IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

HAILO TECHNOLOGIES, LLC,	
Plaintiff,	**Case No. 1:17-cv-04902 (RWS)**
v.	
ARRO, INC. and CREATIVE MOBILE TECHNOLOGIES, LLC,	**JURY TRIAL DEMANDED**
Defendant.	

THIRD AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Hailo Technologies, LLC, ("Hailo" or "Plaintiff"), by and through its undersigned counsel, for its Third Amended Complaint against Defendants Arro, Inc. ("Arro"), and Creative Mobile Technologies, LLC ("CMT" and collectively, "Defendants") makes the following allegations. These allegations below are all made upon information and belief after conducting a diligent pre-filing investigation.

NATURE OF THE ACTION

1.   This is an action against Defendants for infringement of one or more claims of United States Patent No. 6,756,913 ("the '913 Patent").

PARTIES

2.   Plaintiff Hailo Technologies, LLC, is a California limited liability company with its principal office located in California, at 35 Hugus Alley, Suite 210, Pasadena, CA 91103.

3.   Defendant Arro, Inc. is a Delaware corporation, which can be served through its agent for service of process, Illinois Corporation Service C, Springfield, Illinois 62703.

1

4.   Defendant Creative Mobile Technologies, LLC, is a New York limited liability company with its principal place of business at 42-50 24th Street, Long Island City, New York, 11101. Defendant Creative Mobile Technologies, LLC may be served through its registered agent, A. Scott Bolden c/o Reed Smith LLP, 1301 K. Street NW, Washington DC 20005.

5.   Joinder is proper under 35 U.S.C. § 299 because the allegations of infringement contained herein are asserted against the Defendants jointly, severally, or in the alternative with respect to or arising out of the same transaction, occurrence, or series of transactions or occurrences, including without limitation Defendants' making and using of the Arro Accused System and/or CMT Accused Products (defined *infra*, and together the "Accused Products"). There are questions of fact common to both Arro and CMT, including without limitation questions relating to their respective roles in hosting, developing, programming, operating, supporting, advertising, promoting, and/or providing network services to enable on-demand taxi transportation and e-Hailing.

6.   Upon information and belief, CMT is or acts as the parent company of Arro. *See, e.g.*, https://www.facebook.com/GoArro/posts/1093984553957290 (Arro sharing a photo "[a]s seen on our parent company's Facebook Page (CMT Group)….").

JURISDICTION AND VENUE

7.   This patent infringement action arises under the patent laws of the United States, including 35 U.S.C. §§ 271, et seq.

8.   This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because it arises under United States Patent law.

9.   This Court has personal jurisdiction over the Defendants because they each (either directly or through its subsidiaries, divisions, groups or distributors) have sufficient minimum

contacts with the forum as a result of business conducted within the State of New York and this

district; and/or specifically over the Defendants (either directly or through each of their respective

subsidiaries, divisions, groups or distributors) because of their infringing conduct within or

directed at the State of New York and this district.

10.   Venue is proper in this district pursuant to 28 U.S.C. §§ 1391(b) and 1391(c).

Defendants are each subject to this Court's personal jurisdiction because they offer to sell and do

sell the Accused Products identified herein in the State of New York and in this district.

FACTS

11.   Plaintiff is the owner, by assignment, of U.S. Patent No. 6,756,913 ("the '913

Patent"), entitled "System for Automatically Dispatching Taxis to Client Locations," which was

duly and legally issued on June 29th, 2004 by the United States Patent and Trademark Office

("USPTO").

12.   A copy of the '913 Patent is attached to this Complaint as **Exhibit A**.

13.   The claims of the '913 Patent are valid and enforceable.

COUNT I: CLAIM FOR PATENT INFRINGEMENT
UNDER 35 U.S.C. § 271 ('913 PATENT)
AGAINST DEFENDANT ARRO

14.   Plaintiff hereby incorporates by reference the allegations of paragraphs 1 through

13 of this Complaint as if fully set forth herein.

