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7

8 **UNITED STATES DISTRICT COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**
10 **SAN FRANCISCO DIVISION**

11 HUMBLE ABODE, INC.,
12 Plaintiff,
13 v.
14 SHIPPING AND TRANSIT, LLC,
15 Defendant.

CASE NO. 3:16-cv-1353

**AMENDED COMPLAINT FOR (1)
DECLARATORY JUDGMENT OF
INVALIDITY, (2) DECLARATORY
JUDGMENT OF NON-INFRINGEMENT,
(3) DECLARATORY JUDGMENT OF
UNENFORCEABILITY, AND (4) BREACH
OF CONTRACT**

JURY TRIAL DEMANDED

1 Plaintiff Humble Abode, Inc. (“Plaintiff” or “Humble Abode”) files this Amended
2 Complaint for Declaratory Judgment of Invalidity, Non-Infringement, and Unenforceability, as
3 well as Breach of Contract against Defendant Shipping and Transit, LLC and states as follows:

4 **THE PARTIES**

5 1. Plaintiff Humble Abode is a Delaware corporation headquartered in Sonoma
6 County, California.

7 2. Defendant Shipping and Transit LLC (“Shipping and Transit”) is a Florida limited
8 liability company having its principal place of business at 711 SW 24th Avenue, Boynton Beach,
9 Florida.

10 **JURISDICTION AND VENUE**

11 3. This Amended Complaint arises under federal law and the laws of California.
12 This Court has jurisdiction over these claims pursuant to 28 U.S.C. § 1338 because the
13 Complaint states claims arising under an Act of Congress relating to patents, 35 U.S.C. § 271.

14 4. This Complaint also arises under the Federal Declaratory Judgment Act, 28 U.S.C.
15 §§ 2201 *et seq.* based on Defendant’s threats to sue Plaintiff for patent infringement, thereby
16 giving rise to an actual case or controversy under 28 U.S.C. §§ 2201 and 2202.

17 5. This Court has personal jurisdiction over Shipping and Transit. Shipping and
18 Transit conducts substantial business in this judicial district, including regularly doing or
19 soliciting business, engaging in other persistent courses of conduct, and deriving substantial
20 revenue from individuals and entities in California.

21 6. More specifically, since January 2015, Shipping and Transit has been involved in
22 111 lawsuits asserting the ’970 Patent, of which 20 suits, excluding this one, have been or are
23 being litigated in California. California lawsuits wherein Shipping and Transit has asserted the
24 ’970 Patent include, but are not necessarily limited to:

- 25 • 2:15-cv-06672-JAK-PLA *Shipping & Transit, LLC v. The Antigua Group, Inc.*
- 26 • 2:16-cv-00911-AB-DTB *Shipping & Transit LLC v. VelaTrack, Inc.*
- 27 • 2:16-cv-00195-RGK-AGR *Shipping & Transit LLC v. 123Stores, Inc.*
- 28 • 2:15-cv-06683-JVS-JEM *Shipping & Transit, LLC v. Maravia Corp. of Idaho*

- 1 • 2:15-cv-06699-JVS-AJW *Shipping & Transit, LLC v. Russell Brands, LLC*
- 2 • 2:15-cv-09793-MWF-MRW *Shipping & Transit LLC v. zZounds Music, L.L.C.*
- 3 • 2:15-cv-09539-JAK-PJW *Shipping & Transit LLC v. Gilmore & Co., Inc.*
- 4 • 2:15-cv-08635-GW-PLA *Shipping & Transit LLC v. Campmor, Inc.*
- 5 • 2:15-cv-09804-CAS-AFM *Shipping & Transit LLC v. Babyhaven.com Inc.*
- 6 • 2:15-cv-06675-JAK-PLA *Shipping & Transit LLC v. C3 Concepts, Inc.*
- 7 • 2:15-cv-09533-AG-AS *Shipping & Transit LLC v. J Brand, Inc.*
- 8 • 2:16-cv-00741-R-PLA *Shipping & Transit LLC v. Ebuys, Inc.*
- 9 • 2:16-cv-00192-PSG-FFM *Shipping & Transit LLC v. Marine Layer, Inc.*
- 10 • 2:15-cv-08638-JVS-AS *Shipping & Transit LLC v. Freshpair Inc.*
- 11 • 2:15-cv-08641-DDP-AFM *Shipping & Transit LLC v. Glasses USA, LLC*

12 7. Similarly, since January 2015, Shipping and Transit has been involved in 63
13 lawsuits asserting the '359 Patent, of which 4 suits, excluding this one, have been or are being
14 litigated in California.

15 8. Since January 19, 2016, Shipping and Transit has been involved in 29 lawsuits
16 asserting the '207 Patent, of which 7 suits, excluding this one, have been or are being litigated in
17 California.

18 9. Since January 19, 2016, Shipping and Transit has been involved in 29 lawsuits
19 asserting the '299 Patent, of which 7 suits, excluding this one, have been or are being litigated in
20 California.

21 10. Indeed, Shipping and Transit is so partial to purposefully availing itself of the
22 California federal district courts, and using those courts as a preferred forum for asserting its
23 patents, that it files suit here against companies that are based in other states, with no apparent
24 connection to California at all. *See, e.g., Shipping & Transit, LLC v. Maravia Corporation of*
25 *Idaho*, Case. No. 2:15-cv-06683-JVS-JEM (C.D. Cal. Sept. 1, 2015) (asserting the '970 Patent).

26 11. Shipping and Transit has sent demand letters to numerous other companies,
27 including numerous other companies based in California, asserting infringement of the Patents-in-

1 suit and demanding payment of money. *See* Exhibit 1 at pp. 12-16 (identifying companies that
2 have obtained a license from Shipping and Transit).

3 12. Shipping and Transit was “formerly known as ArrivalStar S.A. and Melvino
4 Technologies Limited.” *See* Exhibit 1. As such, Shipping and Transit was involved in
5 approximately 511 lawsuits across the United States involving the patents-in-suit, or other related
6 patents. As “ArrivalStar S.A. and Melvino,” Shipping and Transit regularly, continuously, and
7 systematically availed itself of the California federal district courts, and repeatedly used those
8 courts as a preferred forum for asserting a number of the patents-in-suit, including the ’970, ’207,
9 ’359, and ’299 Patents.

