

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

Sapphire Crossing LLC,

Plaintiff,

v.

Visa Inc.

Defendant.

Case No. _____

Patent Case

Jury Trial Demanded

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Sapphire Crossing LLC (“Sapphire Crossing”), through its attorney, Isaac Rabicoff, complains against Visa Inc. (“Visa”) and alleges the following:

PARTIES

1. Plaintiff Sapphire Crossing LLC is a corporation organized and existing under the laws of Texas and maintains its principal place of business at 5570 FM 423 Suite 250, #2008, Frisco, TX 75034.

2. Defendant Visa Inc. is a corporation organized and existing under the laws of Delaware and maintains its principal place of business at 900 Metro Center Blvd, Foster City, CA 94404.

JURISDICTION

3. This is an action for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code.

4. This Court has exclusive subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

5. This Court has personal jurisdiction over Visa because it has engaged in systematic and continuous business activities in the District of Delaware. Specifically, Visa resides in this District as it is incorporated in Delaware and provides its full range of services to residents in this District. As described below, Visa has committed acts of patent infringement giving rise to this action within this District.

VENUE

6. Venue is proper in this District under 28 U.S.C. § 1400(b) because Visa has committed acts of patent infringement in this District and resides in this District. Specifically, Visa is incorporated in this District and provides its full range of services to residents in this District. In addition, Sapphire Crossing has suffered harm in this District.

PATENT-IN-SUIT

7. On May 10, 2005, the United States Patent and Trademark Office duly and legally issued U.S. Patent No. 6,891,633 (“the ’633 Patent”) to Xerox Corporation (“Xerox”), naming Ken Hayward, Marc J. Krolczyk, Dawn M. Marchionda, Thomas L. Wolf and James S. Laird as the inventors. The ’633 Patent is titled “Image Transfer System”. A copy of the ’633 Patent is attached to this Complaint as Exhibit A.

8. Claims 19–20 of the ’633 Patent are valid and enforceable. The Patent Trial and Appeal Board denied institution of claims 19-20 and further denied Petitioner’s request for a rehearing.

9. On November 25, 2015, Xerox assigned all right, title, and interest in and to the ’633 Patent to Ruby Sands LLC, including all rights to enforce and prosecute actions for infringement and to collect damages for all relevant times against infringers of the ’633 Patent.

10. On March 26, 2018, Ruby Sands LLC assigned all right, title, and interest in and to the '633 Patent to Sapphire Crossing LLC, including all rights to enforce and prosecute actions for infringement and to collect damages for all relevant times against infringers of the '633 Patent. Accordingly, Sapphire Crossing possesses the exclusive right and standing to prosecute the present action for infringement of the '633 Patent by Visa.

11. The '633 Patent is directed to a novel image transfer system comprising a transfer device which can be operably connected to a computer. The system includes a reader for reading an image on a first medium, and a display for displaying an image transfer menu for effecting transfer of the image to perform a selected function. For example, the reader can be a mobile electronic device used to take a photograph of a first medium (for example, a receipt), and then offer on the display of the mobile electronic device a menu of different actions that can be selected to accomplish a particular task: for example, get cash rebates from digital coupons based on scanned receipts. A downloadable app can transform the mobile device into the claimed image transfer device. Without the app, the mobile device cannot display the first type of menu, read the receipt, establish a connection with a computer, transfer the image to the computer, or display the second type of menu.

12. Claim 19 of the '633 patent is directed to a method for transferring information from a first medium wherein the method provides an image transfer device having a scanner for reading an image on the first medium (for example a smartphone); the image transfer device reads the image on the first medium with the scanner (for example taking a picture with the smartphone); the image transfer device then uploads

the electronic data including at least a portion of an image transfer menu to be displayed by the image transfer device to the transfer device from a computer connected to the transfer device; and a processor of the image transfer device automatically merges the electronic data with the image read by the scanner and transfers the merged image by the transfer device to a second medium (for example servers).

VISA'S INFRINGING SYSTEM AND METHOD

13. Sapphire Crossing incorporates the above paragraphs herein by reference.

14. Visa performs the steps of the method found in the preamble of claim 19: “transferring information from a first medium.” For example, Visa’s IntelliLink Spend Management mobile app (“Accused Instrumentality” or ‘IntelliLink’) uses a reader for reading an image on a first medium, and a display for displaying an image transfer menu to perform a selected function. See <https://appadvice.com/app/spend-mgmt/1245312662>; Figure 1.

