

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
SHERMAN DIVISION**

**RFC LENDERS OF TEXAS, LLC,**

**Plaintiff,**

**v.**

**LIBERTY MUTUAL GROUP INC.,**

**Defendant.**

**CIVIL ACTION NO.: 4:20-cv-629**

**JURY TRIAL DEMANDED**

**COMPLAINT FOR PATENT INFRINGEMENT**

1. This is an action under the patent laws of the United States, Title 35 of the United States Code, for patent infringement in which RFC Lenders of Texas, LLC (“RFC” or “Plaintiff”), makes the following allegations against Liberty Mutual Group Inc. (“Liberty” or “Defendant”).

**PARTIES**

2. Plaintiff is a Texas limited liability company, having its primary office at 405 State Highway 121, Suite A250, Lewisville, TX 75067 – located in Denton County, Texas.

3. Defendant Liberty is a Massachusetts company, with a principal place of business at 173 Berkeley St., Boston, MA 02116. Defendant has a regular and established place of business within the Eastern District of Texas – at 7900 Windrose Ave., Plano, TX 75025 – as detailed below. Defendant’s Registered Agent for service of process in Texas appears to be Corporation Service Company, 211 E. 7th Street, Suite 620, Austin, TX 78701.

**JURISDICTION AND VENUE**

4. This action arises under the patent laws of the United States, Title 35 of the United States Code. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

5. Venue is proper in this district under 28 U.S.C. §§ 1391(c), generally, and under 1400(b), specifically. Defendant has a regular and established place of business in this Judicial District, and Defendant has also committed acts of patent infringement in this Judicial District.

6. Defendant is subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute, due at least to its substantial business in this forum, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Texas and in this Judicial District.

7. Liberty has a regular and established place of business within Collin County, Texas. Liberty has a regional office at 7900 Windrose Ave., Plano, TX 75025:

## **About our office**

At the Liberty Mutual office in Plano, trained local agents can help you find the coverage you need, and the discounts you deserve.

Since 2006 this office has proudly served the communities of Frisco, The Colony, Plano and Carrollton.



8. Defendant has infringed, and does infringe, by operating, transacting, and conducting Liberty's business within the Eastern District of Texas.

9. Defendant’s location in Collin County, Texas is a regular and established place of business in this Judicial District, and Defendant has committed acts of infringement within this District. Venue is therefore proper in this District under 28 U.S.C. § 1400(b).

**COUNT I**  
**INFRINGEMENT OF U.S. PATENT NO. 7,430,471**

10. Plaintiff is the owner by assignment of the valid and enforceable United States Patent No. 7,430,471 (“the ‘471 Patent”) entitled “Method and System for Monitoring a Vehicle” – including all rights to recover for past, present and future acts of infringement. The ‘471 Patent issued on September 30, 2008, and has a priority date of October 25, 2004. A true and correct copy of the ‘471 Patent is attached as Exhibit A.

11. Defendant directly uses, operates, provides, supplies, distributes, offers, and provides access to Liberty’s “RightTrack” usage-based insurance program (“RightTrack System”) – requiring an end user to use a Liberty-provided mobile device “app” in conjunction with a Liberty-provided Bluetooth “tag”:

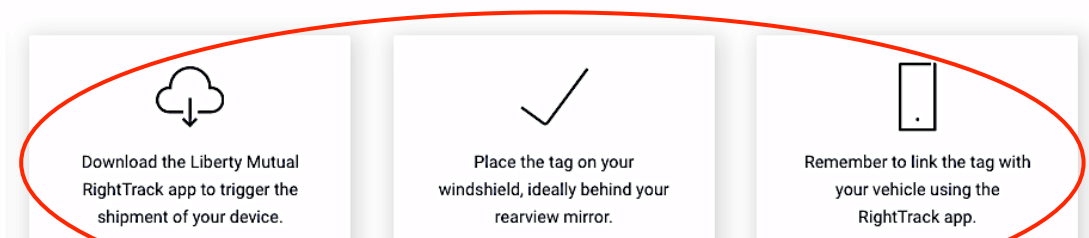
### Safe drivers save money

Using a small device that observes your driving habits, we'll notice the safe choices you're making on the road and reward you for them. Some specific behaviors observed by RightTrack include braking, acceleration, nighttime driving, and how many miles you drive.

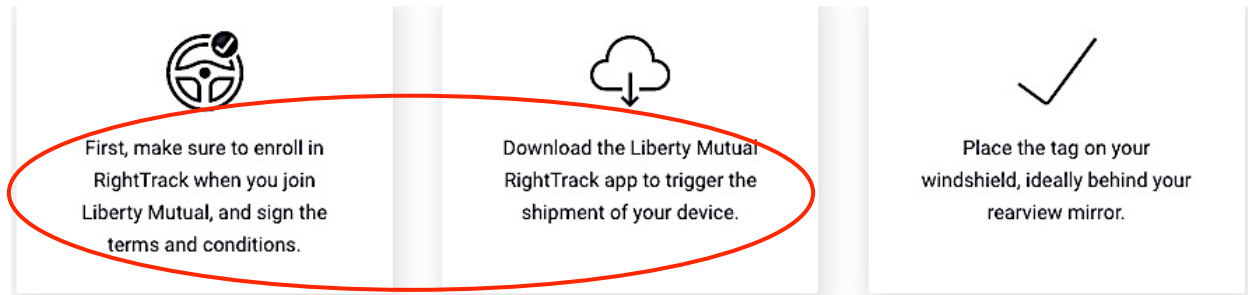


### So, how does it work?

It's simple – just follow these easy steps.