10 13. On information and belief, as “ArrivalStar S.A. and Melvino,” Shipping and Transit
11 has sent letters to hundreds (if not thousands) of companies, including hundreds (if not thousands)
12 of companies based in California, asserting infringement of one or more of the patents-in-suit and
13 demanding payment of money.

14 14. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because a substantial
15 part of the events or omissions giving rise to the claims herein occurred in this judicial district.

16 FACTUAL BACKGROUND

17 **A. The Asserted Patents**

18 15. On April 22, 1997, U.S. Patent No. 7,400,970 (the ’970 Patent), entitled System
19 and Method for a Notification System for Monitoring and Reporting Proximity of a Vehicles was
20 issued.

21 16. Shipping and Transit has accused Plaintiff of infringing Claims 1 and 8 of the ’970
22 Patent. By way of example, Claim 1 of the ’970 Patent claims as follows:

23 1. A computer based notification system, comprising:

24 means for enabling communication with a user that is designated to receive
25 delivery of a package;

26 **means for presenting one or more selectable options to the user, the selectable**
27 **options including at least an activation option for instigating monitoring of**
28 **travel data associated with a vehicle that is delivering the package to the user;**

means for requesting entry by the user of a package identification number or
package delivery number, each pertaining to delivery of the package;

1 **means for identifying the vehicle based upon the entry;**

2 means for requesting entry by the user of contact information indicating one or
3 more communication media to be used in connection with a notification
4 communication to the user;

4 **means for monitoring the travel data;** and

5 means for initiating the notification communication pertaining to the package via
6 the one or more communication media, based upon the travel data.

6 The '970 Patent, claim 1 (emphasis added).

7 17. Humble Abode does not infringe Claims 1 or 8 for at least the following reasons.

8 Claims 1 and 8 require, *inter alia*, “means for initiating the notification communication pertaining
9 to the package via the one or more communication media, based upon the travel data.” The
10 accused third party online ordering platform that Humble Abode utilizes, however, does not
11 initiate a notification communication “based upon the travel data.” The '970 Patent defines “travel
12 data” in the context of real time, periodically updated information about the delivery vehicle
13 containing the package, such as its location or distance and time from the delivery address.

14 18. Rather, to the extent that the third party system notifies the customer, the notices
15 merely inform the customer that the order has been received, confirms that the order has been
16 shipped, and if necessary coordinates front door delivery. Humble Abode does not initiate a
17 notification to the customer with travel data (*e.g.*, the current location of the package as it travels
18 in the delivery vehicle).

19 19. Claims 1 and 8 also require “means for identifying the vehicle based upon the entry
20 [of the package identification number].” The accused third party platform that Humble Abode
21 utilizes does not identify the vehicle delivering the package.

22 20. On July 2, 2002, U.S. Patent No. 6,415,207 (the '207 Patent), entitled System and
23 Method for Automatically Providing Vehicle Status Information was issued.

24 21. Shipping and Transit has accused Plaintiff of infringing claims 5 and 7 of the '207
25 Patent. By way of example, Claim 5 of the '207 Patent claims as follows:

26 5. A system for monitoring and reporting status of vehicles, comprising:

27 **means for maintaining status information associated with a vehicle**, said status
28 information indicative of a current proximity of said identified vehicle;

1 **means for communicating with a remote communication device**, said means for
 2 communicating including a means for receiving caller identification information
 automatically transmitted to said communicating means;

3 **means for utilizing said caller identification information to automatically search for**
 4 **and locate a set of said status information**; and

5 **means for automatically retrieving and transmitting said set of said status**
 6 **information.**

6 The '207 Patent, claim 5 (emphasis added). Claim 7 depends from Claim 5 and requires

7 “wherein said caller identification information is an e-mail address.”

8 22. The accused third party online ordering platform that Humble Abode utilizes does
 9 not infringe Claims 5 or 7 for at least the following reasons. Claim 5 is directed to a system “for
 10 monitoring and reporting status of vehicles.” To do so, Claim 5 requires, *inter alia*, “means for
 11 maintaining status information associated with a vehicle, said status information indicative of a
 12 current proximity of said identified vehicle.” The '207 Patent specification teaches that the
 13 claimed systems track in real time the progress of the delivery vehicle and then report that
 14 information to the customer expecting the package.

15 23. The accused third party online ordering platform that Humble Abode utilizes,
 16 however, does not monitor the progress of the delivery vehicle in real time and then update the
 17 customer on the progress of the vehicle. Nor does the system maintain status information on the
 18 vehicle, let alone identify it. Rather, to the extent that the third party system to notify the customer,
 19 Humble Abode merely notifies the customer that the order has been received, confirms the order
 20 has been shipped, and when necessary coordinates final delivery to the door.

21 24. On July 13, 2004, U.S. Patent No. 6,763,299 (the '299 Patent), entitled Notification
 22 Systems and Methods with Notifications Based Upon Prior Stop Locations was issued.

23 25. Shipping and Transit has accused Plaintiff of infringing claim 79 of the '299 Patent.
 24 By way of example, Claim 79 of the '299 Patent claims as follows:

25 79. A system, comprising:

26 means for maintaining delivery information **identifying a plurality of stop**
 27 **locations**;

1 **means for monitoring travel data associated with a vehicle** in relation to the
2 delivery information;

3 **means for**, when the vehicle approaches, is at, or leaves a stop location:

4 **determining a subsequent stop location in the delivery information;**

5 determining user defined preferences data associated with the stop location, the
6 user defined preferences data including a distance between the vehicle and the
7 subsequent stop that corresponds to when the party wishes to receive the
8 communication; and

9 **sending a communication to a party associated with the subsequent stop
10 location** in accordance with the user defined preferences data to notify the party of
11 impending arrival at the subsequent stop location.

12 '299 Patent, claim 79 (emphasis added).

