

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

MILLENNIUM COMMERCE, LLC

Plaintiff,

v.

INGENICO, INC.

Defendant

Civil Action No. 2:17-cv-250

JURY TRIAL DEMANDED

**COMPLAINT FOR PATENT
INFRINGEMENT**

This is an action for patent infringement arising under the Patent Laws of the United States of America, 35 U.S.C. § 1 et seq. in which Plaintiff Millennium Commerce, LLC (“Millennium” or “Plaintiff”) files this action against Defendant Ingenico Inc. (“Ingenico”) or “Defendant”) for infringing U.S. Patent No. 7,954,701 (“the ‘701 Patent” or “patent-in-suit”).

BACKGROUND

1. Plaintiff Millennium is a Texas Limited Liability Company and is the assignee and of the right, title, and interest in and to the ‘701 Patent, including the right to assert all causes of action arising under the ‘701 Patent and the right to remedies for infringement thereof.

2. Companies including Ingenico have adopted the inventions disclosed in the ‘701 Patent. The ‘701 Patent has been cited in patents and patent applications filed by companies including Texas Instruments, IBM, Toshiba, Hitachi, NCR Corporation, and MasterCard International.

3. The ‘701 Patent relates back to U.S. Patent Application No. 08/421,486 filed on April 13, 1995, now U.S. Pat. No. 5,546,523.

4. The technologies recited in the claims of the '701 Patent provide inventive concepts and do not claim an abstract idea. The inventive concepts of the '701 Patent are directed to a technical solution to solve a problem unique to point-of-sale ("POS") terminals, by greatly enhancing and facilitating the operation of POS terminal systems through use of hardware and software.

5. For example, the POS terminal according to the claimed invention is a hardware device, configured to receive financial information from a card associated with an account, in connection with requesting authorization of a purchase transaction. The claimed invention further recites an input device – also a hardware device – configured to receive a request for a select cash amount in excess of an amount of the purchase transaction. It further recites a control system configured to request authorization for payment of the amount of the purchase transaction and the select cash amount on the account. This improves the functioning of the POS system, for example, by improving the functioning of the user interface for the selection of transactions and transaction parameters. ('701 Patent, col. 1, lines 21-26). Without the claimed invention, POS terminals would require more user inputs and would be more complex. (*Id.*, col. 2, lines 35-53.)

6. The technology claimed in the '701 Patent presented new and unique advantages over the state of the art at the time. Although the inventions taught in the claims of the '701 Patent have by today been widely adopted by leading businesses, at the time of the invention, the technologies were innovative.

7. For example, during prosecution of the application that issued as the '701 Patent, the Examiner at the United States Patent and Trademark Office attempted to apply as prior art U.S. Patent Publication No. 2005/0187843 to Lapsley et al. ("Lapsley") to the pending claims. The Applicant explained that the language including a description of "cash back" such as paragraph [0033] of Lapsley was first introduced in an application filed on August 29, 1996, *after* the claimed priority date. Thus, the Applicant explained that this portion of Lapsley is "not prior art with respect to the instant application." In contrast, Applicant had

described receiving cash back in a specification filed no later than April 13, 1995.

8. The claims of the ‘701 Patent are not directed to a “method of organizing human activity,” “fundamental economic practice long prevalent in our system of commerce,” or “a building block of the modern economy.” Instead, they are limited to the narrow set of systems for POS terminals.

9. The technology claimed in the ‘701 Patent does not preempt all ways for setting up and managing a POS terminal. For example, the claims apply only to a specific type of terminal comprising a combination of financial information reader, an input device, and a control system. A POS terminal need not include all of these components, or may include different components. For example, a POS terminal may separate the financial information reader from the input device and control system. Moreover, the components must be configured in the specific manner claimed in the ‘701 Patent. For example, the input device must be configured to receive a request for a select cash amount in excess of an amount of the purchase transaction. Other ways of configuring the input device are possible, such as configuring it to request authorization for only the purchase transaction, and not more.

10. It follows that Ingenico could choose to set up and manage POS terminals without infringing the ‘701 Patent. For example, the prior art cited on the face of the ‘701 Patent remains available for practice by the Defendant, and the ‘701 Patent claims do not preempt practice any of those prior art systems or methods.

11. The ‘701 Patent claims cannot be practiced by a human alone and there exists no human analogue to the methods claimed in the ‘701 Patent. The claims are specifically directed to a POS terminal equipped to receive financial information from a card and a control system to request authorization. Components such as a terminal, card, and control system exist only in the context of computer-based financial systems, and cannot be practiced by a human alone.

