

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

SCANNING TECHNOLOGIES  
INNOVATIONS LLC

Plaintiff,

vs.

TOAST, INC.

Defendant.

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Case No:

PATENT CASE

**ORIGINAL COMPLAINT**

Pursuant to F.R.C.P. 15(a)(1)(B), Plaintiff Scanning Technologies Innovations, LLC (“Plaintiff” or “STI”) files this Original Complaint against Toast, Inc. (“Defendant” or “Toast”) for infringement of United States Patent No. 9,053,498 (hereinafter “the ‘498 Patent”).

**PARTIES AND JURISDICTION**

1. This is an action for patent infringement under Title 35 of the United States Code. Plaintiff is seeking injunctive relief as well as damages.

2. Jurisdiction is proper in this Court pursuant to 28 U.S.C. §§ 1331 (Federal Question) and 1338(a) (Patents) because this is a civil action for patent infringement arising under the United States patent statutes.

3. Plaintiff is a Texas limited liability company with its principal office located at 3131 McKinney Ave., Suite 600 Dallas, TX 75204

4. On information and belief, Defendant is a U.S. company based in Boston and having a place of business at 401 Park Drive, St. 801 Boston, MA 02215.

5. On information and belief, this Court has personal jurisdiction over Defendant because Defendant has committed, and continues to commit, acts of infringement in the state of Texas, has conducted business in the state of Texas, and/or has engaged in continuous and systematic activities in the state of Texas.

6. On information and belief, Defendant's instrumentalities that are alleged herein to infringe were and continue to be used, imported, offered for sale, and/or sold in the Eastern District of Texas.

### **VENUE**

7. Venue is proper in the Eastern District of Texas pursuant to 28 U.S.C. §§ 1391(c) and 1400(b) because Defendant is deemed to reside in this district. In addition, and in the alternative, Defendant has committed acts of infringement in this District.

### **COUNT I** **(INFRINGEMENT OF UNITED STATES PATENT NO. 9,053,498)**

8. Plaintiff incorporates paragraphs 1 through 7 herein by reference.

9. This cause of action arises under the patent laws of the United States and, in particular, under 35 U.S.C. §§ 271, *et seq.*

10. Plaintiff is the owner by assignment of the '498 Patent with sole rights to enforce the '498 Patent and sue infringers.

11. A copy of the '498 Patent, titled "System and Method for Network Operation," is attached hereto as Exhibit A.

12. The '498 Patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code.

13. Upon information and belief, Defendant has infringed and continues to infringe one or more claims, including at least Claim 1, of the '498 Patent by making, using, importing,

selling, and/or offering for sale an online ordering and point of sale system covered by one or more claims of the '498 Patent. Defendant has infringed and continues to infringe the '498 Patent directly in violation of 35 U.S.C. § 271.

14. Defendant sells, offers to sell, and/or uses an online ordering system including, without limitation, The Toast POS system, and any similar products (collectively, "Products"), which infringe at least Claim 1 of the '498 Patent.

15. On information and belief the Products indicate the existence of a link (e.g., a link indicated by selecting "yes" or "no" for a particular item from a menu) to information pertaining to an article of commerce (e.g., a menu item that can be sold through Toast POS).

16. A mobile device (e.g., tablet or other mobile device) running the Toast POS software includes a portable handheld housing (e.g., the housing of the device and/or the housing of a scanner associated with the device such as, for example, a Honeywell 1400 G Scanner) and a communication interface (e.g., WiFi, Bluetooth, and/or 3G cellular interfaces) which enable the mobile device to communicate with a communication network such as the Internet. On information and belief, at least through internal testing, Defendant has used such mobile devices in connection with its Products.

17. The mobile device running the Toast POS software includes a signal processing device (e.g., tablet processor) and a visual input device (e.g., tablet camera and/or scanner associated with the mobile device). And, the visual input device is affixed within the portable handheld housing (e.g., of the mobile device and/or the associated scanning device).

18. The mobile device has an associated local database (e.g., information is stored locally on the portable device) which is configured to store data for use by the mobile device. For example, on information and belief, the mobile device running Toast POS has a local

memory for storing product information which enables adding items to a transaction in an offline mode.

