

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

LANDMARK TECHNOLOGY A, LLC,

Plaintiff,

v.

SPECIALTY BOTTLE, INC. and SPECIALTY
BOTTLE SUPPLY, LLC,

Defendants.

Civil Action No.

COMPLAINT FOR PATENT
INFRINGEMENT

JURY DEMAND

COMPLAINT FOR PATENT INFRINGEMENT

COMES NOW, Plaintiff Landmark Technology A, LLC (“Landmark A”), for its
Complaint against Specialty Bottle, Inc. and Specialty Bottle Supply, LLC (“Defendants” or
collectively “Specialty Bottle”), alleges as follows:

THE PARTIES

1. Plaintiff Landmark Technology A, LLC (“Landmark A”) is a limited liability
company organized under the laws of the State of North Carolina.

2. On information and belief, Specialty Bottle, Inc. and Specialty Bottle Supply, LLC (collectively “Specialty Bottle”) are companies organized under the laws of Washington with a principal place of business located at 3434 4th Ave., S., Seattle, WA 98134. Landmark A is further informed and believes, and on that basis alleges, that Specialty Bottle operates the website <https://www.specialtybottle.com/>, which is a national supplier of glass, metal and plastic containers. Specialty Bottle derives a significant portion of its revenue from sales and distribution via electronic transactions conducted on and using at least, but not limited to, the Internet websites located at <https://www.specialtybottle.com/> and/or the functionality found through the “my account” and “cart” functions, and incorporated and/or related systems (collectively the “Specialty Bottle Website” or “Accused Instrumentality”). Landmark A is informed and believes, and on that basis alleges, that, at all times relevant hereto, Specialty Bottle has done and continues to do business in this judicial district, including, but not limited to, providing products/services to customers located in this judicial district by way of the Specialty Bottle Website.

JURISDICTION AND VENUE

3. This is an action for patent infringement in violation of the Patent Act of the United States, 35 U.S.C. §§ 1 *et seq.*

4. This Court has original and exclusive subject matter jurisdiction over the patent infringement claims for relief under 28 U.S.C. §§ 1331 and 1338(a).

5. This Court has personal jurisdiction over Specialty Bottle because it maintains its principal place of business in the state of Washington. On information and belief, Specialty Bottle has transacted and is continuing to transact business in this District that includes, but is not limited to, the use of products and systems that practice the subject matter claimed in the patents involved in this action.

6. Venue is proper in this district under 28 U.S.C. § 1400(b) because Specialty Bottle is registered with the Secretary of State in the State of Washington and thus resides in this district under the Supreme Court’s opinion in *TC Heartland LLC v. Kraft Foods Group Brands LLC*, 137

1 S. Ct. 1514 (2017). Further, upon information and belief, Specialty Bottle has committed acts of
2 infringement in this district and a regular and established place of business in this district.

3
4 **FACTS**

5 7. On March 7, 2006, United States Patent No. 7,010,508 entitled “Automated
6 Multimedia Data Processing Network” was duly and legally issued to Lawrence B. Lockwood as
7 inventor. A true and correct copy of United States Patent No. 7,010,508 (“the ‘508 Patent”) is
8 attached hereto as Exhibit A and incorporated herein by this reference.

9 8. Specifically, the ‘508 Patent claims a novel automated multimedia data processing
10 system, including an interactive multimedia terminal employing an unconventional hardware
11 architecture enabling an inventive form of data processing according to backward-chaining and
12 forward-chaining sequences.

13 9. By January 24, 1986—the date to which the Asserted Claim of the ‘508 Patent
14 claims priority—conventional “self-service terminals,” such as that disclosed in U.S. Pat. No.
15 4,359,631 (“the ‘631 Patent”), had “evolved to a high degree of sophistication.” Ex. A, 1:37-40.
16 A true and correct copy of the ‘631 Patent is attached as Exhibit B and incorporated herein by this
17 reference. In spite of their sophistication, however, conventional terminals of the day were
18 nonetheless incapable of “the more complex types of goods and services distribution which
19 requires a great deal of interaction between individuals and institutions.” Ex. A, 1:39-44. In
20 particular, conventional terminals were incapable of “processing” “according to backward-
21 chaining and forward-chaining sequences,” as claimed in claims 1 and 16 of the ‘508 Patent.
22 Conventional terminals were also incapable of “analyzing” “operator-entered information” and,
23 “responsive to said means for analyzing,” “presenting additional inquiries in response to said
24 operator-entered information,” as claimed in claim 1 of the ‘508 Patent. Thus, in the ‘631
25 Patent—which disclosed Mr. Lockwood’s own prior terminal and was the principal piece of prior
26 art to the ‘508 Patent, explicitly identified therein as among the most sophisticated terminals of its
27 day—employed a menu-driven approach to interaction with the user. As the inventor explained
28

