

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

GUILD FOREST LLC,

Plaintiff,

vs.

PINTEREST, INC.,

Defendant.

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Case No:

PATENT CASE

JURY TRIAL DEMANDED

COMPLAINT

Plaintiff Guild Forest LLC (“Plaintiff” or “Guild Forest”) files this Complaint against Pinterest, Inc. (“Defendant” or “Pinterest”) for infringement of United States Patent No. 8,046,697 (hereinafter “the ‘697 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 office address at 3000 Custer Rd., Suite 270-7003, Plano, TX 75075.

4. On information and belief, Defendant is a Delaware corporation with a principal address of 808 Brannan St, San Francisco, CA 94103. On information and belief, Defendant may be served with process through its agent, Agents and Corporations, Inc., 1201 Orange Street, Suite 600, One Commerce Center, Wilmington, DE 19801.

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

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 this District.

VENUE

7. Venue is proper in this District pursuant to 28 U.S.C. § 1400(b) because Defendant is deemed to reside in this District.

COUNT I
(INFRINGEMENT OF UNITED STATES PATENT NO. 8,046,697)

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 '697 Patent with sole rights to enforce the '697 Patent and sue infringers.

11. A copy of the '697 Patent, titled "System and Method for Customizing an Interface Related to Accessing, Manipulating and Viewing Internet and Non-internet Related Information," is attached hereto as Exhibit A.

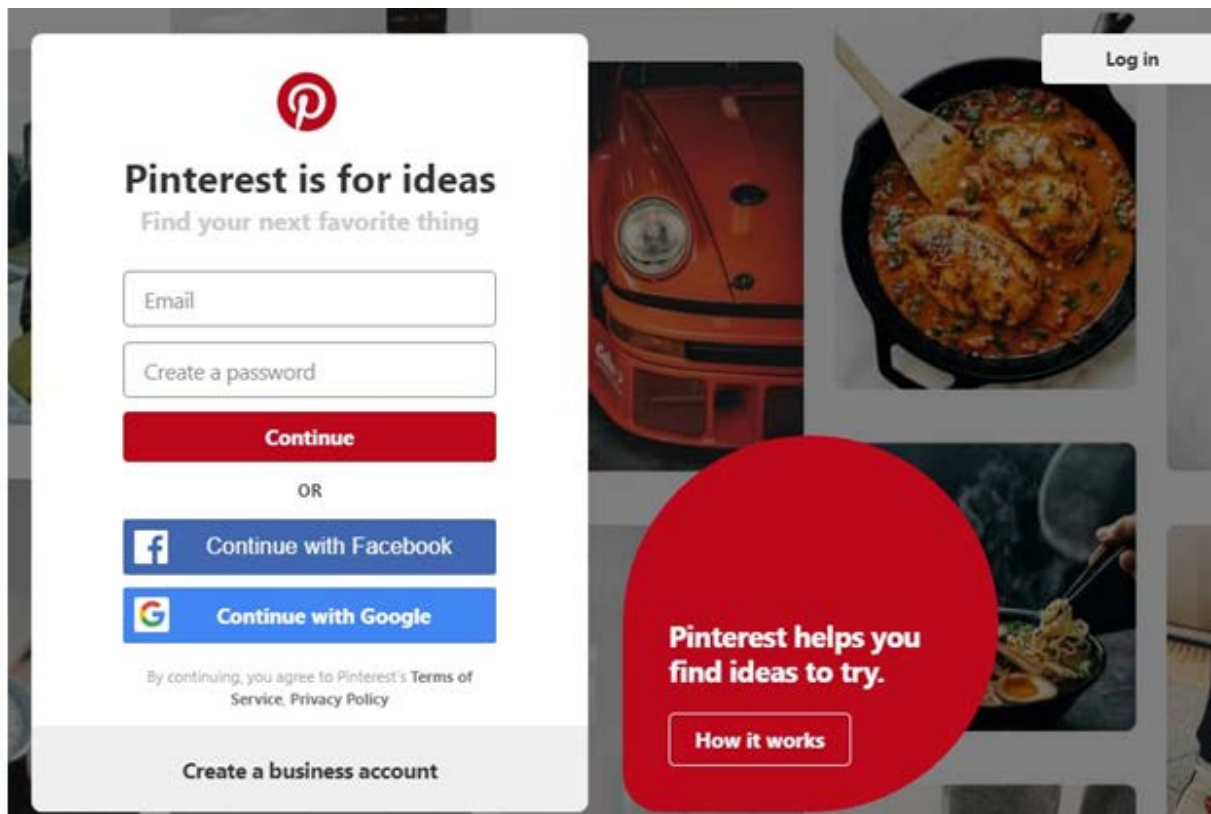
12. The '697 Patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code.