15.   Arro makes, has made, sells, offers for sale, uses and/or imports into the United

States, taxi dispatch, navigation, and e-Hailing software systems, including without limitation the

"Arro Driver" software application, which interfaces with an Arro dispatching and location

software system linked directly to taxi metering and location transmission devices, and the "Arro"

passenger-side application, which interfaces with Arro's taxi dispatching and location software system to allow passengers to "e-Hail" and pay for an available taxi.

16.   A screenshot from Arro's website hosting guides for using both the "Arro Driver" application and Arro's e-hailing implementation system on a Series 9008MDT device in the Lone Star Cab Company of Houston, Texas is attached to this Complaint as **Exhibit B**.

17.   Arro's instructions for using Arro's software integration with CMT's Mobile Knowledge 9008MDT in-taxi device, and instructions for Lone Star Cab Company drivers using the "Arro Driver" application are attached to this Complaint as **Exhibit C**.

18.   A copy of Arro's website is attached to this Complaint as **Exhibit D**.

19.   Two Arro press releases describing Arro's infringing actions in Houston, Texas are attached as **Exhibit E**.

20.   A screenshot of application download pages for the "Arro Driver" and "Arro" passenger applications are attached to this Complaint as **Exhibit F**.

21.   Claim charts comparing Claim 1 of the '913 Patent to the Arro Driver App and Arro MDT Integration (defined *infra*) are attached as **Exhibit G**.

22.   The Arro Driver application ("Arro Driver App") is offered as a free application for both Apple® iPhone and Android-based smartphones. *See* Exh. B.

23.   Upon information and belief, an Arro e-Hailing integration system was also offered, sold to, and implemented by at least one taxi company: the Lone Star Cab Company of Houston, Texas. (the "Arro MDT Integration"). *See* Exh. B.

24.   Together, the Arro Driver App and Arro MDT Integration (together the "Arro Accused Systems") allows licensed taxi drivers to accept Arro e-Hail trips, plan their routes, and track their travel progress. *See* Exh. C.

25.   In part, the Arro Accused System displays tracking of taxis based on notifications sent to a server from locator devices within each taxi. *See* Exhs. C, D, F, and G.

26.   Claim 1 of the '913 Patent covers "A method for sending notifications to a server, comprising: periodically sensing if a meter on a taxi is active to determine if the taxi is available for customer service; on sensing that the vehicle is available, periodically: determining the vehicle's current position coordinates information using a position coordinates determination device; sending said current position coordinates information to said server." *See* Exhs. A and G.

27.   The Arro Accused Systems execute a method for sending notifications to a server, as the system requires a communicative connection with at least one server to exchange taxi position data and unique Arro e-Hailing data between the taxi's in-vehicle metering equipment, a taxi dispatching center, and the Arro Driver application. *See* Exh. G.

28.   The Arro Accused Systems periodically sense if a meter on a taxi is active to determine if the taxi is available for customer service. *See* Exh. G.

29.   On sensing that the taxi is available, the Arro Accused Systems determine the taxi's current position coordinates information using a position coordinates determination device. From the perspective of the "Arro" passenger application, an unavailable taxi does not appear as available for an e-hail. Taxis reappear in the "Arro" passenger application when they become available again, which is determined by the Arro taxi metering integration system and the taxi meter itself, or alternatively the "Arro Driver" application operating on a taxi driver's mobile phone. *See* Exh. G.

30.   The position coordinates information of available taxis must be sent to a server, as it is the server that relays each taxis" position coordinates information to the user interface of both the "Arro Driver" and "Arro" passenger applications. *See* Exh. G.

31.   Each aspect of the Arro Accused Systems itemized in paragraphs 26-30 above, is an element in Claim 1 of the '913 Patent. *See* Exh. G.

32.   Defendant Arro, including its agents and assigns, practices at least one of the elements of Claim 1 of the '913 Patent.