13 26. The accused third party online ordering platform that Humble Abode utilizes does
14 not infringe Claim 79 for at least the following reasons. Claim 79 requires, *inter alia*, “monitoring
15 travel data associated with a vehicle,” “determining a subsequent stop location,” and then sending
16 a communication notifying the customer “of the impending arrival” of the vehicle at the delivery
17 address. The '299 Patent specification teaches that the claimed systems track in real time the
18 progress of the delivery vehicle at each predefined stop and then report that information to the
19 ultimate destination.

20 27. The accused third party online ordering platform that Humble Abode utilizes,
21 however, does not monitor the progress of the delivery vehicle in real time and then send an email
22 to update the customer on the progress of the vehicle. Rather, to the extent that the third party
23 system notifies the customer, the notices merely inform the customer that the order has been
24 received, confirms that the order has been shipped, and when applicable coordinates with customer
25 notifies the customer when a tracking number has been assigned. Humble Abode does not initiate
26 a notification to the customer with travel data (*e.g.*, the current location of the package as it travels
27 in the delivery vehicle).

28 28. On June 7, 2005, U.S. Patent No. 6,904,359 (the '359 Patent), entitled Notification
Systems and Methods with User-Definable Notifications Based Upon Occurrence of Events was
issued.

1 29. Shipping and Transit has accused Plaintiff of infringing claim 41 of the '359 Patent.

2 By way of example, Claim 41 of the '359 Patent claims as follows:

3 41. A notification system, comprising:

4 (a) means for permitting a user to predefine one or more events that will cause
5 creation and communication of a notification relating to the status of a mobile
6 vehicle in relation to a location, comprising:

7 (1) means for permitting the user to electronically communicate during a
8 first communication link with the notification system from a user
9 communications device that is remote from the notification system *and the*
10 *vehicle whose travel is being monitored, the notification system being*
11 *located remotely from the vehicle;* and

12 (2) means for receiving during the first communication link an
13 identification of the one or more events relating to the status of the vehicle,
14 wherein the one or more events comprises at least one of the following:
15 distance information specified by the user that is indicative of a distance
16 between the vehicle and the location, location information specified by the
17 user that is indicative of a location or region that the vehicle achieves during
18 travel, time information specified by the user that is indicative of a time for
19 travel of the vehicle to the location, or a number of one or more stops that
20 the vehicle accomplishes prior to arriving at the location; and

21 (b) means for establishing a second communication link between the system and
22 the user upon occurrence of the one or more events *achieved by the mobile vehicle*
23 *during the travel.*

24 The '359 Patent, claim 41 (matters printed in italics indicates additions made to the patent as a
25 result of Reexamination).

26 30. Humble Abode does not infringe Claim 41 for at least the following reasons. Claim
27 41 is directed to a notification system that requires, *inter alia*, “means for establishing a second
28 communication link between the system and the user upon occurrence of the one or more events
29 achieved by the mobile vehicle during the travel.” The '359 Patent specification teaches that the
30 claimed systems track in real time the progress of the delivery vehicle and then report that
31 information to the customer expecting the package.

32 31. The accused third party online ordering platform that Humble Abode utilizes,
33 however, does not monitor the progress of the delivery vehicle in real time and then update the
34 customer on the progress of the vehicle. Specifically, it does not send or establish reporting on

1 events “achieved by the mobile vehicle during the travel.” Rather, to the extent that the third party
2 system notifies the customer, the notices merely inform the customer that the order has been
3 received, confirms that the order has been shipped, and if necessary coordinates final front door
4 delivery.

5 **B. Invalidity of the Patents-in-Suit**

6 32. The American Letter’s asserted claims in the ’970, ’207, ’359, and ’299 Patents, as
7 well as other claims, are invalid for failure to comply with one or more of the sections of the
8 Patent Code governing validity, namely, 35 U.S.C. §§ 101, 102, 103, and 112. Without limiting
9 further arguments to be developed during the litigation, the claims of the Patents-in-suit are
10 anticipated or rendered obvious by certain prior art references, alone or in combination, that were
11 not considered by the USPTO.

12 33. Additionally, the ’970, ’207, ’359, and ’299 Patents are invalid as anticipated
13 pursuant to § 102 and as obvious pursuant to § 103. Prior art that renders the ’970, ’207, ’359,
14 and ’299 Patents anticipated and/or obvious includes, but is not necessarily limited to:

- 15 • U.S. Patent No. 4,804,937 (Barbiaux);
- 16 • U.S. Patent No. 5,835,377 (Bush);
- 17 • U.S. Patent No. 6,006,159 (Schmier);
- 18 • Advanced Public Transportation System: The State of the Art Update ’92, U.S. Department
19 of Transportation, April 1992 (Labell et al.);
- 20 • Gadget May End Lengthy Bus Waits: Inventor’s Locator Device Could Stop Bus-Stop
21 Blues, S.F. Chron., Nov. 25, 1996 (Walker);
- 22 • Automatic Vehicle Monitoring, A Tool for Vehicle Fleet Operations, IEEE Transactions
23 on Vehicular Technology, Vol. VT-29, No. 2 (May 1980) (Symes);
- 24 • German “Smart Bus” Systems: Potential for Application in Portland, Oregon Volume 1
25 Technical Report, Office of Technical Assistance and Safety, Jan. 1993; and,
- 26 • Communications and Positioning Systems in the Motor Carrier Industry, Program on
27 Advanced Technology for the Highway, Jan. 1, 1992 (Scapinakis).

1 34. As one example, the Labell reference describes systems for automatic vehicle
2 location for monitoring and real time reporting on the status and location of vehicles. Notably
3 during reexamination several claims of a patent—U.S. Patent No. 7,030,781—related to the '970,
4 '207, '359, and '299 Patents were found invalid in view of this reference.

5 35. Further, the claims to the '970, '207, '359, and '299 Patents, and all the Patents-in-
6 suit, are directed to an abstract idea and fail to claim an inventive concept that would transform
7 said abstract idea into an eligible invention pursuant to § 101.