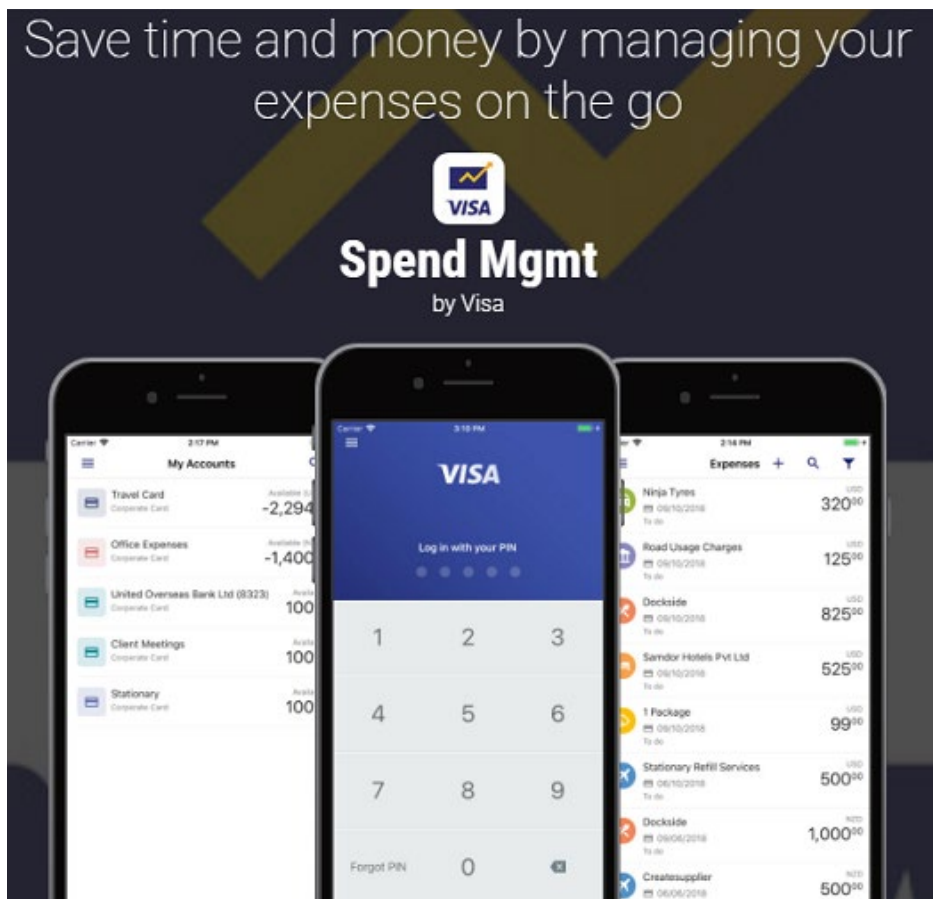


Figure 1. Visa the IntelliLink for use on mobile devices that transforms such devices into the Accused Instrumentality.

See also <https://appadvice.com/app/spend-mgmt/1245312662>; Figure 2.

Simply download now and create your mobile PIN to enjoy all the functionality you're already using with Visa IntelliLink Spend Management.

With the Visa IntelliLink Spend Management mobile app, you can say goodbye to paperwork, spreadsheets and paper receipts, and say hello to more time, freeing you up to get on with your day job.

Easy Expense Management:

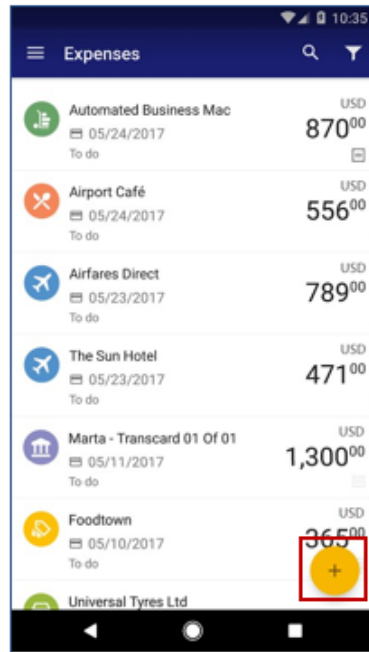
- + Capture expense data from your Visa Commercial Card purchases
- + Take photos of your receipts using your device and link them to expenses
- + Keep track of receipts using the image library
- + Code and submit expenses
- + Approve expenses
- + The application is governed by Visa Global Security standards.

