

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
MARSHALL DIVISION**

**PEPPERMINT HILLS LLC**

Plaintiff,

v.

**ALIPHCOM, INC.  
d/b/a JAWBONE,**

Defendant.

**CIVIL NUM.:**

**JURY TRIAL DEMANDED**

**COMPLAINT FOR INFRINGEMENT OF PATENT**

COMES NOW, Plaintiff Peppermint Hills LLC (“Peppermint” or Plaintiff), through the undersigned attorneys, and respectfully alleges, states, and prays as follows:

**NATURE OF THE ACTION**

1. This is an action for patent infringement under the Patent Laws of the United States, Title 35 United States Code (“U.S.C.”) to prevent and enjoin defendant AliphCom, Inc., d/b/a Jawbone (“Jawbone” or “Defendant”) from infringing and profiting, in an illegal and unauthorized manner and without authorization and/or of the consent from Peppermint, from the U.S. Patent No. 8,131,217 (the “217 patent”) pursuant to 35 U.S.C. § 271, and to recover damages, attorney’s fees, and costs.

**THE PARTIES**

2. Plaintiff Peppermint is a Texas entity with its principal place of business at 3400 Silverstone Drive, Suite 144-A, Plano, TX 75023.

3. Upon information and belief, Defendant is a corporation organized under the laws of the State of California, having its principal place of business at 99 Rhode Island St., San Francisco, CA 94103-5233. Upon information and belief, Defendant may be served with process through its agent of process, Jason Child, at the same address.

### **JURISDICTION AND VENUE**

4. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because the action arises under the Patent Laws of the United States, 35 U.S.C. §§ 1 *et seq.*

5. Upon information and belief, Defendant has significant contacts with this forum because Defendant manufactures (directly or indirectly through third-party manufacturers) infringing products that are and have been offered for sale, sold, and used in this District. For example, Defendant's infringing products are or have been sold or offered for sale through Defendant's website and/or national online retailers such as Amazon.com. Upon information and belief, Defendant, directly and/or through its distribution network, places infringing products within the stream of commerce, with the knowledge and/or understanding that such infringing products will be sold in this District. Upon information and belief, Defendant has committed a tortious act within this District. Upon information and belief, Defendant has engaged in substantial and not isolated activity within this District. Therefore, exercise of jurisdiction over Defendant will not offend traditional notions of fair play and substantial justice. Such an exercise is consistent with the Texas Long Arm Statute.

6. Upon information and belief Defendant is subject to this Court's personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute, due at least to its substantial business in this forum, including: (i) at least a portion of the infringement alleged

herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Texas and in this judicial district.

7. Upon information and belief Defendant has conducted and does conduct business within the state of Texas, including the geographic region within the Eastern District of Texas, either directly through its website or through intermediaries such as online or national retailers, resellers or agents. Upon information and belief Defendant offers to sell, sells, advertises (including through the use of interactive web pages with promotional material) products or services, or uses or induces others to use services or products in Texas, including this judicial district, that infringe the '217 patent.

8. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 and 1400(b) because Defendant is subject to personal jurisdiction in this district, has regularly conducted business in this judicial district and certain of the acts complained of herein occurred in this judicial district.

### **FACTUAL ALLEGATIONS**

9. On March 6, 2012, the United States Patent and Trademark Office ("USPTO") duly and legally issued the '217 patent, entitled "Identification of make and model of communication devices over Bluetooth protocol" after a full and fair examination. (Exhibit A).

10. Peppermint is presently the owner of the '217 patent, having received all right, title and interest in and to the '217 patent from the previous assignee of record. Peppermint possesses all rights of recovery under the '217 patent, including the exclusive right to recover for past infringement.

11. The '217 patent contains five independent claims and ten dependent claims. Defendant commercializes, *inter alia*, devices that include each and every element of at least one claim of the '217 patent.

12. Peppermint includes a true, accurate, correct, and legible copy of the '217 patent as **Exhibit A** of this Complaint and incorporates it by reference herein, making it part of the Complaint for all legal, procedural, and/or evidentiary purposes.

13. The invention claimed in the '217 patent comprises a terminal device, said terminal device connected to a server and a plurality of communication devices using Bluetooth, said terminal comprising of a means adapted to collect information from a plurality of communication devices.

#### **DEFENDANT'S PRODUCTS**

14. Defendant's products, such as the "Jawbone UPmove" (the "Accused Product"), at least during internal testing, utilize a terminal (e.g., smart phone that synchronizes with the Accused Product) wherein said terminal is connected to a server (e.g., ISP server that provides internet service to the terminal) and connected to a plurality of communication devices using Bluetooth (e.g., the terminal scans Bluetooth enabled devices, such as the Accused Product and advertising packets) said terminal comprising of a means adapted to collect information from a plurality of communication devices (e.g., mobile application associated with the Accused Product and installed on the terminal collects data gathered by the Accused Product).