13. On information and belief, Defendant has infringed and continues to infringe one or more claims, including at least Claim 1, 2, 8, and 9 of the '697 Patent by making, using (including during testing and maintenance), importing, selling, and/or offering devices, platforms,

systems, and/or methods for creating a user profile for use in Internet-based advertising, which is/are covered by at least Claims 1, 2, 8, and 9 of the '697 Patent. Defendant has infringed and continues to infringe the '697 patent directly in violation of 35 U.S.C. § 271.

14. Defendant sells, offers to sell, and/or uses social media platforms, such as Pinterest.com, and any similar products ("Product"), which infringe at least Claims 1, 2, 8, and 9 of the '697 Patent.

15. Regarding Claim 1, the Product creates a user profile (e.g., a user profile for online interest-based advertising) in a computer implemented guide on a computer system (e.g., the pinterest.com server). The Product creates a user profile (e.g., a user profile for online interest-based advertising) of a user of the accused system when the user creates an account at pinterest.com. The Product collects basic user information (e.g., images uploaded, user name, etc.) from the user's Pinterest account information. The Product also monitors the user's activity on Pinterest.com and learns about the user's interests (e.g., a user's likes, follows, and browsed interests etc.). The Product also scans local applications (e.g., phonebook, GPS application, etc.) of the user computer and scans data therein (e.g., contact information, GPS data, etc.). These elements are illustrated in the screen shots below and/or in screen shots provided in connection with other allegations herein.



<https://www.pinterest.com/>

Profile

First Name

Last Name

Picture



Change picture

Username

www.pinterest.com/

About you

Location

Cancel

Save settings

<https://www.pinterest.com/settings/#accountBasics>

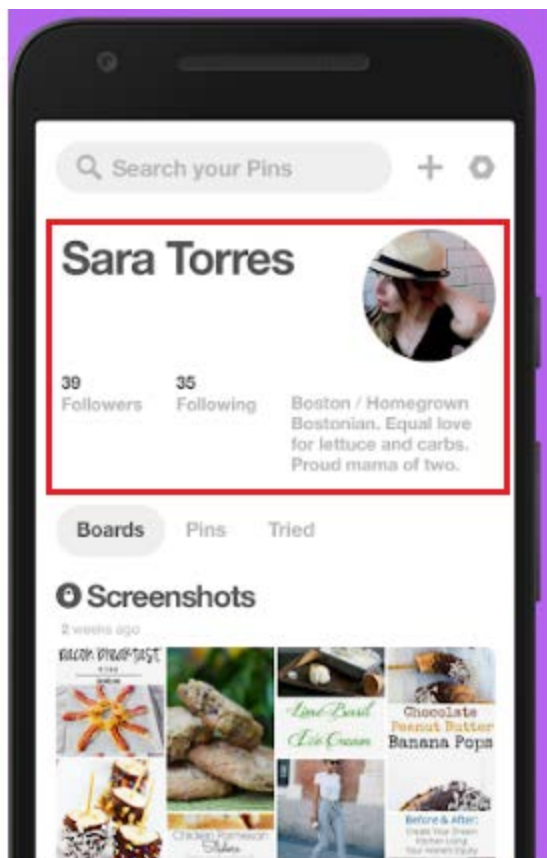
Dave Taylor
Boulder, Colorado / www.askdaveytaylor.com
Proud Dad of three, gearhead, gamer, tech writer, videographer and professional speaker.