8 36. More specifically, the claims of the '970, '207, '359, and '299 Patents are directed
9 to the abstract idea of letting an individual know when a package will arrive, which can be done by
10 a person with a telephone and watch or calendar.

11 37. The claims of the '970, '207, '359, and '299 Patents, or any of the Patents-in-suit,
12 do not recite any particular computer hardware or other gadget. The claims of the '970, '207,
13 '359, and '299 Patents, or any of the Patents-in-suit, do not identify a technical solution to any
14 particular technical problem.

15 **C. Humble Abode's Checkout and Shipping Process**

16 38. Since 1999, Humble Abode has been at or near the lead in selling furniture and
17 home furnishings, and is one of America's fastest growing retailers.

18 39. Humble Abode markets and sells its products online through a website (at
19 www.humbleabode.com) and ships products all over the contiguous United States via using
20 various carriers, such as, United Parcel Service ("UPS"), United States Postal Service ("USPS"),
21 and Federal Express ("FedEx"). Humble Abode's customers are located throughout the United
22 States and Canada, including the San Francisco Bay Area.

23 40. When a customer makes a purchase on www.humbleabode.com, then within 24-
24 hours, Humble Abode's purchasing department will provide an estimated ship date via email to the
25 email address provided by the customer.

26 41. Humble Abode then arranges to package and ship the customer's order. Humble
27 Abode typically ships Small Items with UPS, FedEx, or USPS, and does not require a signature for
28 delivery.

1 42. UPS, USPS, and FedEx each have a license to the entire Shipping and Transit
2 patent portfolio.

3 43. More specifically for the USPS, Shipping and Transit has covenanted not to sue the
4 USPS on any of the patents in the Shipping and Transit patent portfolio, and has signed an
5 agreement with the USPS releasing it from all past, present, and future “claims, actions, causes of
6 actions, suits, damages, injuries, duties, rights, obligations, liabilities, adjustments, responsibilities,
7 judgments, trespasses, and demands, whatsoever, in law or in equity, whether known or unknown,
8 suspected or unsuspected to exist, now existing or later acquired, which were made or could have
9 been made or may be made in the future” by Shipping and Transit based on any patent in the
10 Shipping and Transit patent portfolio. *ArrivalStar S.A. & Melvino Technologies Ltd. v. United*
11 *States*, 1:11-cv-00784, Dkt. No. 31 (Fed. Cl. Jan. 7, 2013). Shipping and Transit cannot derogate
12 from the rights previously granted by pursuing USPS customers for the use of USPS services.
13 *Jacobs v. Nintendo of America*, 370 F.3d 1097, 1101 (Fed. Cir. 2004).

14 44. When the order has been packed and given to the courier, the third-party
15 ecommerce software that Humble Abode utilizes will automatically provide confirmation of the
16 order’s shipment along with a tracking number and link to the website of the courier service to an
17 email provided by the customer. At this point, Humble Abode has completed its interaction with
18 the customer, the package, and the shipping.

19 45. Humble Abode does not track the package or any vehicle that carries the package,
20 does not allow the user to specify when the user wishes to receive notifications, does not receive
21 vehicle or location indicator numbers from the user, does not create a “vehicle status report,” does
22 not automatically or otherwise identify a proximity of a vehicle based on any location indicator,
23 does not track any vehicles, does not analyze data indicative of the travel of any vehicle, does not
24 present the user with options including an activation option to start monitoring travel data
25 associated with a vehicle carrying a package, does not ask the user for a package identification
26 number or package delivery number related to the delivery of a package, does not identify a
27 vehicle based on any such package number, and does not monitor travel data associated with a
28 vehicle delivering a package.

1 **D. Shipping and Transit Threatens Humble Abode with Litigation**

2 46. Upon information and belief, Shipping and Transit is in the business of patent
3 licensing through the threat of litigation and actual litigation.

4 47. A key part of Shipping and Transit’s business model is sending letters, emails, and
5 making telephone calls threatening patent litigation and following through on that threat.

6 48. On or about February 3, 2016, Shipping and Transit sent a letter (the “American
7 Letter”) to James L. Wickersham, Humble Abode’s Agent for Service in California, asserting that
8 Humble Abode infringes the ‘Patent, and claims that “[t]wo or more people within Shipping and
9 Transit have done extensive research to determine patent usage before sending you this
10 document.” A true and correct copy of the American Letter is attached as Exhibit 1.

11 49. On March 24, 2016, Shipping and Transit sent a second letter (the “Canadian
12 Letter”) to Mr. Wickersham “to acquaint Humble Abode LLC with Shipping and Transit’s
13 Canadian patent portfolio, show examples of how Humble Abode utilizes the patented
14 technologies and offer you a license.” Shipping and Transit claims that Humble Abode’s “past
15 and future use requires licensing and compensation.” A true and correct copy of the Canadian
16 Letter is attached as Exhibit 2.

17 50. The Canadian Letter identifies Canadian Patent Nos. 2,360,288; 2,363,556; and
18 2,283,239 as patents that Humble Abode utilizes, does not have a license, and must pay for past
19 and future use. These patents, like its U.S. Patents, are directed to the practice of a patented
20 method.

21 **E. Third-Party Licenses Protect Humble Abode’s Activities**

22 51. The basis for Shipping and Transit’s claims of patent infringement against Humble
23 Abode are the use of Humble Abode’s checkout procedure and ecommerce platform, which is
24 managed by Magento, Inc., and shipping via common carriers, such as FedEx, USPS, or UPS.

25 52. Upon information and belief, Magento has a license to the entire Shipping and
26 Transit patent portfolio, including the Canadian patents. Upon information and belief, Magento’s
27 license extends to its customers, including Humble Abode.

1 53. Shipping and Transit is well aware of the fact that it has granted Magento a license
2 to the entire Shipping and Transit patent portfolio, including the Canadian patents, and it knows
3 (or, with reasonable investigation, should know) that Humble Abode is a Magento customer and
4 an intended third-party beneficiary of the license that it has granted.