15. Furthermore, the terminal retrieves the MAC IDs from the plurality of communication devices when scanning for Bluetooth enabled devices.

16. Moreover, the terminal retrieves the profile names of the plurality of communication devices when scanning for Bluetooth enabled devices.

17. Lastly, the mobile application stored in the terminal collects (e.g., receives and saves) information related to services running on the plurality of communication devices.

18. The elements described in paragraphs 14-17 are covered by at least claim 7 of the '217 patent. Thus, Defendant's use, manufacture, sale and/or offer for sale of the Accused Product is enabled by the device described in the '217 patent.

### **INFRINGEMENT OF THE '217 PATENT**

19. Plaintiff realleges and incorporates by reference the allegations set forth in paragraphs 1 to 18.

20. In violation of 35 U.S.C. § 271, Defendant is now, and has been directly and indirectly infringing the '217 patent.

21. Defendants have had knowledge of infringement of the '217 patent at least as of the service of the present complaint.

22. Defendant has directly infringed and continues to directly infringe at least claim 7 of the '217 patent by making, using, importing, offering for sale, and/or selling the Accused Product through its website or through national or online retailers without authority in the United States, and will continue to do so unless enjoined by this Court. As a direct and proximate result of Defendant's direct infringement of the '217 patent, Plaintiff has been and continues to be damaged.

23. Defendant has indirectly infringed and continues to indirectly infringe at least claim 7 of the '217 patent by actively inducing its respective customers to directly infringe by using the Accused Product. Defendant engaged or will have engaged in such inducement having knowledge of the '217 patent. Furthermore, Defendant knew or should have known that its action would induce direct infringement by others and intended that its actions would induce direct infringement

by others. For example, Defendant uses, sells, offers to sell and advertises the Accused Product in Texas, either directly through its website or through national or online retailers, specifically intending that its customers use the Accused Product and thus infringe the '217 patent. Furthermore, the use of the Accused Product by Defendant's customers is facilitated by the system described in the '217 patent. As a direct and proximate result of Defendant's indirect infringement by inducement of the '217 patent, Plaintiff has been and continues to be damaged.

24. By engaging in the conduct described herein, Defendant has injured Peppermint and is thus liable for infringement of the '217 patent, pursuant to 35 U.S.C. § 271.

25. Defendant has committed these acts of infringement without license or authorization.

26. As a result of Defendant's infringement of the '217 patent, Peppermint has suffered monetary damages and is entitled to a monetary judgment in an amount adequate to compensate for Defendants' past infringement, together with interests and costs.

27. Peppermint will continue to suffer damages in the future unless Defendant's infringing activities are enjoined by this Court. As such, Peppermint is entitled to compensation for any continuing and/or future infringement up until the date that Defendant is finally and permanently enjoined from further infringement.

#### **DEMAND FOR JURY TRIAL**

28. Peppermint demands a trial by jury of any and all causes of action.

#### **PRAYER FOR RELIEF**

WHEREFORE, Peppermint prays for the following relief:

1. That Defendant be adjudged to have infringed the '217 patent, directly and/or indirectly, by way of induced infringement, literally and/or under the doctrine of equivalents;

2. That Defendant, its officers, directors, agents, servants, employees, attorneys, affiliates, divisions, branches, parents, and those persons in active concert or participation with any of them, be permanently restrained and enjoined from directly and/or indirectly infringing the '217 patent;

3. An award of damages pursuant to 35 U.S.C. §284 sufficient to compensate Peppermint for the Defendant's past infringement and any continuing or future infringement up until the date that Defendant is finally and permanently enjoined from further infringement, including compensatory damages;

4. An assessment of pre-judgment and post-judgment interest and costs against Defendant, together with an award of such interest and costs, in accordance with 35 U.S.C. §284;

5. That Defendant be directed to pay enhanced damages, including Peppermint's attorneys' fees incurred in connection with this lawsuit pursuant to 35 U.S.C. §285; and

6. That Peppermint have such other and further relief as this Court may deem just and proper.

Dated: July 5<sup>th</sup>, 2016

Respectfully Submitted,

By: /s/Eugenio J. Torres-Oyola

Eugenio J. Torres-Oyola

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**ATTORNEYS FOR PLAINTIFF  
PEPPERMINT HILLS LLC**