

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

PHERAH LLC,

Plaintiff,

v.

VOLUSION, LLC

Defendant.

CIVIL ACTION NO 6:17-cv-476

JURY TRIAL DEMANDED

ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

1. This is an action for patent infringement in which Pherah LLC makes the following allegations against Volusion, LLC.

PARTIES

2. Plaintiff Pherah LLC (“Plaintiff” or “Pherah”) is a Texas limited liability company with its principal place of business at 5068 West Plano Parkway, Plano, Texas, 75093.

3. On information and belief, Volusion, LLC (“Defendant” or “Volusion”) is a limited liability company organized and existing under the laws of the State of Delaware, with its principal place of business at 1835 Kramer Ln, Ste A100, Austin, TX 78758.

JURISDICTION AND VENUE

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

5. Venue is proper in this district under 28 U.S.C. §§ 1391(c) and 1400(b). As Defendant is a non-corporation, Defendant resides in this District for purposes of venue.

6. On information and belief, Defendant is subject to this Court’s specific and general 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 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.

COUNT I
INFRINGEMENT OF U.S. PATENT NO. RE44,652

7. Plaintiff is the owner of United States Patent No. RE44,652 (“the ‘652 patent”) entitled “Computer-Readable Data Product For Managing Sales Information.” The ‘652 Patent issued on December 17, 2013. A true and correct copy of the ‘652 Patent is attached as Exhibit A.

8. Defendant owns, uses, operates, advertises, controls, sells, and otherwise provides products and/or services that infringe the ‘652 patent. The ‘652 patent provides, among other things, “[a] non-transitory computer program product readable by a computing system and encoding a set of computer instructions implementing a method for managing product knowledge comprising a plurality of data items related to products offered for sale by a selling entity, the computing system including a memory arrangement and at least one processing unit, the method comprising: defining a data model for a plurality of data categories, the data model establishing relationships between data categories; receiving in the computer system a plurality of particular data items corresponding to the plurality of data categories; receiving user-defined relationship information for the plurality of particular data items, the relationship information relating each of the plurality of particular data items to another of the plurality of particular data items; presenting the product knowledge, including information about the particular data item, to a user of the system in a manner established by the data model and the user-defined relationship, said presenting being in a selected graphical user interface view defining a hierarchy of the data items from a designated starting point within the hierarchy; wherein the data model is constructed from a plurality of data instance items interconnected using the user-defined relationship items for each data instance item, each data instance item being an input that corresponds to one or more of the data categories and representing at least part of the product knowledge.”

9. Defendant directly and/or through intermediaries, made, has made, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or services

that infringed one or more claims of the '652 patent, including at least Claim 24, in this district and elsewhere in the United States. Particularly, the Defendant's software as described at <https://www.volusion.com> ("the Volusion software") comprises a non-transitory computer program product readable by a computing system and encoding a set of computer instructions implementing a method for managing product knowledge comprising a plurality of data items related to products offered for sale by a selling entity, the computing system including a memory arrangement and at least one processing unit. By making, using, importing, offering for sale, and/or selling such products and services, and all like products and services, Defendant has injured Plaintiff and is thus liable for infringement of the '652 patent pursuant to 35 U.S.C. § 271.

10. Based on present information and belief, the Volusion software allows a user to define a data model for a plurality of data categories, (e.g., Design, Inventory, Orders, Customers, Settings, etc.), the data model establishing relationships between data categories, as shown below. (e.g., Volusion allows for users to define a model set of data categories which the interface then uses to establish the relationships between the actual data categories in use).

11. Based on present information and belief, the Volusion software receives in a computer system (For example, PC, tablet or smartphone) a plurality of particular data items corresponding to the plurality of data categories (e.g., Product code, Image, Product name, Price, Stock status, etc. corresponding to the "Products"/data category and Product, Order ID, Date, Customer Name, Payment amount, etc. corresponding to the "Orders"/data category). On present information and belief, the Volusion software receives data items such as Product code, Image, Product name, Price, Stock status, etc. from the user/seller and displays on a computer system.

