

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

**ELECTRONIC COMMUNICATION
TECHNOLOGIES, LLC,**

Plaintiff,

v.

BIRTHDAY DIRECT, INC.,

Defendant.

CIVIL ACTION NO. 2:16-cv-01366

PATENT INFRINGEMENT

JURY TRIAL DEMANDED

FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Electronic Communication Technologies, LLC files this Complaint against Birthday Direct, Inc. for infringement of United States Patent No. 9,373,261.

THE PARTIES

1. Plaintiff Electronic Communication Technologies, LLC (“ECT”) is a Florida Limited Liability Company with its principal place of business at 711 SW 24th, Boynton Beach FL 33435.

2. Defendant Birthday Direct, Inc. (“Defendant”) is an Alabama corporation with its principal place of business at 120 Commerce St, Muscle Shoals, AL 35661. Defendant’s Registered Agent is Sherri A. Archer, 415 Heron Cove, Killen, AL 35645.

3. Defendant sells articles of commerce through its transactional website directed to persons across the United States, including residents of the Eastern District of Texas.

NATURE OF THE ACTION

4. This is a civil action for infringement of United States Patent No. 9,373,261 (the “261 Patent”) (the “Patent-in-Suit”), arising under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*

JURISDICTION AND VENUE

5. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 (Federal Question) and 1338(a) (Patents).

6. 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 and purposeful availment of this forum, including: (i) at least a portion of the infringements 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. Upon information and belief, Defendant, directly and/or through its customers, uses the accused instrumentalities, as defined below, with the knowledge and/or understanding that such accused devices will be used in 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.

7. Defendant has conducted and does conduct business within the state of Texas, including the geographic region within the Eastern District of Texas, directly or through intermediaries, resellers or agents, or offers for sale, sells, advertises (including through the use of interactive web pages with promotional material) products or services, or uses services or products in Texas, including this judicial district, that infringe the Patent-in-Suit.

8. Specifically, Defendant solicits business from and markets its services to consumers within Texas, including the geographic region within the Eastern District of Texas, by offering through its website, services for authentication of a user's confidential information and for the preservation of the confidentiality of said information against unauthorized use to said Texas consumers.

9. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b) and 1400(b) because Defendant has committed acts of infringement in the United States including use and offers for sale directed to persons in this District and elsewhere in the State of Texas and are deemed to reside in this District for purposes of this action.

THE PATENT-IN-SUIT

10. The '261 Patent, entitled "Secure Notification messaging with user Option to Communicate with Delivery or Pickup Representative," which claims priority to the '414 Patent and the '239 Patent, was duly and legally issued to Inventor Scott A. Horstemeyer (and ECT as Assignee) by the United States Patent and Trademark Office on June 26, 2016. A copy of the '261 Patent is attached hereto as Exhibit A.

11. Over a decade ago, the escalation of online purchasers and the use of order confirmations and shipment notification messages presented unique problems for online retailers. Online retailers like Defendant were increasingly faced with customer account break-ins, loss of products that were ordered and shipped to hacker addresses and maybe the most important - the loss of customer's trust.

12. Mr. Horstemeyer innovated many unique solutions to minimize hacker's impacts when mimicking order confirmations and shipment notification emails (the hacker's methods are known as "phishing").

13. More specifically, with respect to the Patent-in-Suit, Mr. Horstemeyer invented methods and systems to enable online retailers to assist their customers in determining the difference between trusted and non-trusted shipment and order confirmation emails.

14. The Patent-in-Suit has a priority date relating back to 2003 and addresses systems and methods for retailers and their associated customers to avoid “phishing” scams. The innovations allow confidential customer-supplied information to be used within the retailer’s communications to verify authenticity.

15. Providing customer verifiable information within shipment and order confirmations helps to reduce, and sometimes stop, fraud associated with the illegal mimicking of order and shipment confirmation emails.

16. Online retailers engaging in electronic communication via order confirmations and shipment notifications needed a means to help the customers “verify” and know the difference between an authentic communication or a fake “phishing” communication (impersonating the online retailer).

17. The U.S. Patent office determined the Mr. Horstemeyer’s inventions were both novel and useful and granted Mr. Horstemeyer’s assignees the right to exclude others from practicing the invention, to recover at least a reasonable royalty for infringement of the Patent-in-Suit, and where the infringement is willful to recover treble damages.

