, warranting the assessment of increased damages pursuant to 35 U.S.C. § 284, and warrant a finding that this is an exceptional case, pursuant to 35 U.S.C. § 285.

17. Defendant's infringing activities have injured and will continue to injure Plaintiff, unless and until this Court enters an injunction prohibiting further infringement and, specifically, enjoining further manufacture, use, sale, importation, and/or offer for sale of products that come within the scope of the claims of the '642 Patent.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully asks this Court to enter judgment against Defendant and against its respective subsidiaries, successors, parents, affiliates, officers, directors, agents, servants and employees, and all persons in active concert or participation with Defendant, granting the following relief:

- A. The entry of judgment in favor of Plaintiff and against Defendant;
- B. A preliminary injunction prohibiting further infringement of the '642 Patent;

- C. A permanent injunction prohibiting further infringement of the '642 Patent;
- D. An award of damages against Defendant for damages arising from the infringement of the '642 Patent, including treble damages for willful infringement, pursuant to 35 U.S.C. § 284, together with prejudgment interest from the date the infringement began;
- E. The entry of judgment that this case is exceptional, and award treble damages, attorney fees and the costs of this action, pursuant to 35 U.S.C. § 285; and
- F. Such other relief to which Plaintiff is entitled under law, and any other and further relief that this Court or a jury may deem just and proper.

DEMAND FOR JURY TRIAL

Pursuant to Fed. R. Civ. P. 38(b), Plaintiff demands a trial by jury on all issues so triable.

Dated: September 17, 2015

Respectfully submitted,

By: /s/ Steven M. Coyle

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