Figure 2. Visa's IntelliLink uses the camera on the user's smartphone to read images.

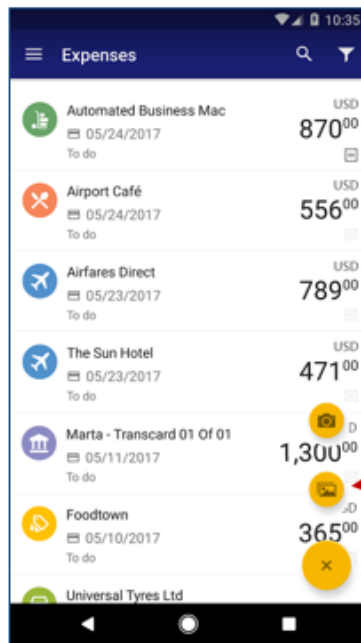
15. Visa's Intellilink performs the steps found in claim 19(a): "providing an image transfer device having a scanner for reading an image on the first medium." For example, Visa's Intellilink scans an image on a first medium, such as the barcode on a paper receipt through a camera. *See* Figure 3.

Use the mobile app to take a photo and upload the receipt image (for Android Users):

1. Tap the **Add button** (+) at the bottom of the screen.



2. Tap (📷), which means **A receipt using the camera.**
3. **Take a photo** of the receipt.
4. The image is *immediately uploaded* to your Image Library, where you can easily [link it to its matching transaction](#) after it appears on your account statement.



Tip: If you've already taken a photo using your phone, tap (📷) **A receipt from the gallery** to upload it to the Image Library.

Figure 3. Visa's IntelliLink uses the camera on the user's smartphone to scan a barcode on a receipt

16. Visa's IntelliLink performs the steps found in claim 19(b): "reading the

image on the first medium with the scanner.” For example, Visa’s IntelliLink uses the camera on the user’s smartphone to read an image of a receipt. *See* Figure 2, Figure 3, and Figure 4.

Mobile App Overview

Available for both Android and iOS, the *Visa IntelliLink Spend Management* mobile app provides convenient anywhere access to your card transactions.

As a cardholder:

- View summary information about your card account(s)
- View and code your expenses (if your organization uses the expense management functionality)
- Use your phone to take photos of your receipts (if your organization uses the receipt functionality)
- Link the receipt images on your phone to your expenses (if your organization uses the receipt functionality)

As an approver:

- View and approve expenses
- Request more information about an expense

Figure 4. Visa’s IntelliLink uses the camera on the user’s smartphone to read an image of a receipt

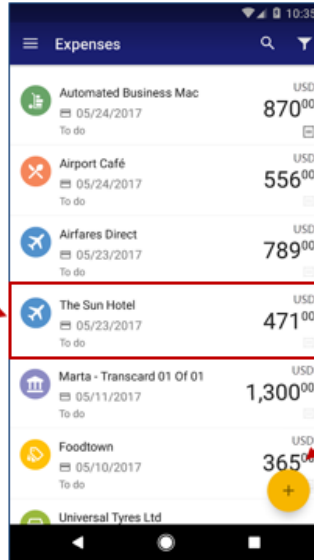
17. Visa’s IntelliLink performs the steps of claim 19(c): “automatically uploading electronic data including at least a portion of an image transfer menu to be displayed by the image transfer device to the transfer device from a computer connected to the transfer device.” For example, Visa’s IntelliLink uploads and displays an image transfer validation menu from the communication channels found in Visa’s computers and gives users the option to deposit the receipt. *See* Figure 3, Figure 4, and Figure 5.

Link receipt images to transactions

1. Tap the **Visa IntelliLink Spend Management** mobile app icon on your phone or tablet.
2. On the *Expenses* screen, tap the **transaction** you want to attach a receipt to...