18. ECT is the exclusive owner of all rights, title, and interest in the Patent-in-Suit, including the right to exclude others and to enforce, sue and recover damages for past and future infringement thereof.

INFRINGEMENT OF THE PATENT-IN-SUIT

19. ECT incorporates paragraphs 1 through 18 by reference as if fully stated herein.

20. The Patent-in-Suit is valid and enforceable.

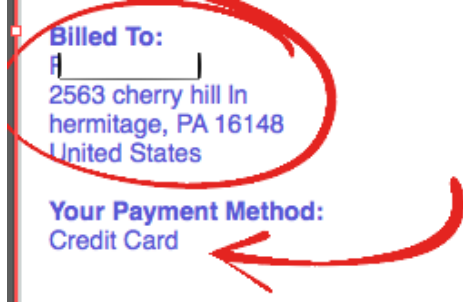
21. Defendant has directly infringed, and continues to directly infringe, one or more claims of the Patent-in-Suit under 35 U.S.C. § 271(a), either literally and/or under the doctrine of equivalents, by using its order confirmation and shipping confirmation systems without authorization, permission, or license from ECT.

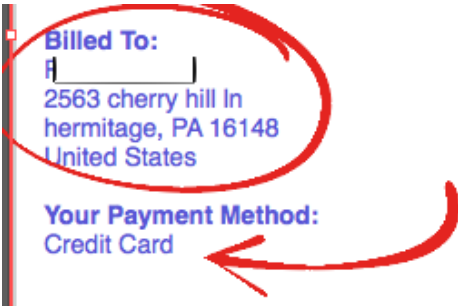
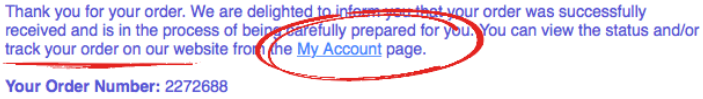
22. ECT has given Defendant notice of its infringement by letter dated September 20, 2016 and/or by virtue of service or acknowledged delivery of this Complaint.

23. Defendant includes customer information within these notifications/messages to provide confidence to the notification-receiving party that the order confirmation and or shipment notification is from Defendant (the proper authorized source) and if more information about the shipment is needed, the links may be trusted and used within the confirmation or notification.

24. Defendant has and willfully continues its infringement of the '261 Patent in at least the following representative manner:

<p><i>Claim 11</i> An automated notification system, comprising:</p> <p>one or more transceivers designed to communicate data; one or more memories; one or more processors; and computer program code stored in the one or more memories and executed by the one or more processors, the computer program code comprising:</p> <p>code that enables a first party associated with a personal communication device (PCD) to input or select authentication information for use in connection with a subsequent notification communication session involving advance notice of a delivery or</p>	<p>Birthday Direct uses an automated order confirmation and shipment (“automated notification”) to send customers updated shipment information when products are being prepared for picked up and when products are shipped.</p> <p>Birthday Direct ’s automated notification systems comprises, one or more memories, one or more processors, and computer program code that is stored within one or more memories and executed by one or more processors, Birthday Direct ’s computer program code comprises:</p> <p>Birthday Direct ’s online code allows mobile customers to input personalized authentication information to be used at a future time when products are picked up and notifications emails are sent back to the customer.</p> <p>Birthday Direct stores authentication information including a combination of these items; customer</p>
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<p>pickup of a good or service at a stop location by a mobile thing (MT);</p>	<p>payment method “credit card”, the billing person’s name, credit card billing address are all collectively used to authenticate the Birthday Direct communications about their product being picked-up and shipped is an authenticated email from Birthday Direct. When customers need to respond and enter account, login or different credit card(s) information they know the actual Birthday Direct website is authentic/safe/trusted by reviewing and responding to the message contents.</p> 
<p>code that causes storage of the authentication information;</p>	<p>Birthday Direct uses code to capture and store customer authentication information when (a.) users set up accounts, (b.) when users modify account information or (c.) when they purchase products from the Birthday Direct website;</p>
<p>code that monitors location or travel information in connection with the MT;</p>	<p>Birthday Direct uses computer program code to monitor products when moved from inventory, packaging, labeling, fulfillment, waiting to be picked up, picked up by a carrier, when the product leaves Birthday Direct and is in route to the customer’s address;</p>
<p>code that causes initiation of the notification communication session to the PCD with the one or more transceivers, in advance of arrival of the MT at the stop location, based at least in part upon the location or travel information associated with the MT;</p>	<p>Birthday Direct uses computer program code to determine and initiate notifications to mobile users (personal communication devices) using transceivers such as email and electronic data communication systems, when the customer’s product(s) are purchased and now designated for shipment; in advance of the courier vehicle arriving at fulfillment areas to pickup shipments/products. Each order is monitored through fulfillment processes including packaging and labeling and cut-off courier pickup times that vary based on fulfillment locations. Courier pickup times (cut off) and also the packages being scanning into vehicles are monitored by Birthday Direct. The customer’s order and shipment confirmation are based in part, that their product is being fulfilled and in advance of being picked up by the courier.</p>