PARTIES

12. Millennium is a Texas Limited Liability Company with a principal place of

business at 1400 Preston Road, Suite 400, Plano, Texas 75093.

13. Ingenico, Inc. is a corporation with its principal place of business at 3025 Windward Plaza, Suite 600, Alpharetta, GA 30005. Ingenico may be served with process by delivering a summons and a true and correct copy of this complaint to its registered agent for receipt of service of process, C T Corporation System, 1201 Peachtree Street, NE, Fulton, Atlanta, GA 30361.

JURISDICTION AND VENUE

14. This action arises under the patent laws of the United States, Title 35 of the United States Code. Accordingly, this Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

15. This Court has personal jurisdiction over Defendant because, among other reasons, Defendant has established minimum contacts with the forum state of Texas. Defendant, directly or through third-party intermediaries, makes, uses, imports, offers for sale, or sells products or services within the state of Texas, and particularly within the Eastern District of Texas. Defendant has purposefully availed itself of the benefits of doing business in the State of Texas and the exercise of jurisdiction over Defendant would not offend traditional notions of fair play and substantial justice.

16. Venue is proper in this District under 28 U.S.C. §§ 1391 (b)-(c) and 1400(b) because Defendant is subject to personal jurisdiction in this District, has transacted business in this district and has committed acts of patent infringement in this District.

COUNT I

INFRINGEMENT OF U.S. PATENT NO. 7,954,701

17. Plaintiff incorporates by reference each of the allegations in the foregoing paragraphs, and further alleges as follows:

18. On June 7, 2011, the United States Patent and Trademark Office issued the '701 Patent for inventions covering a POS terminal. In one claimed embodiment, the terminal comprises a financial information reader configured to receive financial information from

a card associated with an account, in connection with requesting authorization of a purchase transaction; an input device configured to receive a request for a select cash amount in excess of an amount of the purchase transaction; and a control system configured to request authorization for payment of the amount of the purchase transaction and the select cash amount on the account. A true and correct copy of the '701 Patent is attached as Exhibit A.

19. Defendant has been and is now directly infringing one or more claims of the '701 Patent, in this judicial District and elsewhere in the United States.

20. For example, Ingenico infringes the '701 Patent by making, using, selling, offering for sale, and importing infringing POS terminals, including but not limited to the iCT 250 and iWL 222 & 252, e.g.:

iCT 250

The smart and compact desktop device designed for maximum efficiency



 Security

 Smartcard

 Magstripe

 Contactless

 Color display

<https://ingenico.us/smart-terminals/telium2/payment-terminals/ict-series/ict-250.html>



iCT 250

The smart and compact desktop device designed for maximum efficiency

The iCT250 is the innovative payment solution that's so smart. It stands alone. It accepts all existing forms of electronic payment - including NFC/contactless, EMV, and magstripe - unrestricted by any other POS limitations because it operates with or without a cash register or POS system interface.

- Security
- Smartcard
- Magstripe
- Contactless
- Color display

<https://ingenico.us/smart-terminals/telium2/payment-terminals/ict-series>



iWL 222 & 252

Bluetooth wireless mobility for the point of sale

The iWL 222 & 252 are designed for reliable Bluetooth connectivity even in the most demanding environments.

- Security
- Smartcard
- Magstripe
- Contactless
- Color display
- Connectivity

[Read more →](#)

<https://ingenico.us/smart-terminals/telium2/payment-terminals/iwl-series>

21. Ingenico's POS terminals receive financial information from a credit or debit card in connection with authorizing a purchase transaction, e.g.:



- Security
- Smartcard
- Magstripe
- Contactless
- Color display

<https://ingenico.us/smart-terminals/telium2/payment-terminals/ict-series/ict-250.html>

22. Ingenico’s terminals have an input device (e.g., keypad) configured to receive a request for a cash amount in excess of the amount of a purchase transaction (e.g., tip or cashback), e.g.:



<https://ingenico.us/smart-terminals/telium2/payment-terminals/ict-series/ict-250.html>


11. Purchase with Cashback

This menu option only needs to be used to provide Cashback when normal Sale transactions are performed with a gratuity. Selecting this option allows a transaction to be carried out with Cashback instead of with gratuity.

PLEASE NOTE: Only certain types of debit cards allow Purchase with Cashback.

1. At the READY prompt, press the MENU button.

READY Merchant Number 12345678

2. Using the  key highlight PURCHASE WITH CASHBACK and then press the GREEN button.

TRANSACTION MENU Refund Sale Purch. with Cashback

3. Either key in the sale amount and then press the GREEN button, or swipe/insert card in the terminal and then key in the sale amount.

