IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS WACO DIVISION

| AML IP, LLC, | |
|--------------------------------|--------------------------------|
| Plaintiff, | |
|) | Civil Action No. 6:21-cv-00038 |
| v.) | |
|) | |
| BLIZZARD ENTERTAINMENT, INC.) | JURY TRIAL DEMANDED |
| Defendant. | |

PLAINTIFF'S ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

AML IP, LLC ("AML") files this Original Complaint and demand for jury trial seeking relief from patent infringement of the claims of 7,177,838 ("the '838 patent") (referred to as the "Patent-in-Suit") by Blizzard Entertainment, Inc. ("Blizzard").

I. THE PARTIES

- 1. Plaintiff AML is a Texas Limited Liability Company with its principal place of business located in Harris County, Texas.
- 2. On information and belief, Blizzard is a corporation existing under the laws of the State of Texas, with a principal place of business located at 9400 W Parmer Ln, Austin, TX 78717. On information and belief, Blizzard sells and offers to sell products and services throughout Texas, including in this judicial district, and introduces products and services that perform infringing methods or processes into the stream of commerce knowing that they would be sold in Texas and this judicial district. Blizzard may be served through their registered agent Corporation Services Company d/b/a CSC-Lawyers Incorporating Service Company, 211 E. 7th Street, Suite 620, Austin, Texas 78701-3218.

II. JURISDICTION AND VENUE

- 3. This Court has original subject-matter jurisdiction over the entire action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because Plaintiff's claim arises under an Act of Congress relating to patents, namely, 35 U.S.C. § 271.
- 4. This Court has personal jurisdiction over Defendant because: (i) Defendant is present within or has minimum contacts within the State of Texas and this judicial district; (ii) Defendant has purposefully availed itself of the privileges of conducting business in the State of Texas and in this judicial district; and (iii) Plaintiff's cause of action arises directly from Defendant's business contacts and other activities in the State of Texas and in this judicial district.
- 5. Venue is proper in this district under 28 U.S.C. §§ 1391(b) and 1400(b). Defendant has committed acts of infringement and has a regular and established place of business in this District. Further, venue is proper because Defendant conducts substantial business in this forum, directly or through intermediaries, 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 this District.

III. INFRINGEMENT

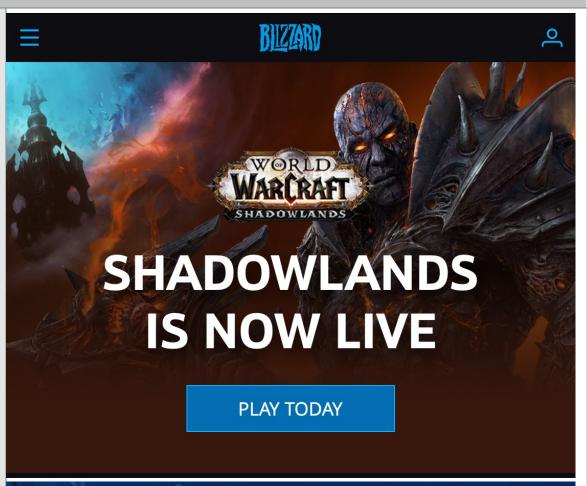
A. Infringement of the '838 Patent

6. On February 13, 2007, U.S. Patent No. 7,177,838 ("the '838 patent", attached as Exhibit A) entitled "Method and Apparatus for Conducting Electronic Commerce Transactions Using Electronic Tokens" was duly and legally issued by the U.S. Patent and Trademark Office. AML IP, LLC owns the '838 patent by assignment.

- 7. The '838 patent relates to a novel and improved methods and apparatuses for conducting electronic commerce.
- 8. Blizzard maintains, operates, and administers micropayment products and services that facilitate purchases from a vendor at micropayment levels, wherein prices for the products and services are listed in units of electronic tokens that infringes one or more claims of the '838 patent, including one or more of claims 1-28, literally or under the doctrine of equivalents. Defendant put the inventions claimed by the '838 Patent into service (i.e., used them); but for Defendant's actions, the claimed-inventions embodiments involving Defendant's products and services would never have been put into service. Defendant's acts complained of herein caused those claimed-invention embodiments as a whole to perform, and Defendant's procurement of monetary and commercial benefit from it.
- 9. Support for the allegations of infringement may be found in the following preliminary table:

1. A method of conducting electronic commerce over the Internet using micropayments, the method comprising:

Blizzard Entertainment



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https://www.blizzard.com/en-us/

Blizzard Entertainment has a method of conducting electronic commerce over the Internet using micropayments.