1 during prosecution of the ‘508 Patent, the “procedure [of the prior art terminal disclosed in the
2 ‘631 Patent] followed a rigid, pre-ordained sequence...following a fixed menu tree.” A true and
3 correct copy of the inventor’s amendment during prosecution of the ‘508 Patent is attached hereto
4 as Exhibit C and incorporated herein by this reference. *See* Ex. C at 16. “In this primitive type of
5 interactive process, the machine need not analyze the answer because each answer leads
6 progressively to the next predetermined step in accordance with the sequence imposed by the
7 menu tree.” *Id.* By contrast, “the claimed system” of the ‘508 Patent “has the novel capability of
8 processing the answer given by the operator in combination with prior answers and/or other data to
9 formulate or compose a new inquiry, to request other information from a central processor, or a
10 response, and to make on-site decisions about the next operational step. The net effect and result
11 being the operator’s responses create a highly individualized, unique, ‘one-of-a-kind’ question and
12 answer presentation.” *Id.* at 20. Whereas the terminal of the ‘631 patent employed a “backward-
13 chaining” approach, the ‘508 Patent “employs a type of problem solving technique known in the
14 art as ‘forward-chaining,’” a technique “associated with knowledge bases that have large numbers
15 of possible solutions.” *Id.* at 21-24. “Because each proposed applicant” using the terminal (or
16 “station”) of the ‘508 Patent “will provide different answers to earlier questions, the proposed
17 applicant may be provided with subsequent questions different from those posed to some other
18 proposed applicant.” *Id.* at 24. In other words, each user of the claimed system of the ‘508 Patent
19 “will be provided with an individualized presentation.” *Id.* These capabilities are reflected in the
20 “processing” according to “backward-chaining and forward-chaining sequences” elements of
21 claims 1 and 16, as well as the “means for analyzing” element of claim 1.