5 54. FedEx has licensed the entire Shipping and Transit patent portfolio, including the
6 Canadian patents. *See* Exhibit 1, p. 12-13 & 15 (identifying FedEx Corp. as a licensee). FedEx's
7 license extends to its customers, including Humble Abode. Shipping and Transit cannot derogate
8 from the rights previously granted by pursuing FedEx customers for the use of licensed FedEx
9 services. *Jacobs v. Nintendo of America*, 370 F.3d 1097, 1101 (Fed. Cir. 2004).

10 55. Shipping and Transit is well aware of the fact that it has granted FedEx a license to
11 the entire Shipping and Transit patent portfolio, including the Canadian patents, and it knows (or,
12 with reasonable investigation, should know) that Humble Abode ships products using FedEx.
13 Shipping and Transit knows that Humble Abode is an intended third-party beneficiary of the
14 license that it has granted.

15 56. UPS has licensed the entire Shipping and Transit patent portfolio, including the
16 Canadian patents. *See* Exhibit 1, p. 12-13 & 15 (identifying UPS, Inc. as a licensee). UPS's
17 license extends to its customers, including Humble Abode. Shipping and Transit cannot derogate
18 from the rights previously granted by pursuing UPS customers for the use of licensed UPS
19 services. *Jacobs v. Nintendo of America*, 370 F.3d 1097, 1101 (Fed. Cir. 2004).

20 57. Shipping and Transit is well aware of the fact that it has granted UPS a license to
21 the entire Shipping and Transit patent portfolio, including the Canadian patents, and it knows (or,
22 with reasonable investigation, should know) that Humble Abode ships products using UPS.
23 Shipping and Transit knows that Humble Abode is an intended third-party beneficiary of the
24 license that it has granted.

25 58. USPS has licensed the entire Shipping and Transit patent portfolio, including the
26 Canadian patents. A true and correct copy of the covenant not to sue, which acts as a license, that
27 Shipping and Transit granted to the USPS is attached as Exhibit 3. The USPS license extends to
28 its customers, including Humble Abode. Shipping and Transit cannot derogate from the rights

1 previously granted by pursuing USPS customers for the use of USPS services. *Jacobs v. Nintendo*
2 *of America*, 370 F.3d 1097, 1101 (Fed. Cir. 2004).

3 59. Shipping and Transit is well aware of the fact that it has granted USPS a license to
4 the entire Shipping and Transit patent portfolio, including the Canadian patents, and it knows (or,
5 with reasonable investigation, should know) that Humble Abode ships products using USPS.
6 Shipping and Transit knows that Humble Abode is an intended third-party beneficiary of the
7 license that it has granted.

8 60. Upon information and belief, Humble Abode cannot infringe any patent in the
9 Shipping and Transit patent portfolio on the basis of the Magento license alone.

10 61. To the extent that Shipping and Transit claims the Magento license is insufficient to
11 cover any patent, then all of Humble Abode's orders that ship via FedEx, UPS, USPS, or, and at a
12 minimum, any other shipping company that Shipping and Transit identified in the American Letter
13 as a licensee are protected by each delivery company's license.

14 **F. The Patents-in-Suit: Shipping and Transit's Patent Portfolio**

15 62. The Shipping and Transit patent portfolio includes, but is not necessarily limited to,
16 U.S. Patent Nos. 5,400,020; 5,444,444; 5,623,260; 5,648,770; 5,657,010; 5,668,543; 6,278,936;
17 6,313,760; 6,317,060; 6,363,254; 6,363,323; 6,411,891; 6,415,207; 6,486,801; 6,492,912;
18 6,510,383; 6,618,668; 6,683,542; 6,700,507; 6,714,859; 6,741,927; 6,748,318; 6,748,320;
19 6,763,299; 6,763,300; 6,804,606; 6,859,722; 6,904,359; 6,952,645; 6,975,998; 7,030,781;
20 7,089,107; 7,191,058; and 7,400,970.

21 63. The Shipping and Transit patent portfolio includes, but is not necessarily limited to,
22 Canadian Patent Nos. 2,360,288; 2,363,556; and 2,283,239.

23 64. Shipping and Transit has admitted that the term for the '970 Patent has expired.

24 65. On March 21, 1995, U.S. Patent No. 5,400,020, entitled Advanced Notification
25 System and Method was issued.

26 66. On August 22, 1995, U.S. Patent No. 5,444,444, entitled Apparatus and Method of
27 Notifying a Recipient of an Unscheduled Delivery was issued.

- 1 67. On April 22, 1997, U.S. Patent No. 5,623,260, entitled Advanced Notification
2 System and Method Utilizing Passenger-Definable Notification Time Period was issued.
- 3 68. On July 15, 1997, U.S. Patent No. 5,648,770, entitled Apparatus and Method of
4 Notifying a Party of an Pending Delivery or Pickup was issued.
- 5 69. On August 12, 1997, U.S. Patent No. 5,657,010, entitled Advanced Notification
6 System and Method Utilizing Vehicle Progress Report Generator was issued.
- 7 70. On September 16, 1997, U.S. Patent No. 5,668,543, entitled Advance Notification
8 System and Method Utilizing Passenger Calling Report Generator was issued.
- 9 71. On August 21, 2001, U.S. Patent No. 6,278,936, entitled System and Method for an
10 Advance Notification System for Monitoring and Reporting Proximity of a Vehicle was issued.
- 11 72. On November 6, 2001, U.S. Patent No. 6,313,760, entitled Advanced Notification
12 System and Method Utilizing a Distinctive Telephone Ring was issued.
- 13 73. On November 13, 2001, U.S. Patent No. 6,317,060, entitled Base Station System
14 and Method for Monitoring Travel of Mobile Vehicles and Communicating Notification Messages
15 was issued.
- 16 74. On March 26, 2002, U.S. Patent No. 6,363,254, entitled System and Method for
17 Enciphering and Communicating Vehicle Tracking Information was issued.
- 18 75. On March 26, 2002, U.S. Patent No. 6,363,323, entitled Apparatus and method for
19 monitoring travel of a mobile vehicle was issued.
- 20 76. On June 25, 2002, U.S. Patent No. 6,411,891, entitled Advance Notification System
21 and Method Utilizing User-Definable Notification Time Periods was issued.
- 22 77. On November 26, 2002, U.S. Patent No. 6,486,801, entitled Base Station Apparatus
23 and Method for Monitoring Travel of a Mobile Vehicle was issued.
- 24 78. On December 10, 2002, U.S. Patent No. 6,492,912, entitled System and Method for
25 Efficiently Notifying Users of Impending Arrivals of Vehicles was issued.
- 26 79. On January 21, 2003, U.S. Patent No. 6,510,383, entitled Vehicular Route
27 Optimization System and Method was issued.
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1 80. On September 9, 2003, U.S. Patent No. 6,618,668, entitled System and Method for
2 Obtaining Vehicle Schedule Information in an Advance Notification System was issued.