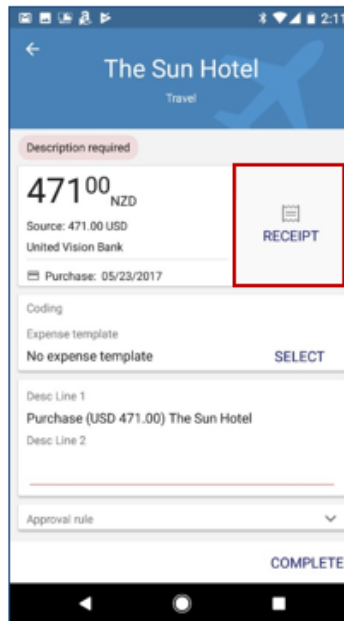


...for example, **The Sun Hotel**.



Tip: Tap to take a photo and upload receipt images to your Image Library immediately after receiving a receipt, and before the transaction appears in the app.

3. On the *Transaction* screen, tap **RECEIPT**.



- The *Receipts* screen displays, showing you *unlinked* images that were *previously uploaded* to the Image Library.

Tap the **Link** icon (🔗) to attach an *existing receipt image* from the Image Library to the transaction.

Or, to attach a *new receipt image* to a transaction, see the next page.






To attach a new receipt image to a transaction (for Android Users):

- Tap the **Add button** (+) in the lower right-hand corner to attach a *new receipt image* to the transaction: either by taking a photo of a receipt with your device camera (📷), or by selecting an existing receipt image (📷) from your Photos app.
- The image is *immediately attached* to the transaction and you are returned to the Transaction Details screen. (There is no need to tap the Link icon.)



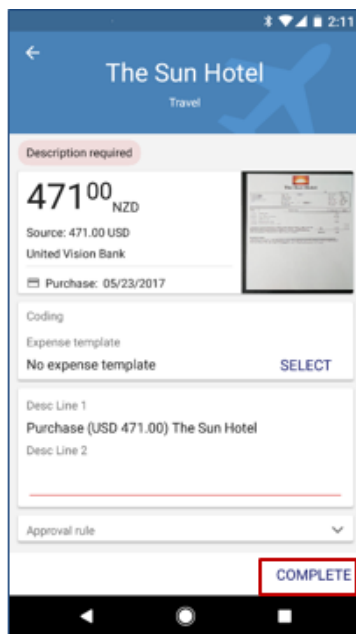
When tapped, the **Add button** (+) displays three options for attaching a new receipt image:

-  Take a new photo
-  Select a photo from the Photos app.
-  Cancel

7. After linking a receipt, the Transaction screen redispays.

– To finish coding the transaction: Tap **Select** to choose an Expense Template, complete any **required fields**, then tap **COMPLETE**. See the **Code transactions** section above for more details.

– **Or**, to code the transaction later: Tap **COMPLETE**. You are returned to the *Expenses* screen. The transaction still appears in the list because it remains in *To do* status.



A **thumbnail image** of the linked receipt.

Figure 5. Visa’s IntelliLink automatically uploads and displays on the display screen, found on the user’s smartphone, an image transfer menu obtained via a communication channel from Visa’s computers.

18. Visa’s IntelliLink performs the steps of claim 19(d): “with a processor of the image transfer device, automatically merging the electronic data with the image read by the scanner.” For example, Visa’s IntelliLink merges the data found in the electronic image of the scanned receipt that can be stored on Visa’s servers. *See* Figure 5.

19. Visa’s IntelliLink performs the steps of claim 19(e): “transferring the merged image by the transfer device to a second medium.” For example, Visa’s IntelliLink transfers the merged image to its server(s). *See* Figure 5.

COUNT I: DIRECT INFRINGEMENT

20. Sapphire Crossing incorporates the above paragraphs herein by reference.

21. As a result of making, using (including having its employees internally test and use the Accused Instrumentality as alleged below), marketing, and providing the Accused Instrumentality, Visa has and continues to directly infringe at least Claim 19 of the ’633 Patent literally or under the doctrine of equivalents.

22. As set forth above, the Accused Instrumentality is specifically designed to perform every step of at least Claim 19 of the '633 Patent, and each use of the Accused Instrumentality will result in infringement of at least that claim.

23. Upon information and belief, Visa has and continues to directly infringe at least Claim 19 of the '633 Patent when it internally tested and used the Accused Instrumentality.

24. Upon information and belief, Visa's employees or individuals under Visa's control use the Accused Instrumentality to test the operation of the Accused Instrumentality and its various functions, in the infringing manner described here, and thereby infringes at least Claim 19 of the '633 Patent. Sapphire Crossing therefore alleges that Visa has and continues to directly infringe the '633 Patent by using the Accused Instrumentality to perform at least the method of Claim 19.