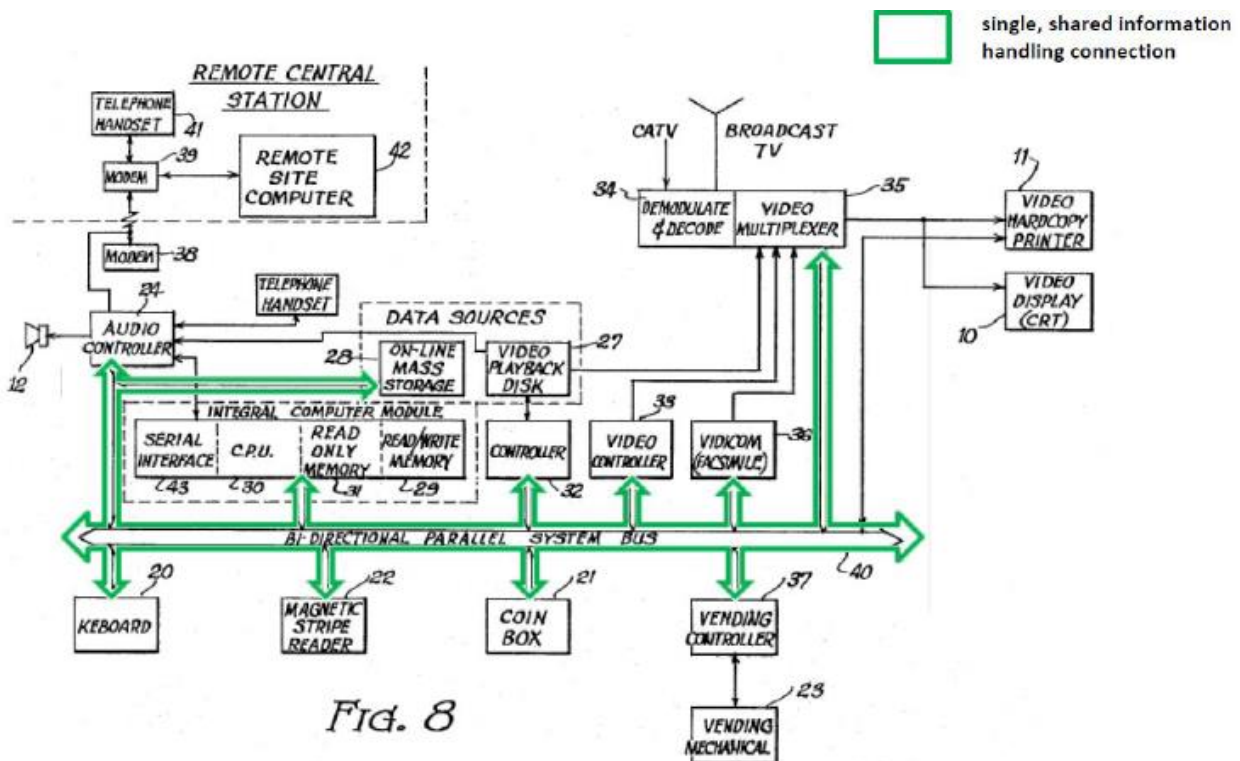
22 10. As a three-judge panel of the Board of Patent Appeals and Interferences
23 unanimously recognized, the prior art terminal of the ‘631 Patent did “not disclose both
24 ‘backward-chaining and forward-chaining sequences.’” A true and correct copy of the Board’s
25 decision is attached as Exhibit D, and incorporated herein by this reference. *See* Ex. D at 5.
26 Employing both backward-chaining and forward-chaining sequences in an automated multimedia
27 data processing system, as claimed in claim 1 and 16 of the ‘508 Patent, was an inventive concept
28

1 and unconventional in 1986, rendering the claims eligible under 35 U.S.C. § 101. However, for
2 such a system to carry out a properly interactive presentation required hardware improvements that
3 would enable the terminal to support an interactive video presentation while at the same time
4 receiving and transmitting data to and from a computerized installation. For example, as
5 explained during prosecution, the “means for interactively directing” element specifically requires
6 “selective retrieval of the data received through and from the central processor” and the “phrase
7 ‘interactively directing’” was explicitly defined as “refer[ring] to the ability of the various cited
8 elements to ‘interact’, that is to exchange information and act in accordance with received data,”
9 i.e., data received from the central processor. Ex. C at 19. The “means for interactively directing,”
10 as limited by or in combination with the requirement for “processing” “according to backward-
11 chaining and forward-chaining sequences” in Claims 1 and 16, required a hardware architecture
12 capable of supporting the retrieval of data from the central processor via the data receiving and
13 transmitting means while supporting an interactive video presentation on the video display. Such a
14 system would then be able not only to “process[] a user entry in combination with extrinsic
15 information” obtained from the central processor (such as “the financial profile of the customer”)
16 via the data receiving and transmitting means, “but to make suggestions, or independently provide
17 something different than what was requested but more responsive to the user’s needs” and output it
18 via the video display. Ex. C. at 19-20. But attempting to perform these functions at the same time
19 on the prior art terminals of the early-to-mid 1980’s, such as that disclosed in the ’631 Patent,
20 would have resulted in the congestion of their systems, rendering them virtually inoperable. These
21 technical limitations of the prior art terminals were recognized by persons of ordinary skill in the
22 art, as evidenced by the declaration of Joey A. Maitra, an engineer with extensive experience in the
23 relevant subject matter who held multiple positions in industry during the 1980’s. A true and
24 correct copy of the Maitra Declaration is attached as Exhibit E, and incorporated herein by this
25 reference.

26 11. The structure employed by the prior art terminal of the ’631 Patent had, by 1986,
27 become conventional. That structure, and its technical limitations, are representative of
28

terminals of the period. As shown in Figure 8 of the '631 Patent, the terminal "employs a bi-directional parallel bus oriented input/output structure." Ex. B, 4:57-59 & Fig. 8.