3 81. On January 27, 2004, U.S. Patent No. 6,683,542, entitled Advanced Notification
4 System and Method Utilizing a Distinctive Telephone Ring was issued.

5 82. On March 2, 2004, U.S. Patent No. 6,700,507, entitled Advance Notification
6 System and Method Utilizing Vehicle Signaling was issued.

7 83. On March 30, 2004, U.S. Patent No. 6,714,859, entitled System and Method for an
8 Advance Notification System for Monitoring and Reporting Proximity of a Vehicle was issued.

9 84. On May 25, 2004, U.S. Patent No. 6,741,927, entitled User-Definable
10 Communications Methods and Systems was issued.

11 85. On June 8 2004, U.S. Patent No. 6,748,318, entitled Advanced Notification
12 Systems and Methods Utilizing a Computer Network was issued.

13 86. On June 8 2004, U.S. Patent No. 6,748,320, entitled Advance Notification Systems
14 and Methods Utilizing a Computer Network was issued.

15 87. On July 13, 2004, U.S. Patent No. 6,763,300, entitled Notification Systems and
16 Methods with Purpose Message in Notifications was issued.

17 88. On October 12, 2004, U.S. Patent No. 6,804,606, entitled Notification Systems and
18 Methods with User-Definable Notifications Based Upon Vehicle Proximities was issued.

19 89. On February 22, 2005, U.S. Patent No. 6,859,722, entitled Notification Systems
20 and Methods with Notifications Based Upon Prior Package Delivery was issued.

21 90. On October 4, 2005, U.S. Patent No. 6,952,645, entitled System and Method for
22 Activation of an Advance Notification System for Monitoring and Reporting Status of Vehicle
23 Travel was issued.

24 91. On December 13, 2005, U.S. Patent No. 6,975,998, entitled Package Delivery
25 Notification System and Method was issued.

26 92. On April 18, 2006, U.S. Patent No. 7,030,781, entitled Notification System and
27 Method that Informs a Party of Vehicle Delay was issued.

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1 93. On August 8, 2006, U.S. Patent No. 7,089,107, entitled System and Method for an
2 Advance Notification System for Monitoring and Reporting Proximity of a Vehicle was issued.

3 94. On March 13, 2007, U.S. Patent No. 7,191,058, entitled Notification Systems and
4 Methods Enabling User Entry of Notification Trigger Information Based Upon Monitored Mobile
5 Vehicle Location was issued.

6 **COUNT I – DECLARATION OF INVALIDITY**
7 (b) (U.S. Patent No. 7,400,970)

8 95. Humble Abode restates and incorporates by reference the allegations in paragraphs
9 1 through 94 of this Complaint as if fully set forth herein.

10 96. Shipping and Transit claims to own all rights, title, and interest to the '970 Patent.

11 97. Shipping and Transit has demanded that Humble Abode take a license to the '970
12 Patent.

13 98. A substantial, immediate, and real controversy therefore exists between Humble
14 Abode and Shipping and Transit regarding whether the claims of the '970 Patent are valid.

15 99. The claims of the '970 Patent are invalid under at least 35 U.S.C. §§ 101, 102, 103,
16 and 112.

17 100. The claims of the '970 Patent do not constitute patentable subject matter pursuant
18 to 35 U.S.C. § 101, and therefore are an invalid patent on an abstract idea.

19 101. Based on Shipping and Transit's letter, its threat of litigation for patent
20 infringement, its pattern of litigation, and Humble Abode's denial of infringement, an actual case
21 or controversy exists as to whether Humble Abode infringes any valid claim of the '970 Patent,
22 and Humble Abode is entitled to a declaration that the claims of the '970 Patent are invalid.

23 **COUNT II – DECLARATION OF INVALIDITY**
24 (b) (U.S. Patent No. 6,415,207)

25 102. Humble Abode restates and incorporates by reference the allegations in paragraphs
26 1 through 94 of this Complaint as if fully set forth herein.

27 103. Shipping and Transit claims to own all rights, title, and interest to the '207 Patent.

28 104. Shipping and Transit has demanded that Humble Abode take a license to the '207
Patent.

COUNT IV – DECLARATION OF INVALIDITY

(U.S. Patent No. 6,904,359)

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2 116. Humble Abode restates and incorporates by reference the allegations in paragraphs
3 1 through 94 of this Complaint as if fully set forth herein.

4 117. Shipping and Transit claims to own all rights, title, and interest to the '359 Patent.

5 118. Shipping and Transit has demanded that Humble Abode take a license to the '359
6 Patent.

7 119. A substantial, immediate, and real controversy therefore exists between Humble
8 Abode and Shipping and Transit regarding whether the claims of the '359 Patent are valid.

9 120. The claims of the '359 Patent are invalid under at least 35 U.S.C. §§ 101, 102, 103,
10 and 112.

11 121. The claims of the '359 Patent do not constitute patentable subject matter pursuant
12 to 35 U.S.C. § 101, and therefore are an invalid patent on an abstract idea.

13 122. Based on Shipping and Transit's letter, its threat of litigation for patent
14 infringement, its pattern of litigation, and Humble Abode's denial of infringement, an actual case
15 or controversy exists as to whether Humble Abode infringes any valid claim of the '359 Patent,
16 and Humble Abode is entitled to a declaration that the claims of the '359 Patent are invalid.