12. Before utilizing the RightTrack System, end users must enroll in, sign up, or register for, the RightTrack program through Liberty:



**How do I register in Liberty Mutual's RightTrack app?**

Once you enroll in RightTrack and download the app, you'll need to enter your Activation code provided to you in the Welcome Email you received at the email address you provided when applying for your policy. You'll then need to confirm your date of birth and create an account using your email address and a password.

13. The RightTrack System's Bluetooth beacon operates in conjunction with the RightTrack System app on a user's mobile device to collect driving data:

**Do I need to open the RightTrack app so it can collect my driving data?**

No, so long as the RightTrack app is installed and you have GPS and Bluetooth on, the tag will be able to link to your phone in order to collect your driving behavior.

14. According to publicly available information, the RightTrack System utilizes the "DriveWell" telematics suite – which includes the Bluetooth beacon – provided by Cambridge Mobile Telematics ("Cambridge):



**We Are The World Leader in Smartphone Telematics**

**State Farm**  
DRIVE SAFE AND SAVE

Our partnership with State Farm to create Drive Safe and Save has led to millions of downloads of the app, and a 4.5 star rating on the iPhone App Store.

**Liberty Mutual**  
RIGHTTRACK

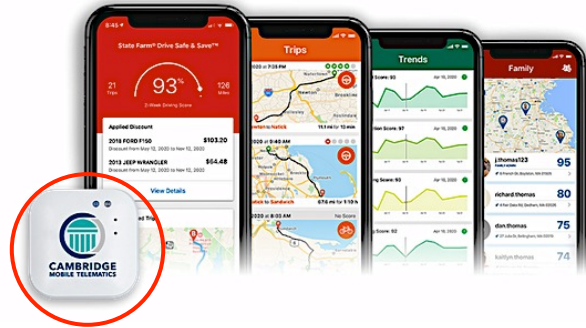
From a 5-star review on the App Store: "This is remarkable, instant feedback as to how I'm driving. If I want to save money, this is a great place to start and that translates into additional savings with wear and tear in the future." - Jasaw1

**Nationwide**  
SMARTRIDE

From a 5-star review on the App Store: "This is a great app - I'm saving money how to be a better driver! Inscr very easy to navigate, and the process was smooth!" - Mesh:

## DriveWell Suite

DriveWell is a complete mobile telematics and behavioral analytics solution to assess and improve driver behavior.



15. Liberty's RightTrack System turns on the Bluetooth beacon automatically when the user's car is started:

### How the Tag works

The app and tag connect up and work seamlessly after the tag has been activated and linked to your account. The tag automatically turns on when the car is started. Within a short amount of time, the phone app connects to the tag and starts recording information, both from the tag and from the phone's sensors. When the trip ends and you carry your phone away from the vehicle, the phone will stop recording.

16. Liberty's RightTrack System thus detects movement or activation of a vehicle, and transmits signals indicating movement or activation of a vehicle to a control center.

## Telematics Data Collected and Transmitted to Liberty Mutual Group

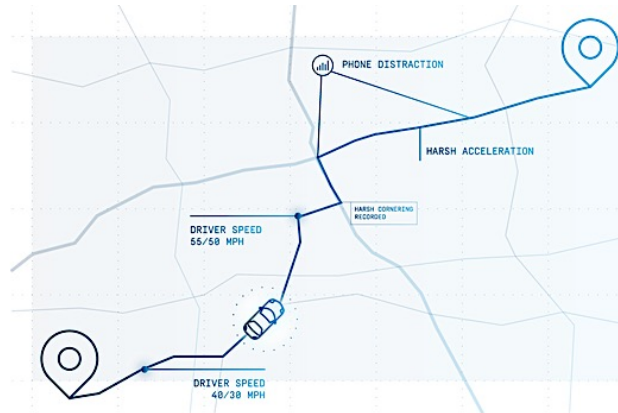
- Mileage
- Time of Day
- Acceleration
- Braking
- Location
- Technology Source Technology Source Technology Source Technology Source Technology Source Technology Source Technology Source Technology Source
- Trip Type (System Generated)
- Trip Type (User Selected)
- Mobile Phone Type
- Technology ID Number
- Ignition On and Off
- Technology Connection Event



17. Liberty's RightTrack System detects speed and location of a vehicle, and transmits signals indicating speed and location of a vehicle to a control center:

**Measure phone distraction and other risky behavior**

Our high-frequency sensors can identify phone distraction, classify drivers or passengers, recognize speeding and hard braking, all without complicated installation. Our data and telematics platform provides the best method to predict who is at risk of crashes and costly claims.