User profile information

Places I'd Rather Be...
824 Pins

31	3.7k	872	3.8k	544
Boards	Pins	Likes	Followers	Following

<https://www.askdaveytaylor.com/wp-content/uploads/2016/12/pinterest-showcase-1-800x593.png>



<https://play.google.com/store/apps/details?id=com.pinterest>

1. When you give it to us or give us permission to obtain it

When you sign up for or use Pinterest, you give us certain information voluntarily. This includes your name, email address, phone number, profile photo, Pins, comments, and any other information you give us. You can also choose to share with us location data or photos. If you buy something on Pinterest, we collect payment information, contact information (address and phone number) and details of what you bought. If you buy something for someone else on Pinterest, we collect their delivery details and contact information.

If you link your Facebook or Google account or accounts from other third party services to Pinterest, we also get information from those accounts (such as your friends or contacts). The information we get from those services depends on your settings and their privacy policies, so please check what those are.

<https://policy.pinterest.com/en/privacy-policy>

We have a legitimate interest in delivering ads that are relevant, interesting and personal to you in order to generate revenue (providing this Service is expensive!) To further these interests we use the information we collect to:

- Decide which ads to show you. For example, if you show an interest in camping tents on Pinterest, we may show you ads for other outdoor products. We customize the ad content we show you by identifying your interests based on your onsite and offsite activities, as well as by using information we receive from ad partners or other third parties. Where we use cookies to identify your offsite interests, we will obtain consent where required as described in more detail below. Where ad partners or other third parties share information with us about you, we rely on the consent they have obtained.

<https://policy.pinterest.com/en/privacy-policy>

What is interest-based advertising?

Interest-based advertising – which is also sometimes called "online behavioral advertising" -- uses information gathered about your visits over time and across different websites or applications in order to help predict your preferences and show you ads that are more likely to be of interest to you. For example, a sporting goods manufacturer might work with an advertising network that collects and uses interest-based advertising information to deliver ads to the browsers of users that have recently visited sports-related sites, or an airline might direct ads to users that recently visited mobile travel apps.

How does interest-based advertising work?

When a user visits a web site or app that participates in an advertising network or works with other online advertising companies, these advertising companies gather information about the user's browser or device in order to tell when that same user browser or device visits other web sites or apps within the same network - even if these content offerings are run by different companies or have different web addresses or brands. Over time, the information gathered about the browser or device may help predict the user's likely interest in particular categories of ads: for example, users who frequently visit baseball-related Web sites might receive more ads for the "baseball/sports enthusiast" category, or users who engage with automobile review apps might receive more ads for the particular models of cars that interest them.

<https://www.aboutads.info/how-interest-based-ads-work>

HOW DO I GET PLACED IN INTEREST CATEGORIES AND GROUPS?

The basic way you are placed into an interest category or group on a browser is based on your visits to websites. Let's say an NAI member company partnered with a clothing retail website that you visit. That NAI member would assign an ID to your browser usually by storing a unique ID number in a text file or cookie on your browser. This is then matched to a "clothing shopper" category by pairing that ID number with interest categories/groups in an online database.

Unique ID Number	Matched Categories
450982374	"Male", "Age 25-34", "clothing"

Other information can be used to match you into a group, as well. For example, if you have previously purchased oxford shirts from that retail website, the website could tell the NAI company to also match "oxford shirt buyer" to the ID.

On mobile apps, the process is similar but it uses a different set of technologies. The mobile operating system you use, like Android or iOS, is likely to provide an identifier specifically for advertisers to use. This Mobile Advertising Identifier functions similarly to a cookie. It enables advertisers to identify your behavior across apps, without needing to use a more permanent phone or tablet identifier. Most of these identifiers include privacy options that allow users to reset the assigned identifier or to opt-out of Cross-App Advertising.

To do Cross-App Advertising, the NAI member may work with an app so that it can send them information relevant to your preferences. For example, if you open an app to look for highly rated local seafood restaurants, that app may tell the NAI member that a user with your device identifier may be interested in seafood, and that the user is in downtown Manhattan. This information may be used to show ads for more local seafood places.