	<p>In some cases, customers are also informed of subsequent “shipment notification” that will inform them – your product is shipped and is in-route to their delivery address.</p>
<p>code that, during the notification communication session, provides the authentication information to the PCD that indicates to the first party that the notification communication session was initiated by an authorized source; and</p>	<p>Birthday Direct’s computer program code retrieves the authentication information including, customer payment method “credit card”, the billing person’s name, credit card billing address, are all used to authenticate the shipment confirmation email was initiated by Birthday Direct (the authorized source), and</p>  <p>The screenshot shows a shipping notification email. The 'Billed To' section is circled in red, containing the address: 2563 cherry hill ln, hermitage, PA 16148, United States. Below it, the 'Your Payment Method' is listed as 'Credit Card', which is also circled in red with an arrow pointing to it from the 'Billed To' circle.</p>
<p>code that, during the notification communication session, enabling the first party to select whether or not to engage in a communication session with a second party having access to particulars of the pickup or delivery.</p>	<p>Birthday Direct’s computer program code sends shipment confirmation emails and embeds links within the notification to allow customers to get account information, get information about current orders such as when it will be shipped or if it has been shipped or to cancel order, the website and to customer service representatives – for additional information about the product(s). The link takes customers back directly to the item and account access for determining if the order was correct, shipped, backordered, etc...</p>  <p>The screenshot shows the footer of a shipping confirmation email. It contains the text: 'Thank you for your order. We are delighted to inform you that your order was successfully received and is in the process of being carefully prepared for you. You can view the status and/or track your order on our website from the My Account page.' The 'My Account page' link is circled in red. Below this is the order number: 'Your Order Number: 2272688'.</p>

25. Defendant’s automated notification system is not a staple article or commodity of commerce suitable for substantial noninfringing use.

26. ECT has been and continues to be damaged by Defendant’s infringement of the Patent-in-Suit.

27. Defendant's actions complained of herein are causing irreparable harm and damages to ECT and will continue to do so unless and until Defendant is enjoined and restrained by the Court.

28. Defendant has infringed and continues to infringe the Patent-in-Suit willfully since, at least, notice of its infringement by ECT.

29. Defendant's conduct in infringing the Patent-in-Suit renders this case exceptional within the meaning of 35 U.S.C. § 285.

JURY DEMAND

30. Plaintiff ECT hereby demands a trial by jury on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, ECT prays for judgment as follows:

a. That Defendant be adjudged to have infringed the Patent-in-Suit, directly and/or indirectly, by way of inducement and/or contributory infringement, literally and/or under the doctrine of equivalents;

b. 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 Patent-in-Suit;

c. An award of damages pursuant to 35 U.S.C. §284 sufficient to compensate ECT 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;

d. 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;

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

f. That ECT have such other and further relief as this Court may deem just and proper.

Dated: December 8, 2016

Respectfully Submitted,

By: /s/Eugenio J. Torres-Oyola

Eugenio J. Torres-Oyola

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**ATTORNEYS FOR PLAINTIFF
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TECHNOLOGIES, LLC**

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing document was filed electronically in compliance with Local Rule CV-5(a). As such, this document was served on all counsel who are deemed to have consented to electronic service. Local Rule CV-5(a)(3)(A). Pursuant to Fed. R. Civ. P. 5(d) and Local Rule CV-5(d) and (e), all other counsel of record not deemed to have consented to electronic service were served with a true and correct copy of the foregoing by email, on this the 8th day of December, 2016.

/s/ Eugenio J. Torres-Oyola
Eugenio J. Torres Oyola