

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

<p><b>Honeyman Cipher Solutions LLC,</b></p> <p>Plaintiff,</p> <p>v.</p> <p><b>Groupon, Inc.,</b></p> <p>Defendant.</p>	<p>Case No. 1:19-cv-03754</p> <p>Patent Case</p> <p>Jury Trial Demanded</p>
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**AMENDED COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff Honeyman Cipher Solutions LLC (“Honeyman”), through its attorneys, complains of Groupon, Inc. (“Groupon”), and alleges the following:

**PARTIES**

1. Plaintiff Honeyman Cipher Solutions LLC is a corporation organized and existing under the laws of Delaware and maintains its principal place of business at 675 Town Square Blvd., Suite 200, Garland, TX 75040.

2. Defendant Groupon, Inc. is a corporation organized and existing under the laws of Delaware that maintains its principal place of business at 600 West Avenue, Suite 400, Chicago, IL 60654.

**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 Groupon because it has engaged in systematic and continuous business activities in this District. As described below, Groupon 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 Groupon has committed acts of patent infringement in this District and has an established place of business in this District. In addition, Honeyman has suffered harm in this district.

#### **PATENT-IN-SUIT**

7. Honeyman is the assignee of all right, title and interest in United States Patent No. 5,991,399 (the "'399 Patent" or "Patent-in-Suit"), including all rights to enforce and prosecute actions for infringement and to collect damages for all relevant times against infringers of the Patent-in-Suit. Accordingly, Honeyman possesses the exclusive right and standing to prosecute the present action for infringement of the Patent-in-Suit by Groupon.

#### **The '399 Patent**

8. The '399 Patent is entitled "Method for securely distributing a conditional use private key to a trusted entity on a remote system," and issued 11/23/1999. The application leading to the '399 Patent was filed on 12/18/1997. A true and correct copy of the '399 Patent is attached hereto as Exhibit 1 and incorporated herein by reference.

9. The '399 Patent is valid and enforceable.

#### **BACKGROUND**

10. The invention of the '399 Patent relates to methods used to secure communications between parties. The '399 Patent represents fundamental technology in the field of encryption and secured online data communications. The '399 Patent has been referenced

hundreds of times by other patents and patent applications. Nearly every computer company of any prominence has cited the patent more than once during prosecution of their own patents, including leaders in the field of software and computing, such as Microsoft (more than 75 citations), Google (more than 40 citations), IBM (more than 20 citations) and Apple (more than 5 citations). The patent has also been cited as prior art by U.S. Patent Examiners more than 150 times during the prosecution of other patents.

11. Various terms of the '399 Patent was construed by the U.S. District Court for the Eastern District of Texas on July 22, 2016. *Plano Encryption Technologies, LLC v. Am. Bank of Tex. et al.*, Case No. 2:15-cv-1273-JRG, (lead case), D.I. 104. For purposes of this Complaint, the claims have been interpreted in light of those constructions.

12. On information and belief, Groupon is an online service, and in connection with that business, makes, uses, sells, offers for sale, markets, licenses, sends and distributes software, including iOS and Android compatible mobile applications software products and services.

13. Groupon's mobile software application products and services, including by way of example, but not limited to, at least its Groupon Pocket Agent iOS and Android consumer apps, located at <https://itunes.apple.com/us/app/groupon-deal-coupon-discount/id352683833?mt=8> and <https://play.google.com/store/apps/details?id=com.groupon&hl=en> are specifically developed, used, sold, offered for sale, marketed, leased, licensed and distributed by Groupon to be downloaded onto Apple iOS or Android-enabled mobile or tablet devices. On information and belief, Groupon's iOS and Android Pocket Agent apps as well as its other mobile applications work in substantially the same manner (collectively, "mobile applications" or "mobile apps"). Groupon actively distributes and promotes its mobile applications for use by consumers on their

mobile or tablet devices. See, e.g., <https://www.groupon.com/mobile> (all references accessed June 18, 2019). Once downloaded onto mobile devices for use by consumers, Groupon's mobile apps allow consumers to access, engage and complete business transactions from the consumers' mobile or tablet devices.

14. On information and belief, Defendant has actual knowledge that it has infringed the Patent-in-Suit. See ¶¶ 24-28, below.

15. Groupon intentionally makes, sells, offers to sell, licenses and distributes its mobile applications, whether directly, or through intermediaries, to consumers in this District with the intention that its mobile apps are to be downloaded for use on Android and iOS operating systems as found and used in all smart phones and tablets in this District.

16. On information and belief, Groupon has been, among other things, purposefully, actively, and voluntarily making, selling, offering for sale, using, licensing and/or distributing infringing products and services, including but not limited to, its mobile applications products and services, with the expectation that they will be distributed, licensed and/or used by consumers after downloading the same onto their mobile devices. Groupon's mobile applications have been and continue to be used, licensed and distributed in this District, and downloaded and used by consumers both in and outside of this District. Groupon has thus committed acts of patent infringement within this District and continues to contribute and induce acts of patent infringement by others in this State and in this District, to use, license and/or distribute its products and services in an infringing manner, including consumers. By purposefully and voluntarily distributing one or more of its infringing products and services, Groupon has injured Honeyman and is thus liable to Honeyman for infringement of the Patent-in-Suit at issue in this litigation.