Mobile Device Identifier	Matched Categories
AEBE52E7-03EE-455A-B3C4-E57283966239	"Male", "Age 25-34", "seafood", "downtown Manhattan"

<https://www.networkadvertising.org/understanding-online-advertising/how-does-it-work>

2. Add Targeting details

Targeting is at the ad group level. All the ads you create in this ad group will share the targeting options you set. You can customize your targeting details to make sure your Pins are relevant to them.

Here are the following targeting options:

- Audiences: find your customers on Pinterest via customer list targeting, retarget people who have visited your site or engaged with your Pins, or create actalikes from people who behave similarly.
- Interests: reach people based on their interests.
- Keywords: find people who are looking for specific ideas or products.
- Dynamic targeting: let Pinterest find people to reach based on the content of your Pin and what we know about users.
- Other targeting options: location, languages, device, and gender.

<https://help.pinterest.com/sites/help/files/pinterest-ads-manager-guide.pdf>

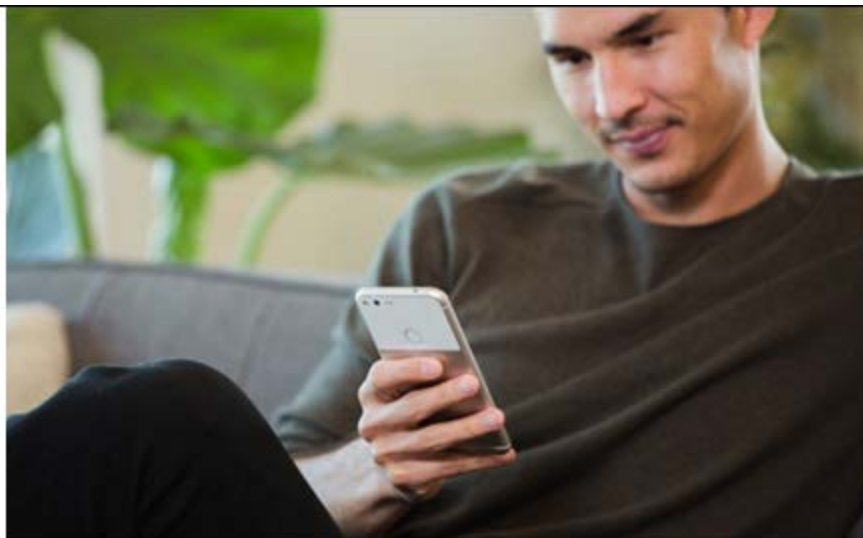
Interest targeting



Get your Promoted Pins in front of people based on what they like (such as recipes and home decor), as they browse their category and home feeds.

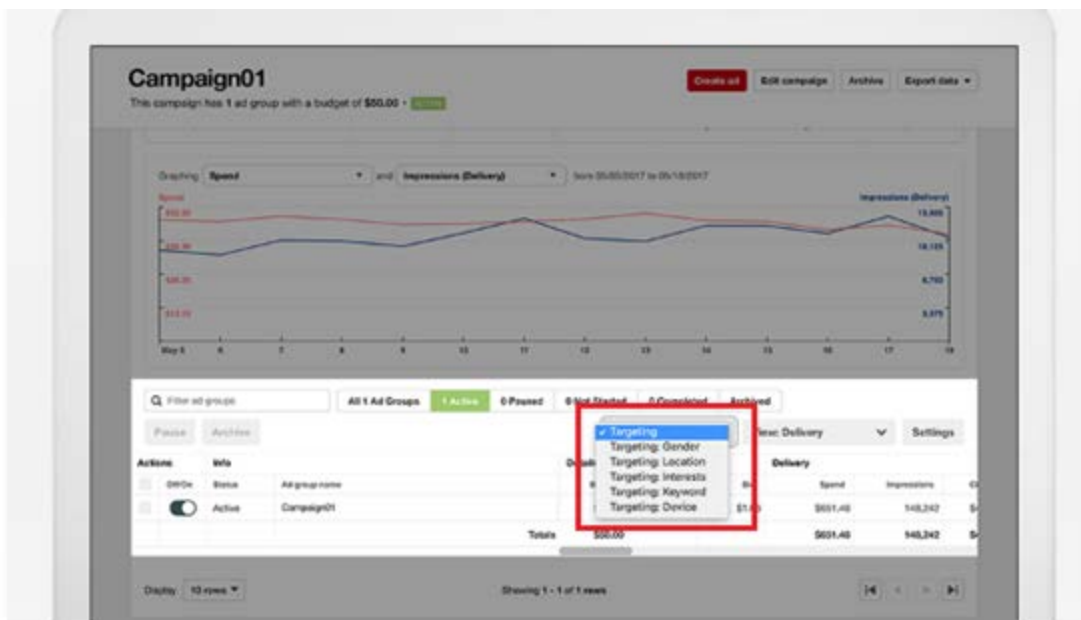
With nearly 50% of impressions occurring in home feeds, interest based targeting helps you build your brand with new audiences open to discovering your ideas.