## Telematics Data Collected and Transmitted to Liberty Mutual Group

- Mileage
- Time of Day
- Acceleration
- Braking
- Location
- Technology Source Technology Source Technology Source Technology Source Technology Source Technology Source Technology Source Technology Source Technology Source
- Trip Type (System Generated)
- Trip Type (User Selected)
- Mobile Phone Type
- Technology ID Number
- Ignition On and Off
- Technology Connection Event

18. The RightTrack System utilizes GPS-based "Location Services" to collect information about the user's vehicle:

**Do I need to open the RightTrack app so it can collect my driving data?**

No, so long as the RightTrack app is installed and you have GPS and Bluetooth on, the tag will be able to link to your phone in order to collect your driving behavior.

19. The RightTrack System determines driver identification:

**How do I change my status on a trip from driver to passenger?**

If you go into the trip list, and tap on the "Driver" status, it will change that trip to "Passenger." Trips operated by others will still count toward your vehicle's discount but, because you were not the one driving, it will not impact your individual performance stats.

**Do I need to open the RightTrack app so it can collect my driving data?**

No, so long as the RightTrack app is installed and you have GPS and Bluetooth on, the tag will be able to link to your phone in order to collect your driving behavior.

20. Plaintiff herein restates and incorporates by reference paragraphs 11 – 19, above.

21. All recited elements of – at least – claims 1, 12, 15, and 26 of the '471 Patent are present within Liberty's RightTrack System.

22. Liberty's RightTrack System monitors a vehicle.

23. Liberty's RightTrack System detects movement or activation of a vehicle, and transmits signals indicating movement or activation of a vehicle to a control center.

24. Liberty's RightTrack System transmits received operator identification information to a control center.

25. Liberty's RightTrack System detects a vehicle's proximity to a landmark.

26. Liberty's RightTrack System utilizes GPS transceivers co-located with the vehicle to transmit location coordinates of the vehicle.

27. Liberty's RightTrack System infringes – at least – claims 1, 12, 15, and 26 of the '471 Patent.

28. Liberty's RightTrack System literally and directly infringes – at least – claims 1, 12, 15, and 26 of the '471 Patent.

29. Liberty's RightTrack System performs or comprises all required elements of – at least – claims 1, 12, 15, and 26 of the '471 Patent.

30. In the alternative, Liberty's RightTrack System infringes – at least – claims 1, 12, 15, and 26 of the '471 Patent under the doctrine of equivalents. Liberty's RightTrack System

performs substantially the same functions in substantially the same manner with substantially the same structures, obtaining substantially the same results, as the required elements of – at least – claims 1, 12, 15, and 26 of the ‘471 Patent. Any differences between Liberty’s RightTrack System and the claims of the ‘471 Patent are insubstantial.

31. Liberty’s RightTrack System requires end users to operate in a manner prescribed and controlled by Liberty. End users must sign up or register, and utilize a Liberty app or device, in order to utilize the RightTrack System – utilizing Liberty servers in the process, and operating according to predetermined operations residing in Liberty servers. Defendant therefore exercises control and/or direction over the performance of every action performed on or by a RightTrack System, including those that are initiated by an end user.

32. All recited elements of – at least – claims 1, 12, 15, and 26 of the ‘471 Patent are present within, or performed by, Liberty’s RightTrack System or, in the alternative, performed by end users of Liberty’s RightTrack System under the direction and control of Defendant – and are therefore attributable to Defendant.

33. In the alternative, therefore, Liberty’s RightTrack System infringes – indirectly – claims 1, 12, 15, and 26 of the ‘471 Patent, by virtue of Defendant’s exclusive control and direction of the infringing instrumentalities and/or operations.

34. Liberty’s RightTrack System, when used and/or operated in its intended manner or as designed, infringes – at least – claims 1, 12, 15, and 26 of the ‘471 Patent, and Defendant is therefore liable for infringement of the ‘471 Patent.

#### **DEMAND FOR JURY TRIAL**

Plaintiff, under Rule 38 of the Federal Rules of Civil Procedure, requests a trial by jury of any issues so triable by right.

#### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff respectfully requests that this Court enter:

- a. A judgment in favor of Plaintiff that Defendant has infringed the ‘471 Patent;
- b. A permanent injunction enjoining Defendant and its officers, directors, agents, servants, affiliates, employees, divisions, branches, subsidiaries, parents, and all others acting in active concert therewith, from infringement of the ‘471 Patent;



c. A judgment and order requiring Defendant to pay Plaintiff its damages, costs, expenses, and pre-judgment and post-judgment interest for Defendant's infringement of the '471 Patent as provided under 35 U.S.C. § 284;

d. An award to Plaintiff for enhanced damages resulting from the knowing and deliberate nature of Defendant's prohibited conduct with notice being made at least as early as the service date of this complaint, as provided under 35 U.S.C. § 284;

e. A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding to Plaintiff its reasonable attorneys' fees; and

f. Any and all other relief to which Plaintiff may show itself to be entitled.

August 17, 2020

Respectfully Submitted,

By: /s/ Ronald W. Burns

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RFC LENDERS OF TEXAS, LLC**