The reference includes subject matter disclosed by the claims of the patent after the priority date.

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Blizzard Entertainment

opening a user account with a vendor for a user;

A. **The Blizzard Account.** To use the Platform, you must register, or have previously registered, a Blizzard account (an "Account"). Creation and use of Accounts are subject to the following terms and conditions:

https://www.blizzard.com/en-us/legal/fba4d00f-c7e4-4883-b8b9-1b4500a402ea/blizzard-end-user-license-agreement

The reference describes opening a user account with a vendor for a user.

issuing one or more electronic tokens from the vendor to the user account, wherein no physical manifestation, other than a database entry, of the user account occurs, each electronic token having a value of at least a fraction of a dollar;

Blizzard Entertainment

Q: How do I buy a WoW Token for real money?

A: WoW Tokens will be available for purchase for real money through the World of Warcraft in-game Shop. You can access the Shop through the row of feature buttons next to your character's bags.

Q: I need gold! How do I sell a WoW Token to another player?

A: You'll be able to sell WoW Tokens through a dedicated Token exchange in the Auction House, located in a new Game Time section. WoW Tokens cannot be traded or sold any other way.

Q: How much gold will I receive when I sell a WoW Token?

A: The gold value of a Token will be determined dynamically based on supply and demand. When you put a Token up for sale, you'll be quoted the amount of gold you'll receive upon a successful sale. If you then decide to place the Token up for sale, that amount is locked in, and the gold will be sent to your mailbox after another player purchases your Token.

Q: I need game time! How do I buy a WoW Token from the Auction House?

A: When you visit the Auction House, you'll be presented with the current market price for a WoW Token in your game region—there's no bidding involved, and all Tokens in a game region are priced the same at any given moment. If you decide to purchase one, you'll receive it in your mailbox, and can then immediately redeem it for game time.

Q: How much game time do I get by redeeming a WoW Token?

A: You'll receive 30 days of game time when you redeem a WoW Token.

Q: Can I resell a WoW Token after I've purchased it for gold?

A: No, each WoW Token can only be sold once. After you purchase a Token for gold, it becomes Soulbound. At that point, it can only be redeemed for game time.

https://worldofwarcraft.com/en-us/news/18141101/introducing-the-wow-token">https://worldofwarcraft.com/en-us/news/18141101/introducing-the-wow-token

The reference describes issuing one or more electronic tokens from the vendor to the user account, wherein no physical manifestation, other than a database entry, of the user account occurs, each electronic token having a value of at least a fraction of a dollar.

providing products and services that may be purchased from the vendor at micropayment levels, wherein prices for the products and services are listed in units of electronic tokens;

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https://worldofwarcraft.com/en-us/news/18141101/introducing-the-wow-token

The reference describes providing <u>products and services that may be</u> <u>purchased from the vendor at micropayment levels</u>, wherein <u>prices for the products and services are listed in units of electronic tokens</u>.

permitting the user to select, at any participating vendor web site, a subset of the products and services for purchase from the vendor;

Blizzard Entertainment

- i. All virtual content appearing within the Platform, including the Blizzard Games, such as:
- 1. **Visual Components:** Locations, artwork, structural or landscape designs, animations, and audio-visual effects;
- 2. **Narrations:** Themes, concepts, stories, and storylines;
- 3. **Characters:** The names, likenesses, inventories, and catch phrases of Game characters;
- Items: Virtual goods, such as digital cards, currency, potions, weapons, armor, wearable items, skins, sprays, pets, mounts, etc.;

https://www.blizzard.com/en-us/legal/fba4d00f-c7e4-4883-b8b9-1b4500a402ea/blizzard-end-user-license-agreement

The reference describes permitting the user to select, at any participating vendor web site, a subset of the products and services.