<https://business.pinterest.com/en/pinterest-ad-targeting-capabilities>



Show your ads to the people who are most likely to be receptive. You can target your website visitor list, customers from your CRM, or people who have already engaged with your brand on Pinterest. You can boost traffic and drive online actions with audience targeted campaigns, which typically see a 28% increase in engagement rate.

<https://business.pinterest.com/en/pinterest-ad-targeting-capabilities>




We've made it possible to view the delivery and performance of your ad groups and Promoted Pins while also filtering for different targeting breakdowns.

<https://business.pinterest.com/en/new-in-ads-manager>

Create a target audience

Get your Promoted Pins in front of the right people by fine-tuning your audience using your customer list, retargeting or actalikes. [Learn more](#)



Create new audience

Choose at least 1 audience, keyword or interest to show your ads to.

Add interests

Pick relevant topics to reach people in their home and category feeds based on other Pins they've engaged with. [Learn more](#)

All interests
Selected (0)

Search all interests

Not seeing what you're looking for? Use search to access 6468 interests.

- animals (6)
- architecture (4)
- art (17)
- beauty (6)

3. Add your bid

Your bid determines how much you're willing to pay for your ad to get placed on Pinterest.

We'll recommend a bid for you based on the keywords, interests, locations, languages, devices and genders you've specified. This number is based on what other advertisers are bidding to reach people with similar interests, etc.

Aim to start with a 'Strong bid.' This helps you get a faster understanding about how your ad is performing in the auction and with people on Pinterest—then you can edit your bids or turn off ads that aren't performing.

Step 2 of 4

Ad group details

Use ad groups to manage budgets, targeting and schedules for a group of Promoted Pins within your campaign. [Learn more](#)

Format your keywords to indicate how closely they should match the search term: [broad match], [phrase match], or [exact match]

Dynamically target this ad group to appear in relevant searches

Locations

All U.S. locations

Pick specific locations

Languages

All languages

Pick specific languages

Devices

All devices

Pick specific devices

Genders

All genders

Pick specific genders

Maximum CPC bid

STRONG BID

A bid of \$2.91 or higher will be the most competitive at auction. You only pay for clicks to your website. [Learn more](#)

<https://help.pinterest.com/sites/help/files/pinterest-ads-manager-guide.pdf>

16. The Product creates a user profile database (e.g., a Pinterest user profile database for advertisement) for storing user profile parameters (e.g., location, user device, education, age, etc.). The Product derives user profile parameters (e.g., location, user device, education, age, etc.)

from basic information in a Pinterest user account, monitors interests based on user activity, and also collects local application data (e.g., contact information, GPS data, etc.) from a user's device. The Product creates a database for storing said user profile parameters for use in directed advertising. These elements are illustrated in the screen shots provided in connection with other allegations herein.

17. The Product monitors a user's interactions (e.g., browsing, following, or liking pins or boards) from a user computer (e.g., a smartphone enabled with the Pinterest app, a computer, or a laptop) with remote Web (e.g., the activity on the Pinterest.com website or on other third party websites which are partnered with Pinterest.com) and non-Web related (e.g., gathered device data such as mobile/network operator, ISP, time zone, signal strength, message, etc.) sources of content. The Product utilizes cookies to monitor a user's interactions (e.g., what is liked, browsed, bought) on Pinterest.com or partnered third party websites. The Product also utilizes cookies to monitor non-web related information such as off site, mobile/network operator, messages, signal strength, etc. These elements are illustrated in the screen shots below and/or in screen shots provided in connection with other allegations herein.