17 **COUNT V – DECLARATION OF NON-INFRINGEMENT**

(U.S. Patent No. 7,400,970)

18 123. Humble Abode restates and incorporates by reference the allegations in paragraphs
19 1 through 94 of this Complaint as if fully set forth herein.

20 124. Shipping and Transit claims to own all rights, title, and interest in the '970 Patent.

21 125. Shipping and Transit has demanded that Humble Abode take a license to the '970
22 Patent.

23 126. In the American Letter, Shipping and Transit admits that the patent term of the '970
24 Patent has ended.

25 127. Based on Shipping and Transit's letters, its threat of litigation for patent
26 infringement, and its pattern of litigation, and Humble Abode's denial of infringement, a
27 substantial, immediate, and real controversy exists between Humble Abode and Shipping and
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1 Transit regarding whether Humble Abode directly or indirectly infringes or has infringed the '970
2 Patent. A judicial declaration is necessary to determine the parties' respective rights regarding the
3 '970 Patent.

4 128. Humble Abode seeks a judgment declaring that Humble Abode does not directly or
5 indirectly infringe and has not infringed any claim of the '970 Patent.

6 **COUNT VI – DECLARATION OF NON-INFRINGEMENT**
7 (U.S. Patent No. 6,415,207)

8 129. Humble Abode restates and incorporates by reference the allegations in paragraphs
9 1 through 94 of this Complaint as if fully set forth herein.

10 130. Shipping and Transit claims to own all rights, title, and interest in the '207 Patent.

11 131. Shipping and Transit has demanded that Humble Abode take a license to the '207
12 Patent.

13 132. Based on Shipping and Transit's letters, its threat of litigation for patent
14 infringement, and its pattern of litigation, and Humble Abode's denial of infringement, a
15 substantial, immediate, and real controversy exists between Humble Abode and Shipping and
16 Transit regarding whether Humble Abode directly or indirectly infringes or has infringed the '207
17 Patent. A judicial declaration is necessary to determine the parties' respective rights regarding the
18 '207 Patent.

19 133. Humble Abode seeks a judgment declaring that Humble Abode does not directly or
20 indirectly infringe and has not infringed any claim of the '207 Patent.

21 **COUNT VII – DECLARATION OF NON-INFRINGEMENT**
22 (U.S. Patent No. 6,763,299)

23 134. Humble Abode restates and incorporates by reference the allegations in paragraphs
24 1 through 94 of this Complaint as if fully set forth herein.

25 135. Shipping and Transit claims to own all rights, title, and interest in the '299 Patent.

26 136. Shipping and Transit has demanded that Humble Abode take a license to the '299
27 Patent.

28 137. Based on Shipping and Transit's letters, its threat of litigation for patent
infringement, and its pattern of litigation, and Humble Abode's denial of infringement, a

1 substantial, immediate, and real controversy exists between Humble Abode and Shipping and
2 Transit regarding whether Humble Abode directly or indirectly infringes or has infringed the '299
3 Patent. A judicial declaration is necessary to determine the parties' respective rights regarding the
4 '299 Patent.

5 138. Humble Abode seeks a judgment declaring that Humble Abode does not directly or
6 indirectly infringe and has not infringed any claim of the '299 Patent.

7 **COUNT VIII – DECLARATION OF NON-INFRINGEMENT**
8 (U.S. Patent No. 6,904,359)

9 139. Humble Abode restates and incorporates by reference the allegations in paragraphs
10 1 through 94 of this Complaint as if fully set forth herein.

11 140. Shipping and Transit claims to own all rights, title, and interest in the '359 Patent.

12 141. Shipping and Transit has demanded that Humble Abode take a license to the '359
13 Patent.

14 142. Based on Shipping and Transit's letters, its threat of litigation for patent
15 infringement, and its pattern of litigation, and Humble Abode's denial of infringement, a
16 substantial, immediate, and real controversy exists between Humble Abode and Shipping and
17 Transit regarding whether Humble Abode directly or indirectly infringes or has infringed the '359
18 Patent. A judicial declaration is necessary to determine the parties' respective rights regarding the
19 '359 Patent.

20 143. Humble Abode seeks a judgment declaring that Humble Abode does not directly or
21 indirectly infringe and has not infringed any claim of the '359 Patent.

22 **COUNT IX – DECLARATION OF UNENFORCEABILITY BASED ON LICENSE**

23 (U.S. Patent Nos. 5,400,020; 5,444,444; 5,623,260; 5,648,770; 5,657,010; 5,668,543; 6,278,936;
24 6,313,760; 6,317,060; 6,363,254; 6,363,323; 6,411,891; 6,415,207; 6,486,801; 6,492,912;
25 6,510,383; 6,618,668; 6,683,542; 6,700,507; 6,714,859; 6,741,927; 6,748,318; 6,748,320;
26 6,763,299; 6,763,300; 6,804,606; 6,859,722; 6,904,359; 6,952,645; 6,975,998; 7,030,781;
27 7,089,107; 7,191,058; and 7,400,970)

28 144. Humble Abode restates and incorporates by reference the allegations in paragraphs
1 through 143 of this Complaint as if fully set forth herein.

1 145. Shipping and Transit has granted licenses to third parties that cover Humble
2 Abode’s services, systems, and practices that Shipping and Transit accuses of infringement in the
3 American Letter.

4 146. Upon information and belief, Shipping and Transit granted a license to its entire
5 patent portfolio to Magento that extends to Magento’s customers.

6 147. Upon information and belief, Humble Abode is an intended third-party beneficiary
7 of the Shipping and Transit-Magento license.

8 148. Upon information and belief, Shipping and Transit’s license grant to Magento
9 renders the entire Shipping and Transit Patent Portfolio contractually unenforceable, at a
10 minimum, against Humble Abode because it is an intended third-party beneficiary of that license.

11 149. Shipping and Transit has granted a license to its entire patent portfolio to FedEx
12 that extends to anything “in connection with any product, service, or system provided to or for
13 FedEx or its Affiliates.”