computing at the participating vendor web site a total price for the selected subset of the products and services in units of electronic tokens;

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- i. All virtual content appearing within the Platform, including the Blizzard Games, such as:
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The reference describes computing at the participating vendor web site <u>a total</u> <u>price for the selected subset of the products and services in units of electronic tokens.</u>

authorizing a purchase transaction at the participating vendor web site without requiring any third party authentication and a physical manifestation of the user account; and

Blizzard Entertainment

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https://worldofwarcraft.com/en-us/news/18141101/introducing-the-wow-token

The reference describes <u>authorizing a purchase transaction at the participating</u> vendor web site without requiring any third party authentication and a physical manifestation of the user account.

if the user account contains electronic tokens having a value equal to or greater than the total price, permitting the user to purchase the selected subset of the products and services without requiring the user to disclose personal information to the vendor, and subtracting the total price from the user account, wherein the purchase transaction is not subject to a minimum processing fee.

Blizzard Entertainment

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The reference describes if the user account contains electronic tokens having a value equal to or greater than the total price, permitting the user to purchase the selected subset of the products and services without requiring the user to disclose personal information to the vendor, and subtracting the total price from the user account, wherein the purchase transaction is not subject to a minimum processing fee.

These allegations of infringement are preliminary and are therefore subject to change.

- 10. Blizzard has and continues to induce infringement. Blizzard has actively encouraged or instructed others (e.g., its customers and/or the customers of its related companies), and continues to do so, on how to use its products and services (e.g., micropayment products and services that facilitate purchases from a vendor at micropayment levels, wherein prices for the products and services are listed in units of electronic tokens) such as to cause infringement of one or more of claims 1–28 of the '838 patent, literally or under the doctrine of equivalents. Moreover, Blizzard has known of the '838 patent and the technology underlying it from at least the date of issuance of the patent.
- 11. Blizzard has and continues to contributorily infringe. Blizzard has actively encouraged or instructed others (e.g., its customers and/or the customers of its related companies), and continues to do so, on how to use its products and services (e.g., micropayment products and services that facilitate purchases from a vendor at micropayment levels, wherein prices for the products and services are listed in units of electronic tokens) and related services such as to cause infringement of one or more of claims 1–28 of the '838 patent, literally or under the doctrine of equivalents. Moreover, Blizzard has known of the '838 patent and the technology underlying it from at least the date of issuance of the patent.

12. Blizzard has caused and will continue to cause AML damage by direct and indirect infringement of (including inducing infringement of) the claims of the '838 patent.

IV. JURY DEMAND

AML hereby requests a trial by jury on issues so triable by right.

V. PRAYER FOR RELIEF

WHEREFORE, AML prays for relief as follows:

- a. enter judgment that Defendant has infringed the claims of the '838 patent through Blizzard payment links;
- b. award AML damages in an amount sufficient to compensate it for Defendant's infringement of the '838 patent in an amount no less than a reasonable royalty or lost profits, together with pre-judgment and post-judgment interest and costs under 35 U.S.C. § 284;
- c. award AML an accounting for acts of infringement not presented at trial and an award by the Court of additional damage for any such acts of infringement;
- d. declare this case to be "exceptional" under 35 U.S.C. § 285 and award AML its attorneys' fees, expenses, and costs incurred in this action;
- e. declare Defendant's infringement to be willful and treble the damages, including attorneys' fees, expenses, and costs incurred in this action and an increase in the damage award pursuant to 35 U.S.C. § 284;
- f. a decree addressing future infringement that either (i) awards a permanent injunction enjoining Defendant and its agents, servants, employees, affiliates, divisions, and subsidiaries, and those in association with Defendant from infringing the claims of the

Patents-in-Suit, or (ii) awards damages for future infringement in lieu of an injunction in an amount consistent with the fact that for future infringement the Defendant will be an adjudicated infringer of a valid patent, and trebles that amount in view of the fact that the future infringement will be willful as a matter of law; and

g. award AML such other and further relief as this Court deems just and proper.

Respectfully submitted,

Ramey & Schwaller, LLP

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Attorneys for AML IP, LLC