1. When you give it to us or give us permission to obtain it

When you sign up for or use Pinterest, you give us certain information voluntarily. This includes your name, email address, phone number, profile photo, Pins, comments, and any other information you give us. You can also choose to share with us location data or photos. If you buy something on Pinterest, we collect payment information, contact information (address and phone number) and details of what you bought. If you buy something for someone else on Pinterest, we collect their delivery details and contact information.

If you link your Facebook or Google account or accounts from other third party services to Pinterest, we also get information from those accounts (such as your friends or contacts). The information we get from those services depends on your settings and their privacy policies, so please check what those are.

<https://policy.pinterest.com/en/privacy-policy>

We have a legitimate interest in delivering ads that are relevant, interesting and personal to you in order to generate revenue (providing this Service is expensive!) To further these interests we use the information we collect to:

- Decide which ads to show you. For example, if you show an interest in camping tents on Pinterest, we may show you ads for other outdoor products. We customize the ad content we show you by identifying your interests based on your onsite and offsite activities, as well as by using information we receive from ad partners or other third parties. Where we use cookies to identify your offsite interests, we will obtain consent where required as described in more detail below. Where ad partners or other third parties share information with us about you, we rely on the consent they have obtained.

<https://policy.pinterest.com/en/privacy-policy>

- **Log data.** When you use Pinterest, our servers record information (“log data”), including information that your browser automatically sends whenever you visit a website, or that your mobile app automatically sends when you’re using it. This log data includes your Internet Protocol address, the address of and activity on websites you visit that incorporate Pinterest features (like the “Save” button—more details below), searches, browser type and settings, the date and time of your request, how you used Pinterest, cookie data and device data. If you’d like, you can [get more details on the types of information we collect in our logs.](#)
- **Cookie data.** We also use “cookies” (small text files sent by your computer each time you visit our website, unique to your Pinterest account or your browser) or similar technologies to capture log data. When we use cookies or other similar technologies, we use session cookies (that last until you close your browser) or persistent cookies (that last until you or your browser delete them). For example, we use cookies to store your language preferences or other settings so you don’t have to set them up every time you visit Pinterest. Some of the cookies we use are associated with your Pinterest account (including information about you, such as the email address you gave us) and other cookies are not. For more detailed information about how we use cookies, please review our [Cookies Policy](#).

<https://policy.pinterest.com/en/privacy-policy>

Device information. In addition to log data, we collect information about the device you’re using Pinterest on, including type of device, operating system, settings, unique device identifiers and crash data that helps us understand when something breaks. Whether we collect some or all of this information often depends on what type of device you’re using and its settings. For example, different types of information are available depending on whether you’re using a Mac or a PC, or an iPhone or Android phone. To learn more about what information your device makes available to us, please also check the policies of your device manufacturer or software provider.

<https://policy.pinterest.com/en/privacy-policy>

Personalized ads on Pinterest

To help you see the type of ads you're more likely to be interested in, some of the companies that advertise on Pinterest use info about your off-Pinterest activity to personalize the ads you see.

For example:

- They might share a list of customer email addresses with us. And if their customers are on Pinterest, we can show them more relevant Promoted Pins.
- They can use a Pinterest tag on their website to help us understand who's visited or made purchases on their site. We can use that info to show ads to the right people on Pinterest. For instance, this way you might get an ad for a pair of shoes you checked out, but didn't buy.

Not into the idea of seeing ads on Pinterest that were personalized using this kind of info? Go to your [account settings](#) and set the "Use info from our ad partners" tab to "No." You'll still see ads on Pinterest, but they won't be personalized using info from our partners.

<https://help.pinterest.com/en/articles/personalized-ads-pinterest>

Personalization

Cookies help us remember which Pins, boards, people or websites you've interacted with so we can show you related content you might like.