25. Upon information and belief, Visa also has and continues to directly infringe at least Claim 19 of the '633 Patent when its employees use the Accused Instrumentality. Upon information and belief, Visa's employees or individuals under Visa's control use the Accused Instrumentality in an infringing manner and described in detail in the above section (INFRINGING SYSTEM AND METHOD). Sapphire Crossing therefore alleges that Visa directly infringes the '633 Patent by using the Accused Instrumentality to perform the method of at least Claim 19.

26. Since at least the date that this Complaint was filed, Visa has willfully infringed at least Claim 19 of the '633 Patent by directly infringing the patent with knowledge of the patent and despite an objectively high likelihood that its actions constituted infringement of the '633 Patent.

27. Sapphire Crossing has suffered damages as a result of Visa's direct infringement of the '633 Patent.

28. Sapphire Crossing is entitled to recover damages adequate to compensate it for such infringement in an amount no less than a reasonable royalty under 35 U.S.C. § 284.

29. Sapphire Crossing will continue to be injured, and thereby caused irreparable harm, unless and until this Court enters an injunction prohibiting further infringement.

COUNT II: INDIRECT INFRINGEMENT

30. Sapphire Crossing incorporates the above paragraphs herein by reference.

31. **Contributory Infringement.** Visa has also contributed to the infringement of at least Claim 19 of the '633 Patent by providing the Accused Instrumentality to, among others, its customers, and by advertising, promoting, encouraging, instructing and aiding others to use the Accused Instrumentality in an infringing manner.

32. Visa has engaged in these activities knowing that the Accused Instrumentality is especially made and adapted for use, and is in fact used, in a manner that constitutes infringement of at least Claim 19 of the '633 Patent. The Accused Instrumentality is not a staple article or commodity of commerce that is suitable for substantial non-infringing uses.

33. Since at least the filing date of this Complaint, Visa has known that the use of the Accused Instrumentality infringes the '633 Patent, and that such combination of components has no substantial non-infringing use.

34. Sapphire Crossing has suffered damages as a result of Visa's indirect infringement of the '633 Patent.

35. Sapphire Crossing is entitled to recover damages adequate to compensate it for such infringement in an amount no less than a reasonable royalty under 35 U.S.C. § 284.

36. Sapphire Crossing will continue to be injured, and thereby caused irreparable harm, unless and until this Court enters an injunction prohibiting further infringement.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Sapphire Crossing prays for judgment against Visa on all the counts and for the following relief:

- A. A declaration that Sapphire Crossing is the owner of the right to sue and to recover for infringement of the '633 Patent being asserted in this action;
- B. A declaration that Visa has directly infringed, actively induced the infringement of, or contributorily infringed the '633 Patent;
- C. A declaration that Visa and its customers are jointly or severally responsible for the damages from infringement of the '633 Patent through the use of the Visa's Mobile app;
- D. A declaration that Visa is responsible jointly or severally with its customers for the damages caused by the infringement of the '633 Patent through the use of the Visa Mobile app by Visa's customers;
- E. An award of damages to compensate Sapphire Crossing for HealthEquity's direct infringement of the Patent-in-Suit, including an accounting of all

damages not presented at trial;

- F. An award of Sapphire Crossing's costs and expenses;
- G. A declaration that Visa's actions constitute as exceptional conduct in bad faith, and an award of Sapphire Crossing's attorney fees; and
- H. Such other and further relief as this Court may deem proper, just and equitable.

Dated: December 28, 2018

Respectfully submitted,

/s/ Timothy Devlin

Timothy Devlin
Delaware Bar No. 4241
DEVLIN LAW FIRM LLC
1306 N. Broom Street, 1st Floor
Wilmington, DE 19806
Phone: (302) 449-9010
tdevlin@devlinlawfirm.com

Isaac Rabicoff
(*Pro Hac Vice Admission Pending*)
isaac@rabilaw.com
Kenneth Matuszewski
(*Pro Hac Vice Admission Pending*)
kenneth@rabilaw.com
Rabicoff Law LLC
73 W Monroe
Chicago, IL 60603
(773) 669-4590

Counsel for Plaintiff