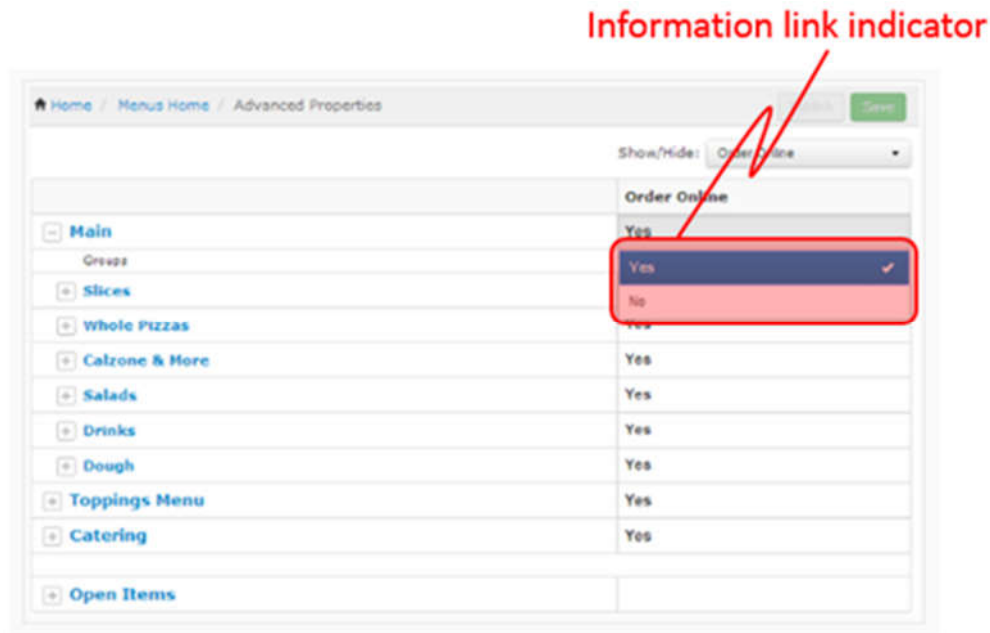
19. On information and belief, the Products also include a server in communication with the hand-held device. On information and belief, the server includes a database that stores a look-up table that includes a plurality of identification codes (e.g., SKU and/or other codes) associated with articles of commerce (e.g., menu items that can be sold through Toast POS). An example manifestation of the look-up table is illustrated below:

The image shows a screenshot of a POS system interface. On the left, there is a menu structure with categories like 'Lunch Menu' and 'Appetizers'. On the right, there is a table with columns for 'SKU', 'Course', and 'Prep Stations'. Red annotations include: 'Item' pointing to the menu items, 'SKU' pointing to the header of the table, 'SKU of the item' pointing to the value '00013' in the table, and 'Lookup table' pointing to the entire table area.

Item	SKU	Course	Prep Stations
Lunch Menu		None	None
Groups			
Appetizers		None (inherited)	None (inherited)
Items			
Crab Cakes	00012	Appetizer	Fry
BBQ Pulled Pork Sliders	00013	Appetizer	Sandwiches

20. The look-up table also includes a plurality of information link indicators, such as, “yes” or “no” indicators for example, which indicate the existence of a link. Each link indicator is associated with a respective identification code (e.g., SKU and/or other code) and article of commerce (e.g., menu item associated with the identification code). Each link indicator is configured as a status signal indicating whether or not a link exists to information about the product (e.g., indicating whether a link to the menu item is available online or not).

A Toast POS screen shot illustrating these elements is shown below:



21. The visual input device captures an image of an article of commerce and decodes the image to obtain an identification code (e.g., SKU and/or other scan code). On information and belief, the processor of the mobile device is configured to look up the identification code in the local look-up table (e.g., look up the SKU in the “item database” present in the device running Toast POS, which also supports offline mode transaction) to determine from a respective link indicator whether or not a link exists for accessing information pertaining to an article of commerce associated with the identification code via the communication network (e.g., indication of existence of a link obtained by selecting from a “yes” or “no” option for a particular product, is used to determine whether or not a link exists to an online store via internet for accessing information pertaining to an item associated with the SKU).

22. The signal processing device accessed by Toast POS determines whether or not the link exists without accessing the communication network (e.g., the processor within the

mobile device in offline mode determines whether or not the link exists by way of the “yes” or “no” indicator, without accessing the Internet).

23. Defendant’s actions complained of herein will continue unless Defendant is enjoined by this court.

24. Defendant’s actions complained of herein are causing irreparable harm and monetary damage to Plaintiff and will continue to do so unless and until Defendant is enjoined and restrained by this Court.

25. Plaintiff is in compliance with 35 U.S.C. § 287.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff asks the Court to:

(a) Enter judgment for Plaintiff on this Complaint on all causes of action asserted herein;

(b) Enter an Order enjoining Defendant, its agents, officers, servants, employees, attorneys, and all persons in active concert or participation with Defendant who receive notice of the order from further infringement of United States Patent No. 9,053,498 (or, in the alternative, awarding Plaintiff a running royalty from the time of judgment going forward);

(c) Award Plaintiff damages resulting from Defendant's infringement in accordance with 35 U.S.C. § 284;

(d) Award Plaintiff pre-judgment and post-judgment interest and costs; and

(e) Award Plaintiff such further relief to which the Court finds Plaintiff entitled under law or equity.

Dated: February 28, 2017

Respectfully submitted,

*/s/ Jay Johnson*

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**ATTORNEYS FOR PLAINTIFF**



**EXHIBIT A**