We also use cookies to help advertisers show you interesting ads. For example, if you bought a tent from an advertiser, they could ask us to show you an ad for a camping stove. [Learn more](#) about the types of information advertisers share with us.

<https://help.pinterest.com/sites/help/files/pinterest-ads-manager-guide.pdf>

18. The Product scans local memory (e.g., a user device's storage) of the user computer (e.g., a smartphone enabled with Pinterest app, a computer, or a laptop) to examine local applications (e.g., Pinterest will scan local applications on a user computer such as a phonebook, location application, or media managing applications to collect data). The Product extracts information about local applications (e.g., a phonebook, location application, or media manager application) of a user computer. These elements are illustrated in the screen shots below and/or in those provided in connection with other allegations herein.



Pinterest

Pinterest Social



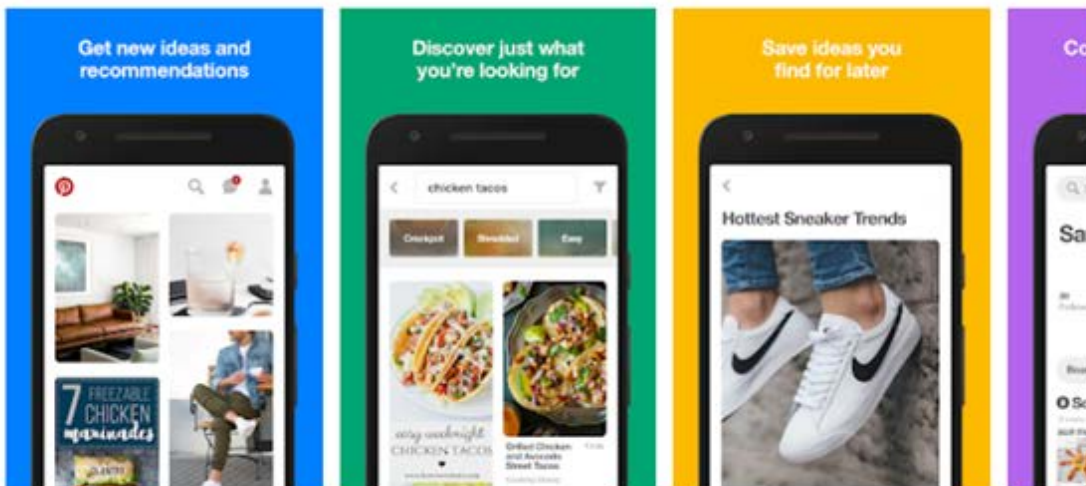
Contains Ads

Editors' Choice

★★★★★ 4,294,938

Add to Wishlist

Install





<https://play.google.com/store/apps/details?id=com.pinterest>

Pinterest

Pinterest




This app has access to:

-  **Identity**
 - find accounts on the device
 - read your own contact card
-  **Contacts**
 - find accounts on the device
 - read your contacts

<https://play.google.com/store/apps/details?id=com.pinterest>

Pinterest

Pinterest

-  **Location**
 - precise location (GPS and network-based)
-  **Photos/Media/Files**
 - read the contents of your USB storage
 - modify or delete the contents of your USB storage
-  **Storage**
 - read the contents of your USB storage
 - modify or delete the contents of your USB storage

<https://play.google.com/store/apps/details?id=com.pinterest>

19. The Product scans local memory (e.g., storage of a user device) of the user

computer (e.g., a smartphone with Pinterest app, a computer, a laptop) to examine local application applications (e.g., local applications of a user computer such as phonebook, location application, media manager application (i.e., gallery), etc.) data information content (e.g., contact information, GPS data, media files/photos/videos, etc.). The Product reads local application data (e.g., contact information, GPS data, media files/photos/videos, etc.) from local applications (e.g., local applications of a user computer such as phonebook, location application, media manager application (i.e., gallery), etc.) of a user computer (e.g., a smartphone with Pinterest app, a computer, a laptop). These elements are illustrated in the screen shots provided in connection with other allegations herein.