33.   Thus, the Arro Accused Systems infringe at least Claim 1 of the '913 Patent.

34.   Plaintiff has been, and will continue to be, irreparably harmed by Arro's ongoing infringement of the '913 Patent.

35.   As a direct and proximate result of Arro's infringement of the '913 Patent, Plaintiff has been and will continue to be damaged in an amount yet to be determined, including but not limited to Plaintiff's lost profits and/or a reasonable royalty.

COUNT II: CLAIM FOR PATENT INFRINGEMENT
UNDER 35 U.S.C. § 271 ('913 PATENT)
AGAINST DEFENDANT CMT

36.   Plaintiff hereby incorporates by reference the allegations of paragraphs 1 through 35 of this Complaint as if fully set forth herein.

37.   CMT makes, has made, sells, offers for sale, uses and/or imports into the United States, taxi tracking, dispatching, and fare transactional systems, including without limitation CMT's hardware technology including Mobile Data Terminals (MDT) such as the Mobile Knowledge Series 9008MDT and the TomTomBRIDGE Driver Terminal, and CMT's software applications such as the DriveLinQ Driver software application, and TaxiHail passenger application ("CMT Accused Products").

38.   CMT is the parent of Mobile Knowledge System, Inc. A joint press release indicating that Mobile Knowledge consolidated within CMT in 2014, is attached as **Exhibit H**.

39.   A press release highlighting CMT's incubation of Arro is attached as **Exhibit I**.

40.   CMT partnered with TomTom, Inc. to provide the TomTomBRIDGE Driver Terminal to taxicab fleets in the United States. Attached is a CMT press release announcing CMT's joint enterprise with TomTom, Inc. as **Exhibit J**.

41.   Screenshots including a number of CMT Accused Products are attached to this Complaint as **Exhibit K**.

42.   A claim chart comparing Claim 1 of the '913 Patent to the CMT Accused Products is attached as **Exhibit L**.

43.   A claim chart comparing Claim 3 of the '913 Patent to the CMT Accused Products is attached as **Exhibit M**.

44.   CMT offered for sale, sold, and/or imported the CMT Accused Products to at least the Lone Star Cab Company of Houston, Texas. *See* Exhs. C, G, L, and M.

45.   The CMT Accused Products include a taxi dispatch system that combines mobile software applications integrated with dispatching control software, taxi mobile data terminals (MDTs) such as the Mobile Knowledge Series 9008MDT and TomTom BRIDGE platform, and either on-site or cloud-based servers. *See* Exhs. K, L, and M.

46.   The CMT Accused Products include in part a system for a taxi which sends notification to a server regarding the status and location of a taxi, as set forth in at least Claim 1 of the '913 Patent. *See* Exh. L.

47.   Claim 1 of the '913 Patent covers "A method for sending notifications to a server comprising: periodically sensing if a meter on a taxi is active to determine if the taxi is available for customer service; on sensing that the vehicle is available periodically: determining the

7

vehicle's current position coordinates information using a position coordinates determination device; sending said current position coordinates information to said server." *See* Exhs. A, and L.

48.   In part, the CMT Accused Products execute a method for sending notifications to a server, as at least a portion of the system is "cloud based" – meaning that the system interfaces with a server available in the cloud. *See* Exh. L.

49.   In part, the CMT Accused Products periodically senses if a meter on a taxi is active to determine if the taxi is available for customer service because it enables passengers to locate available cabs in real time to see the closest cabs. *See* Exh. L.

50.   In part, and on periodically sensing if the vehicle is available, the CMT Accused Products determines the vehicle's current position coordinates information using a position coordinates determination device as the CMT Accused Products only displays available cabs to the passenger. Taxis disappear from the screen when they are off duty or booked and no longer available. Taxis reappear when they become available again. *See* Exh. L.

51.   In part, the CMT Accused Products send the taxi position coordinates information to a server, as it is the server that relays the position coordinates information to an associated user interface (e.g. through the "Arro" passenger application, or "TaxiHail" passenger application). *See* Exh. L.

52.   The CMT Accused Products include in part a system in a taxi that sends notification to a server regarding the location of the taxi, as set forth in at least Claim 3 of the '913 Patent. *See* Exh. M.