14 150. Humble Abode is an intended third-party beneficiary of the Shipping and Transit-
15 FedEx license.

16 151. Shipping and Transit’s license grant to FedEx renders the entire Shipping and
17 Transit Patent Portfolio contractually unenforceable, at a minimum, against Humble Abode for all
18 products shipped via FedEx because it is an intended third-party beneficiary of that license.

19 152. Shipping and Transit has granted a license to its entire patent portfolio to UPS that
20 extends to UPS’s customers.

21 153. Humble Abode is an intended third-party beneficiary of the Shipping and Transit-
22 UPS license.

23 154. Shipping and Transit’s license grant to UPS renders the entire Shipping and Transit
24 Patent Portfolio contractually unenforceable, at a minimum, against Humble Abode for all
25 products shipped via UPS because it is an intended third-party beneficiary of that license.

26 155. Shipping and Transit has granted a covenant not to sue, the legal equivalent of
27 granting a license, to its entire patent portfolio to the USPS that extends to its customers.

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1 156. Humble Abode is an intended third party beneficiary of the Shipping and Transit-
2 USPS license by virtue of shipping with the USPS.

3 157. Shipping and Transit's license grant to the USPS renders the entire Shipping and
4 Transit Patent Portfolio contractually unenforceable, at a minimum, against Humble Abode for all
5 products shipped via USPS because it is an intended third-party beneficiary of that license.

6 158. A substantial, immediate, and real controversy exists between Humble Abode and
7 Shipping ad Transit regarding whether the Humble Abode services, systems, and practices that
8 Shipping and Transit accuses of infringement are, in fact, licensed and incapable of infringing any
9 patent in the Shipping and Transit Patent Portfolio.

10 159. A judicial declaration of unenforceability by virtue of license is necessary to
11 establish Humble Abode's right to continue operating its business free of unwarranted claims of
12 infringement by Shipping and Transit.

13 **Count X – Breach of Contract**

14 160. Humble Abode restates and incorporates by reference the allegations in paragraphs
15 1 through 159 of this Complaint as if fully set forth herein.

16 161. Shipping and Transit has granted licenses to third parties that cover Humble
17 Abode's methods, processes, and systems that are accused of infringement by Shipping and
18 Transit's American and Canadian Letters.

19 162. Upon information and belief, Humble Abode's checkout process is covered by the
20 Magento license. Humble Abode's shipping methods are covered by, among others, the FedEx,
21 UPS, and USPS licenses. Humble Abode is an intended third-party beneficiary of Shipping and
22 Transit's contracts with Magento, FedEx, UPS, and USPS.

23 163. Upon information or belief, Humble Abode has complied with all, or substantially
24 all, of the requirements that the Shipping and Transit's licenses with Magento, FedEx, UPS, and
25 USPS required, which is utilize Magento's software and ship products via FedEx, UPS, or USPS.

26 164. Upon information and belief, all conditions required by the licenses have occurred
27 to trigger Shipping and Transit's performance and obligations pursuant to the licenses.

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1 165. Shipping and Transit has threatened litigation for patent infringement against,
2 demanded money from, and harassed Humble Abode in breach of its license agreements with
3 Magento, UPS, USPS, and FedEx. Shipping and Transit's patent infringement accusations or any
4 claims of patent infringement, which rely on licensed systems, processes, and services, that
5 Shipping and Transit may assert are material breaches of those licenses.

6 166. Shipping and Transit has made accusations of patent infringement in bad faith and
7 with unclean hands, and has made threats to pursue litigation in multiple jurisdictions against
8 Humble Abode even though Humble Abode is protected by licenses that Shipping and Transit has
9 granted.

10 167. As a result of Shipping and Transit breaching, at a minimum, the Magento, UPS,
11 USPS, and FedEx licenses, Humble Abode has been harmed.

12 168. As an intended third-party beneficiary of these licenses, Humble Abode has
13 standing to file suit on said breach and seek enforcement of the parties' contractual terms for
14 which it is an intended beneficiary, as well as compensation for the harm it has suffered and costs
15 to enforce the contractual terms.

16 **PRAYER FOR RELIEF**

17 WHEREFORE, Humble Abode respectfully prays for the following relief:

18 A. A declaration that Humble Abode's services, systems, and practices do not infringe
19 and have not infringed the '970, '207, '299, and '359 Patents;

20 B. A declaration that the '970, '207, '299, and '359 Patents are invalid;

21 C. A declaration that U.S. Patent Nos. 5,400,020; 5,444,444; 5,623,260; 5,648,770;
22 5,657,010; 5,668,543; 6,278,936; 6,313,760; 6,317,060; 6,363,254; 6,363,323; 6,411,891;
23 6,415,207; 6,486,801; 6,492,912; 6,510,383; 6,618,668; 6,683,542; 6,700,507; 6,714,859;
24 6,741,927; 6,748,318; 6,748,320; 6,763,299; 6,763,300; 6,804,606; 6,859,722; 6,904,359;
25 6,952,645; 6,975,998; 7,030,781; 7,089,107; 7,191,058; and 7,400,970, and Canadian Patent Nos.
26 2,360,288; 2,363,556; 2,283,239, are contractually unenforceable against Humble Abode.
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D. A determination that Shipping and Transit is in breach of the licenses granted to Magento, UPS, USPS, and FedEx and that, as an intended third-party beneficiary, Humble Abode has been harmed by said breach.

E. An injunction barring further breach of the licenses granted to Magento, UPS, USPS, and FedEx, including an injunction barring the initiation and prosecution of any lawsuit in the United States, Canada, or elsewhere, against Humble Abode based on the Shipping and Transit Patent Portfolio;

F. A determination that this is an exceptional case and an award of all costs and attorneys' fees to Humble Abode;

G. That Humble Abode be awarded its costs of suit, and pre- and post-judgment interest on any money amount; and

H. Any other relief as this Court deems just and proper.

Dated: April 13, 2016

Respectfully submitted,

/s/ Brian E. Mitchell
Brian E. Mitchell

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