12. Based on information and belief, the Volusion software receives user-defined relationship information for a plurality of particular data items (e.g., Product code, Image, Product name, Price, Stock status, etc. corresponding to the "Products"/data category.), the relationship information relating each of the plurality of particular data items to another of the plurality of particular data items (e.g., Hidden/ data item and Stock status/ data item are correlated to the Hide when out of stock/ data item). On present information and belief, the Volusion software allows users to define relationship information between various data items

and customize how they interact with each other in the Volusion interface in various data categories e.g., Products, Shopping cart, Store management, Marketing, Analytics etc.

13. Based on present information and belief, the Volusion system presents product knowledge, including information about the particular data item (e.g., Product code, Image, Product name, Price, Stock status, etc. corresponding to the “Products”/data category), to a user of the system (e.g., any person with access to the system and who can edit and define relationships between the data) in a manner established by the data model and the user-defined relationship, said presenting being in a selected graphical user interface view defining a hierarchy of the data items from a designated starting point within the hierarchy (e.g. information will be displayed in a hierarchal structure whereas categories contain certain items and those item contain item data, and so on). On present information and belief, the Volusion software also presents data graphically to the user organized in a manner consistent with the previously defined data models and user-defined relationships in the desired format Column charts etc.

14. Based on present information and belief, the Volusion presents a data model (e.g., Column charts, Inventory table etc.) that is constructed from the plurality of data instance items (e.g., Product code, Image, Product name, Price, Stock status, etc. corresponding to the “Products”/data category and Column chart in Reports/ Order sales) interconnected using the user-defined relationship items (e.g., the parameters set by the user in Volusion’s dashboard) for each data instance item, (e.g., Product code, Image, Product name, Price, Stock status, Order, Customer, Date, etc.) each data instance item (e.g., Product code, Image, Product name, Price, Stock status, Order, Customer, Date, etc.) being an input that corresponds to one or more of the data categories (e.g., Products/ Inventory, Order, Reports, Marketing, etc.) and representing at least part of the product knowledge (e.g., the data instances represent the product knowledge, i.e., the inventory, order and sales of a particular product.).

15. In the alternative, because the manner of use by Defendant differs in no substantial way from language of the claims, if Defendant is not found to literally infringe, Defendant infringes under the doctrine of equivalents.

16. Defendant’s aforesaid activities have been without authority and/or license from Plaintiff.

17. In addition to what is required for pleadings in patent cases, and to the extent any marking was required by 35 U.S.C. § 287, Plaintiff and all predecessors in interest to the '652 Patent complied with all marking requirements under 35 U.S.C. § 287.

18. Plaintiff is entitled to recover from Defendant the damages sustained by Plaintiff as a result of the Defendant's wrongful acts in an amount subject to proof at trial, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests that this Court enter:

1. A judgment in favor of Plaintiff that Defendant has infringed the '652 Patent;
2. A judgment and order requiring Defendant to pay Plaintiff its damages, costs, expenses, and prejudgment and post-judgment interest for Defendant's infringement of the '652 Patent as provided under 35 U.S.C. § 284;
3. An award to Plaintiff for enhanced damages resulting from the knowing, deliberate, and willful nature of Defendant's prohibited conduct with notice being made at least as early as the date of the filing of this Complaint, as provided under 35 U.S.C. § 284;
4. A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding to Plaintiff its reasonable attorneys' fees; and
5. Any and all other relief to which Plaintiff may show itself to be entitled.

DEMAND FOR JURY TRIAL

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

Respectfully Submitted,

IPHERAH LLC

/s/ Papool S. Chaudhari

Dated: August 18, 2017

By: _____

Papool S. Chaudhari
Texas State Bar No. 24076978
Chaudhari Law, PLLC
P.O. Box 1863
Wylie, Texas 75098
Phone: (214) 702-1150

Fax: (214) 705-3775

Papool@ChaudhariLaw.com

**ATTORNEY FOR PLAINTIFF
PHERAH LLC**