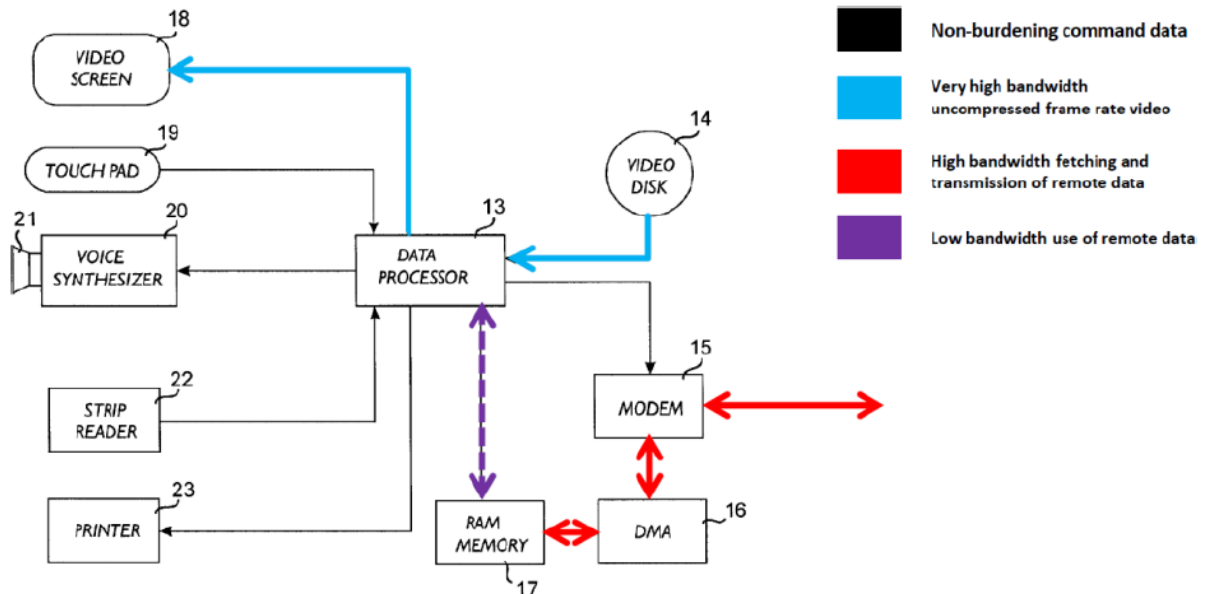
**'631 Patent, Figure 8 – The Prior Art Terminal
and its Single, Shared Information Handling Connection**



This information handling connection—bus 40—was *shared* among the terminal's systems. Ex. B, 4:62-64 (noting this "structure . . . accommodate[s] the various terminal components."). This structure presented a significant technical problem: in order to carry provide a higher degree of interactivity appropriate to the "more complex" transactions the '508 Patent sought to carry out, the terminal's video playback and communication systems would have been required to operate at the same time. However, persons of ordinary skill in the art would have recognized that this would have exhausted the data transfer capacity of conventional terminals. Ex. E [Maitra Decl.] ¶¶ 12, 14, 23.

12. To solve these issues, the '508 Patent introduced a novel hardware improvement in the terminal (here claimed as a "station"). As demonstrated in Figure 2 of the '508 Patent, a

'508 Patent, Figure 2 – Unconventional Arrangement of DMA Within a Second, Independent Information Handling Connection



DMA unit was positioned independently along its own information handling connection within the terminal, unlike the systems of the prior art. Ex. A, Fig. 2. Whereas prior art terminals would have incorporated a DMA unit into a single information handling connection shared among their systems (such as that illustrated in Fig. 8 of the '631 Patent), the '508 Patent disclosed two independent information handling connections designed to prevent congestion resulting from concurrent operation of the terminal's systems (here claimed as a "station"). Ex. E [Maitra Decl.] ¶¶ 15, 23. As the specification of the '508 Patent explains, the terminal's modem "handles a batch of information through a direct memory access [DMA] unit 16, to and from a RAM memory"—i.e., placing information directly into memory along an independent information handling connection, and not, as in the prior art, by first traversing a shared connection already bogged down by other systems. Ex. A, 3:41-43; Ex. E [Maitra Decl.] ¶¶ 17-19; 21-23. This unconventional hardware architecture enabled a higher level of interactivity and personalization of