20. The Product determines interests of the user based on said steps of scanning (e.g., the accused system scans a location application of a user computer to determine GPS data of the user computer to determine interests a user might have based upon their location), the interests comprising at least one interest that is not selected from a predefined list of potential interests (e.g., interest in content tied to a particular location that is determined based on GPS data is not selected by a user from a predefined list). The Product determines user interest based on a user's location so that advertisements related to said location can be appropriately served to the user. These elements are illustrated in the screen shots provided below and/or in connection with other allegations herein.

2. Add Targeting details

Targeting is at the ad group level. All the ads you create in this ad group will share the targeting options you set. You can customize your targeting details to make sure your Pins are relevant to them.

Here are the following targeting options:

- Audiences: find your customers on Pinterest via customer list targeting, retarget people who have visited your site or engaged with your Pins, or create actalikes from people who behave similarly.
- Interests: reach people based on their interests.
- Keywords: find people who are looking for specific ideas or products.
- Dynamic targeting: let Pinterest find people to reach based on the content of your Pin and what we know about users.
- Other targeting options: location, languages, device, and gender.

<https://help.pinterest.com/sites/help/files/pinterest-ads-manager-guide.pdf>

Interest targeting



Get your Promoted Pins in front of people based on what they like (such as recipes and home decor), as they browse their category and home feeds.

With nearly 50% of impressions occurring in home feeds, interest based targeting helps you build your brand with new audiences open to discovering your ideas.

<https://business.pinterest.com/en/pinterest-ad-targeting-capabilities>

21. The Product automatically derives user profile parameters (e.g., location, user

device, user device operating system, about, etc.) based on said step of monitoring and said steps of scanning (e.g. the accused system will gather user information by monitoring user activity on the Pinterest.com website and scanning a user device for data such as GPS coordinates, contacts, etc. These elements are illustrated in the screen shots provided in connection with other allegations herein.

22. The Product updates the user profile database (e.g., a Pinterest user profile database used for advertisement purposes) based on the user's use of the computer system (e.g., a user's access of Pinterest). The Product updates a database (i.e., user profile database) for storing user profile parameters with newly derived user profile parameters (e.g., geographical location, age, etc.) so that customized and targeted advertisements can be served. These elements are illustrated in the screen shots provided in connection with other allegations herein.

23. Regarding Claim 2, the Product uses the user profile parameters are used to identify new content items of interest to the user. The Product updates the user profile database (e.g., a Pinterest user profile database used for advertisement purposes) based on the user's use of the computer system (e.g., a user's access of Pinterest). The Product updates a database (i.e., user profile database) for storing user profile parameters with newly derived user profile parameters (e.g., geographical location, age, etc.) so that customized and targeted advertisements can be served. These elements are illustrated in the screen shots provided in connection with other allegations herein.

24. Regarding Claim 8, the Product derives a plurality of sets of user profile parameters for a plurality of users, each of the plurality of sets being derived according to the activity of that user. The Product updates the user profile database (e.g., a Pinterest user profile database used for advertisement purposes) based on the user's use of the computer system (e.g., a user's access of

Pinterest). The Product updates a database (i.e., user profile database) for storing user profile parameters with newly derived user profile parameters (e.g., geographical location, age, etc.) so that customized and targeted advertisements can be served. These elements are illustrated in the screen shots provided in connection with other allegations herein.

25. Regarding Claim 9, the Product uses the plurality of sets of user profile parameters to identify new content items for the respective users. The Product updates the user profile database (e.g., a Pinterest user profile database used for advertisement purposes) based on the user's use of the computer system (e.g., a user's access of Pinterest). The Product updates a database (i.e., user profile database) for storing user profile parameters with newly derived user profile parameters (e.g., geographical location, age, etc.) so that customized and targeted advertisements can be served. These elements are illustrated in the screen shots provided in connection with other allegations herein.

26. Defendant's actions complained of herein will continue unless Defendant is enjoined by this court.

27. 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.

28. 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. 8,046,697 (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: September 25, 2018

Respectfully submitted,

DEVLIN LAW FIRM LLC

/s/ Timothy Devlin

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