53.   Claim 3 of the '913 Patent covers "A system for location in a taxi for sending notifications to a server, comprising: a position coordinates determination device for obtaining location information; a transmitter for sending location information obtained from said

8

determination device; and a sensor for sensing if a taxi meter is active or not, thereby indicating availability status, wherein upon sensing of the availability status of the taxi meter, said transmitter sends location information." *See* Exhs. A and M.

54.   In part, the CMT Accused Products include a GPS enabled Mobile Data Terminal. *See* Exh. M.

55.   In part, the CMT Accused Products operate from a cloud based system or from the server of the user. *See* Exh. M.

56.   In part, the CMT Accused Products include a system for determining the position coordinates (*i.e.* location information) of the taxi, including a GPS receiver installed in a taxicab that provides the taxi's position coordinates. *See* Exh. M.

57.   In part, the CMT Accused Products also include a wireless transmitter that functions to send the GPS location information to a server. *See* Exh. M.

58.   In part, the CMT Accused Products include discrete and smart meters for determining the availability of a vehicle at any given time. When the taxi is identified as "unavailable," the taxi is not displayed on the passenger application. When the taxi is identified as "available," the taxi may appear on the passenger application. Thus, the CMT Accused Product includes a sensor for sensing if the taxi is active and available or off duty or otherwise booked and unavailable, thereby indicating availability status and sending that information to the server. *See* Exh. M.

59.   In part, the CMT Accused Product transmits the location information of the taxi to the server if the taxi is available. *See* Exh. M.

60.   Each aspect of the CMT Accused Products itemized in paragraphs 47-59 above, is an element in Claims 1 and 3 of the '913 Patent.

61.   Defendant CMT, including its agents and assigns, practices at least one of the elements of Claim 1 of the '913 Patent.

62.   Thus, CMT infringes at least Claims 1 and 3 of the '913 Patent.

63.   Plaintiff has been, and will continue to be, irreparably harmed by CMT's ongoing infringement of the '913 Patent.

64.   As a direct and proximate result of CMT's infringement of the '913 Patent, Plaintiff has been and will continue to be damaged in an amount yet to be determined, including but not limited to Plaintiff's lost profits and/or a reasonable royalty.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief against the Defendants as follows:

A.   In favor of Plaintiff that Defendant Arro infringed one or more claims of the '913 Patent, either literally or under the doctrine of equivalents;

B.   Requiring Defendant Arro to pay Plaintiff its damages, costs, expenses, and prejudgment and post-judgment interest for Arro's infringement of the '913 Patent as provided under 35 U.S.C. § 284, but not less than a reasonable royalty;

C.   In favor of Plaintiff that Defendant CMT infringed one or more claims of the '913 Patent, either literally or under the doctrine of equivalents;

D.   Requiring Defendant CMT to pay Plaintiff its damages, costs, expenses, and prejudgment and post-judgment interest for CMT's infringement of the '913 Patent as provided under 35 U.S.C. § 284, but not less than a reasonable royalty; and

E.   For such other and further relief, as may be just and equitable.

DEMAND FOR TRIAL BY JURY

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiff hereby demands a

jury trial on all issues and causes of action triable to a jury.

DATED: August 22, 2017   Respectfully submitted,

/s/ *Todd Y. Brandt*
Todd Y. Brandt
TX Bar #24027051
BRANDT LAW FIRM
222 N. Fredonia St.
Longview, Texas 75601
Telephone: 903-212-3130
Facsimile: 903-753-6761
tbrandt@thebrandtlawfirm.com

Attorneys for Plaintiff Hailo Technologies, LLC

CERTIFICATE OF SERVICE

I hereby certify that counsel of record who are deemed to have consented to electronic service are being served this 22nd day of August, 2017, with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3). Any other counsel of record will be served by electronic mail, facsimile transmission and/or first class mail on this same date.

/s/ Todd Y. Brandt
Todd Y. Brandt