1 user transactions than was possible on conventional terminals in 1986, such as that disclosed in the
2 ‘631 Patent. Persons of ordinary skill in the art would have recognized that the architecture of the
3 terminal claimed in the ‘508 Patent overcame the technical limitations of conventional terminals,
4 enabling the terminal to provide a richer interactive presentation to the user while simultaneously
5 utilizing its communication systems to fetch necessary data from remote sources. *See* Ex. E
6 [Maitra Decl.] ¶ 15. This unconventional hardware architecture disclosed in Figure 2 and
7 elsewhere in the specification of the ‘508 Patent is required throughout many of the claim elements
8 of claims 1 and 16, particularly the “means for interactively directing,” and constitutes one of the
9 ‘508 Patent’s “inventive concepts,” rendering the claims eligible under 35 U.S.C. § 101. Another
10 of the ‘508 Patents “inventive concepts,” which is enabled by its structure, is “an unconventional
11 analytic technique whereby the claimed station is capable of analyzing data to determine if an
12 additional inquiry is appropriate for presentation to the user,” reflected in the “means for
13 processing” element of claim 1. Ex. E [Maitra Decl] ¶ 19.

14 13. Following a reexamination of the ‘508 Patent, the United States Patent and
15 Trademark Office issued an Ex Parte Reexamination Certificate, US 7010508 C1, confirming the
16 validity of claims 1-7 and claims 16-17, while cancelling claims 8-15, which were much broader
17 than those held valid. A true and copy of the Ex Parte Reexamination Certificate is attached hereto
18 as Exhibit F and incorporated herein by this reference. As the PTO Examiner observed in
19 confirming the validity of claims 1-7 and 16-17 of the ‘508 Patent, the prior art “disclosures teach
20 away” from those claims. A true and correct copy of the Examiner’s Office Action is attached
21 hereto as Exhibit G, and incorporated herein by this reference. *See* Ex. G at 98. The Examiner
22 thus rejected the third-party requester’s “uncollaborated [sic] conclusions” that the combination of
23 backward and forward-chaining techniques claimed in the ‘508 Patent “would have been
24 considered obvious” or would have required “only mere software changes,” instead holding claims
25 1-7 and 16-17 valid. *Id.*

1 limitations at least claim 1 on which Specialty Bottle processes business information and places
2 purchase orders. Landmark A has outlined a sample of Specialty Bottle's infringement of claim 1
3 in the claim chart attached as Exhibit H and hereby incorporated by this reference.

4 21. Further, on information and belief, Specialty Bottle's Website exerts control over
5 the transactions placed via the claimed terminal. On information and belief, when the terminal's
6 browser accesses Specialty Bottle's Website, Specialty Bottle's server causes the browser to place
7 a "cookie" on the claimed terminal, which allows users to store items in the website's shopping
8 cart.

9 22. Specialty Bottle, on information and belief, is also engaged in internal use of the
10 claimed system, by developing and testing versions of its Website on its own computers. For
11 example, Specialty Bottle currently employs a "Web & Graphic Designer." *See*
12 <https://www.linkedin.com/in/chris-taylor-740408a>. Specialty Bottle, therefore, by the acts
13 complained of herein, is making, using, selling, or offering for sale in the United States, including
14 in this District, products and/or services embodying the invention, and has in the past and is now
15 continuing to infringe the '508 Patent, either literally or under the doctrine of equivalents, in
16 violation of 35 U.S.C. § 271(a).

17 23. Specialty Bottle threatens to continue to engage in the acts complained of herein
18 and, unless restrained and enjoined, will continue to do so, all to Landmark A's irreparable injury.
19 It would be difficult to ascertain the amount of compensation that would afford Landmark A
20 adequate relief for such future and continuing acts, and a multiplicity of judicial proceedings
21 would be required. Landmark A does not have an adequate remedy at law to compensate it for the
22 injuries threatened.