PWCB Key in Sale Amount: 0.00 and then press ENTER
--

4. Key in the amount of cashback required and then press the GREEN button.

PWCB Key in Cash Amount: 0.00 and then press ENTER
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Terminal User Guide iCT250, available at: <https://www.manualslib.com/download/629471/Ingenico-ict250.html>

23. Ingenico’s terminals have an input device (e.g., keypad) configured to receive a

request for a cash amount in excess of the amount of a purchase transaction (e.g., tip or cashback), e.g.:

<p>Your terminal may be configured to allow Cashback, if required press the GREEN button. If Cashback is not required press the YELLOW button and continue from step 4 below.</p>	<div style="border: 1px solid black; padding: 5px;"> <p>SALE Cashback?</p> <p>Enter=YES Clear=NO</p> </div>
<p>If Cashback was required, enter the Cashback amount and press the GREEN button. If Cashback is not configured, continue from step 4 below.</p>	<div style="border: 1px solid black; padding: 5px;"> <p>PWCB Key in Cash Amount 0.00 and then press ENTER</p> </div>
<p>5. If the customer does not want to add a gratuity, they should press the YELLOW button and the transaction will then proceed from step 8. If the customer wishes to add a gratuity, they should press the GREEN button.</p>	<div style="border: 1px solid black; padding: 5px;"> <p>Amount £20.00 Do you wish to Add a GRATUITY? Enter=YES Clear =NO</p> </div>
<p>6. The customer will now be prompted to key in the gratuity amount and then press the GREEN button or if the gratuity percentage is available refer to Section 13.</p>	<div style="border: 1px solid black; padding: 5px;"> <p>Amount £20.00 Enter GRATUITY £5.00 Enter=OK Clear=REKEY</p> </div>

Terminal User Guide ICT250, available at: <https://www.manualslib.com/download/629471/Ingenico-ict250.html>

24. Ingenico’s terminals include a control system configured to request authorization for payment of the amount of the purchase transaction and the select cash amount on the account, e.g.:

5. The terminal will now dial for authorisation and a number of messages will appear on the screen.

SALE
AUTH CODE: nnnnn
<Acquirer Name>

Terminal User Guide ICT250, available at: <https://www.manualslib.com/download/629471/Ingenico-ict250.html>



<https://www.youtube.com/watch?v=SwMMuH1Z9ek>

25. Ingenico’s terminals have a graphical user interface, e.g.:



<https://ingenico.us/smart-terminals/tellium2/payment-terminals/ict-series/ict-250.html>

26. Ingenico’s terminals communicate with remote financial services providers using, e.g., a modem or Ethernet, e.g.:



MODEM

General Description

The Terminal has an integral modem that allows the Terminal to transfer transaction data to card companies host computer systems.

The internal modem supports: CCITT V22bis/V22/V21/V32, V32bis, V34 data transfer protocols. It has an automatic dialling facility.

Dual Comms Mode

You should use the   keys to highlight the required option and then press the GREEN button. For PSTN installation select Telephone (PPP).

Connection Method
Telephone (PPP)
Local Network

Installing the Terminal via Ethernet (IP)

Ensure the mains supply is connected to the circular power port on the terminal’s connector box.

Ensure that the Ethernet cable is connected to the ETH port on the terminal’s connector box, and to your router or network point.

Terminal User Guide ICT250, available at: <https://www.manualslib.com/download/629471/Ingenico-ict250.html>

27. Ingenico’s terminals have a display that shows the details of the purchase transaction, e.g.:



28. By making, using, selling, offering for sale, and importing infringing POS terminals using POS products and/or services infringing the claims of the '701 Patent, Defendant has injured Millennium and is liable to Millennium for direct infringement of the claims of the '701 Patent pursuant to 35 U.S.C. § 271(a).

29. As a result of Defendant's infringement of the '701 Patent, Millennium has suffered harm and seeks monetary damages in an amount adequate to compensate for Defendant's infringement, but in no event less than a reasonable royalty for the use made of the invention by Defendant, together with interest and costs as fixed by the Court.

PRAYER FOR RELIEF

Plaintiff respectfully requests the following relief from the Court:

1. That Defendant has directly and indirectly infringed the '701 Patent;
2. That Defendant be ordered to pay damages to Millennium, together with costs, expenses, pre-judgment, interest and post-judgment interest as allowed by law;
3. That the Court enter judgment against Defendant, and in favor of Millennium in all respects; and

4. For any such other and further relief as the Court deems just and equitable.

JURY TRIAL DEMANDED

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Millennium requests a trial by jury of any issues so triable by right.

Dated: March 31, 2017

Respectfully submitted,

/s/ Ryan E. Hatch

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