17. On information and belief, through its actions Groupon has infringed the Patent-in-Suit and actively promoted others to infringe the Patent-in-Suit, and continues to induce acts of patent infringement by others through its use, sale, offer for sale, licensing, sending and distribution of products and services, including but not limited to, its mobile applications.

18. On information and belief, Groupon has been and now is directly infringing within this judicial district, and elsewhere in the United States, by, among other things, making, using, selling, offering to sell, licensing, sending and distributing its mobile applications, which infringe one or more claims of the Patent-in-Suit, including at least claims 1-2, 9-11, 34 of the '399 Patent. Defendant is thus liable for infringement of the Patent-in-Suit pursuant to 35 U.S.C. § 271. Groupon not only makes, sells, offers to sell, leases, licenses and distributes software solutions practicing these claims, it continues to induce, and or contributorily infringes by providing the necessary software and related documentation, materials, marketing and advertising, training or support. Groupon's mobile applications are a material component for use in practicing the Patent-in-Suit and are specifically made as such and are not a staple article of commerce suitable for substantial non- infringing use.

19. Honeyman has been and will continue to suffer damages as a result of Defendant's infringing acts.

20. Honeyman seeks monetary damages and prejudgment interest for Defendant's past and ongoing infringement of the Patent-in-Suit.

21. The allegations set forth herein with respect to each asserted patent claim, each accused product, and each specific accused feature are exemplary. Honeyman reserves the right to assert additional claims, accuse additional products, and accuse additional features.

**COUNT I: INFRINGEMENT OF THE '399 PATENT**

22. Honeyman incorporates the above paragraphs herein by reference.

23. **Direct Infringement.** Groupon has been and continues to directly infringe one or more claims of the '399 Patent in at least this District by making, using, offering to sell, selling and/or importing, without limitation, at least the Groupon Android and iOS Mobile Apps (“Exemplary Groupon Products”) that infringe at least exemplary claims 1-2, 9-11, 34 of the '399 Patent (the “Exemplary '399 Patent Claims”) literally or by the doctrine of equivalence. On information and belief, numerous other devices that infringe the claims of the Patent-in-Suit have been made, used, sold, imported, and offered for sale by Groupon and/or its customers.

24. On October 4, 2016, Groupon was served with a complaint for patent infringement of the '399 Patent based on the same accused Groupon Android and iOS Mobile Apps as in this case. *See Plano Encryption Technologies, LLC v. Groupon, Inc.*, D.I. 1 (E.D. Tex., 2016) (“2016 Complaint against Groupon”).

25. The 2016 Complaint against Groupon therefore constitutes notice and actual knowledge of infringement of the '399 Patent as of October 4, 2016.

26. Despite such actual knowledge, Defendant continues to make, use, test, sell, offer for sale, market, and/or import into the United States, products that infringe the '399 Patent. On information and belief, Defendant has also continued to sell the Exemplary Groupon Products and distribute product literature and website materials inducing end users and others to use its products in the customary and intended manner that infringes the '399 Patent. Thus, on information and belief, Defendant is contributing to and/or inducing the infringement of the '399 Patent.

27. **Induced Infringement.** Defendant actively, knowingly, and intentionally has been and continues to induce infringement of the '399 Patent, literally or by the doctrine of equivalence, by selling Exemplary Groupon Products to their customers for use in end-user products in a manner that infringes one or more claims of the '399 Patent.

28. **Contributory Infringement.** Defendant actively, knowingly, and intentionally has been and continues materially contribute to their own customers' infringement of the '399 Patent, literally or by the doctrine of equivalence, by selling Exemplary Groupon Products to their customers for use in end-user products in a manner that infringes one or more claims of the '399 Patent.

29. Exhibit 2 includes charts comparing the Exemplary '399 Patent Claims to the Exemplary Groupon Products. As set forth in these charts, this Exemplary Groupon Products practices the technology claimed by the '399 Patent. Accordingly, the Exemplary Groupon Products incorporated in these charts satisfy all elements of the Exemplary '399 Patent Claims.

30. Honeyman therefore incorporates by reference in its allegations herein the claim charts of Exhibit 2.

31. Honeyman is entitled to recover damages adequate to compensate for Groupon's infringement.

#### **JURY DEMAND**

32. Under Rule 38(b) of the Federal Rules of Civil Procedure, Honeyman respectfully requests a trial by jury on all issues so triable.

#### **PRAYER FOR RELIEF**

WHEREFORE, Honeyman respectfully requests the following relief:

- A. A judgment that the '399 Patent is valid and enforceable.

- B. A judgment that Groupon has infringed, contributorily infringed, and/or induced infringement of one or more claims of the '399 Patent;
- C. An accounting of all damages not presented at trial;
- D. A judgment that awards Honeyman all appropriate damages under 35 U.S.C. § 284 for Groupon's past infringement of the Patent-in-Suit, up until the date such judgment is entered, including pre- or post-judgment interest, costs, and disbursements as justified under 35 U.S.C. § 284 and, if necessary, to adequately compensate Honeyman for Groupon's infringement, an accounting:
  - i. that this case be declared exceptional within the meaning of 35 U.S.C. § 285 and that Honeyman be awarded its reasonable attorneys' fees against Groupon that it incurs in prosecuting this action;
  - ii. that Honeyman be awarded costs, and expenses that it incurs in prosecuting this action; and
  - iii. that Honeyman be awarded such further relief at law or in equity as the Court deems just and proper.

Dated: June 22, 2019

Respectfully submitted,

/s/ Isaac Rabicoff  
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