23 24. By reason of the acts of Specialty Bottle alleged herein, Landmark A has suffered
24 damage in an amount to be proved at trial.

25 25. Landmark A is informed and believes, and on that basis alleges, that the
26 infringement by Specialty Bottle is willful, wanton, and deliberate, without license and with full
27

1 knowledge of the '508 Patent, thereby making this an exceptional case entitling Landmark A to
2 attorneys' fees and enhanced damages.

3 **SECOND CLAIM FOR RELIEF**

4 **(Inducing Infringement of the '508 Patent, in Violation of 35 U.S.C. § 271(b))**

5 26. Landmark A refers to and incorporates herein by reference paragraphs 1-27.

6 27. Landmark A is informed and believes, and on that basis alleges, that Specialty
7 Bottle has actively and knowingly induced infringement of the '508 Patent, in violation of 35
8 U.S.C. § 271(b) by, among other things, inducing its customers to utilize their own device in
9 combination with the Specialty Bottle Website, and incorporated and/or related systems, to search
10 for and order information and products from the Specialty Bottle Website in such a way as to
11 infringe the '508 Patent.

12 28. For example, Specialty Bottle is inducing its customers to infringe by encouraging
13 them to create new accounts and to sign in to their accounts using their login information to
14 retrieve their customer information.

15 29. By reason of the acts of Specialty Bottle alleged herein, Landmark A has suffered
16 damage in an amount to be proved at trial.

17 30. Specialty Bottle threatens to continue to engage in the acts complained of herein
18 and, unless restrained and enjoined, will continue to do so, all to Landmark A's irreparable injury.
19 Landmark A does not have an adequate remedy at law.

20 31. Landmark A is informed and believes, and on that basis alleges, that the
21 infringement by Specialty Bottle is willful, wanton, and deliberate, without license and with full
22 knowledge of the '508 Patent, thereby making this an exceptional case entitling Landmark A to
23 attorneys' fees and enhanced damages.

24 **PRAYER FOR RELIEF**

25 WHEREFORE, Landmark A prays for relief as follows:

26 A. Judgment that Specialty Bottle has directly infringed, and induced others to
27 infringe, the '508 Patent either literally and/or under the doctrine of equivalents;

1 B. Judgment that Specialty Bottle's infringement of the '508 Patent has been willful;

2 C. Judgment permanently enjoining Specialty Bottle, its officers, directors, agents,
3 servants, affiliates, employees, subsidiaries, divisions, branches, parents, attorneys,
4 representatives, and all others acting in concert or privity with any of them, from infringing the
5 '508 Patent, and from inducing others to infringe the '508 Patent;

6 D. Judgment awarding Landmark A general and/or specific damages, including a
7 reasonable royalty and/or lost profits, in amounts to be fixed by the Court in accordance with
8 proof, including enhanced and/or exemplary damages, as appropriate, as well as all of Specialty
9 Bottle's profits or gains of any kind from its acts of patent infringement;

10 E. Judgment awarding Landmark A enhanced damages pursuant to 35 U.S.C. § 284
11 due to the willful and wanton nature of Specialty Bottle's infringement;

12 F. Judgment awarding Landmark A all of its costs, including its attorneys' fees,
13 incurred in prosecuting this action, including, without limitation, pursuant to 35 U.S.C. § 285 and
14 other applicable law;

15 G. Judgment awarding Landmark A pre-judgment and post-judgment interest; and

16 H. Judgment awarding Landmark A such other and further relief as the Court may
17 deem just and proper.

18
19 **JURY DEMAND**

20 Pursuant to Federal Rule of Civil Procedure 38(b), Landmark A hereby demands a trial by
21 jury on all issues triable to a jury.

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

1 Dated: March 4, 2019

2 Respectfully submitted,

3 BANIE & ISHIMOTO LLP

4 By: /s/ John A. Lee, WSBA No. 35,550

5 John A. Lee

6 jlee@banishlaw.com

7 Banie & Ishimoto LLP

8 3705 Haven Ave., #137

9 Menlo Park, CA 94025

10 T: 650.241.2774

11 F: 650.241.2770

12 Attorneys for Plaintiff

13 Landmark Technology, LLC