

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK
MANHATTAN DIVISION**

MCOM IP, LLC,)	
Plaintiff,)	
)	Civil Action No. 1:21-cv-07975
v.)	
)	
BLEND LABS, INC.,)	JURY TRIAL DEMANDED
Defendant.)	

PLAINTIFF’S ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

mCom IP, LLC (“mCom”) files this Original Complaint and demand for jury trial seeking relief from patent infringement of the claims of U.S. Patent No. 8,862,508 (“the ‘508 patent”) (referred to as the “Patent-in-Suit”) by Blend Labs, Inc. (“Blend”).

I. THE PARTIES

1. Plaintiff mCom is a Texas Limited Liability Company with its principal place of business located in Harris County, Texas.

2. On information and belief, BLEND is a credit union existing under the laws of the State of Delaware, with a principal place of business located at Blend NYC, 1140 Broadway, Suite 800, New York, New York 10001. On information and belief, BLEND sells and offers to sell products and services throughout New York, 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 New York and this judicial district. Defendant may be through its registered agent Corporation Service Company 80 State Street, Albany, NY, United States, 94104 or wherever they may be found.

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 New York and this judicial district; (ii) Defendant has purposefully availed itself of the privileges of conducting business in the State of New York 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 New York 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 New York and this District.

III. INFRINGEMENT

A. Infringement of the ’508 Patent

6. On October 14, 2014, U.S. Patent No. 8,862,508 (“the ’508 patent”, attached as Exhibit A) entitled “System and method for unifying e-banking touch points and providing personalized financial services” was duly and legally issued by the U.S. Patent and Trademark Office. MCom owns the ’508 patent by assignment.

7. The '508 patent relates to novel and improved systems and methods for constructing a unified banking system.

8. BLEND maintains, operates, and administers methods and systems of unified banking systems that infringe one or more claims of the '508 patent, including one or more of claims 1-20, literally or under the doctrine of equivalents. Defendant put the inventions claimed by the '508 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:

13. A unified electronic banking system, said system comprising:

For example, Blend has a [unified brand platform](#).

Consumer Banking Suite

Unify your customer experience

Drive consistently higher conversions across your portfolio.

Emblem

What do you want to apply for?

EMBLEM REWARDS CARD

Details
Earn rewards for your everyday purchases.

Benefits

Rates and terms

<https://blend.com/products/consumer-banking-suite/>

a common **multi-channel server**, wherein said multi-channel server is communicatively coupled to one or more independent computer systems; wherein each of one or more independent computer systems is associated with an independent financial institution, and each of said computer systems is communicatively coupled to said multi-channel server;

For example, Blend's unified brand platform communicatively couple's ATM's and **financial institutions** with their **multi-channel (omni-channel server.)**

The screenshot shows a web browser displaying a blog post from Blend. The navigation bar at the top includes links for 'Why Blend', 'Products', 'Customers', 'Resources', 'Company', and a 'Request demo' button. The main content area features a title 'Building an incredible customer focus with omnichannel' dated 'June 11, 2019 in Insights'. Below the title is an illustration of a woman in a purple dress standing in a futuristic, circular space with various icons representing different customer touchpoints. The text below the illustration reads: 'This is a story of how we assumed we knew what it took to be a pioneer of customer-focused lending - and how we were wrong. This is also a story of how we learned our lesson and started listening.' It includes a bulleted list: 'Listening to our customers.', 'Listening to our partners.', and 'Listening to you.' A 'Share This:' section with social media icons (Facebook, Twitter, LinkedIn) is also present. The author's name 'Alden Seabell' and title 'Consumer banking product lead' are listed. At the bottom, the text asks 'What does it mean to be truly customer focused?'.

<https://blend.com/blog/insights/building-an-incredible-customer-focus-with-omnichannel/>

one or more e-banking touch points, each of which comprise one or more of an automatic teller/transaction machine (ATM), a self-service coin counter (SSCC), a kiosk, a digital signage display, an online accessible banking website, a personal digital assistant (PDA), a personal computer (PC), a laptop, a wireless device, or a combination of two or more thereof,

For example, Blend's e-banking touch points include: an accessible banking website, an ATM and wireless devices, that can connect and perform banking operations.

Consumer Banking Suite

Unify your customer experience

Drive consistently higher conversions across your portfolio.

<https://blend.com/products/consumer-banking-suite/>

wherein one or more of said e-banking touch points are communicatively coupled to said multi-channel server, and wherein at least one of said e-banking touch points is in communication with one or more financial institutions through said multi-channel server;

For example, Blend's customers can access an he financial institution using wireless devices with Blend's omni-channel platform.

The path from assumption to listening

At Blend, we've worked hard to come to this realization. We're not afraid to admit that we made some mistakes. As Nima points out, our first attempt at improving the lending experience was heavily influenced by the allure of digital-only platforms. We thought, like many others, that a digital-only mortgage pathway was the solution to consumers' lending frustrations.

Turns out, this wasn't *quite* right.

Listening closely has helped us come to a few key realizations. Lending consumers should:

- Always have access to digital and in-person touchpoints
- Receive service in the same way across all touchpoints
- Be able to seamlessly move between touchpoints

<https://blend.com/blog/insights/building-an-incredible-customer-focus-with-omnichannel/>

and a data storage device, wherein transactional usage data associated with a transaction initiated by a user through one of said e-banking touch points is stored in said data storage device and accessed by one or more of said other e-banking touch points:

For example, Blend's banking technology stores the customers personal and financial information on Blend's data base. Customer information is stored on Blend's data base and accessed by the wireless device.

Consumer Banking Suite

Unify your customer experience

Drive consistently higher conversions across your portfolio.

Traditional Savings Account

Routing Number	Account Number
010309493	010309493

<https://blend.com/products/consumer-banking-suite/>

wherein said active session is monitored via said server in real-time for selection of targeted marketing content correlated to said user-defined preferences, said targeted marketing content correlated to said user-defined preferences is selected subsequent to said monitoring.

For example, Blend's omni-channel banking platform allows for real-time targeted marketing.

Consumer Banking Suite

Unify your customer experience

Drive consistently higher conversions across your portfolio.

Emblem

What do you want to apply for?

EMBLEM REWARDS CARD

Details
Earn rewards for your everyday purchases

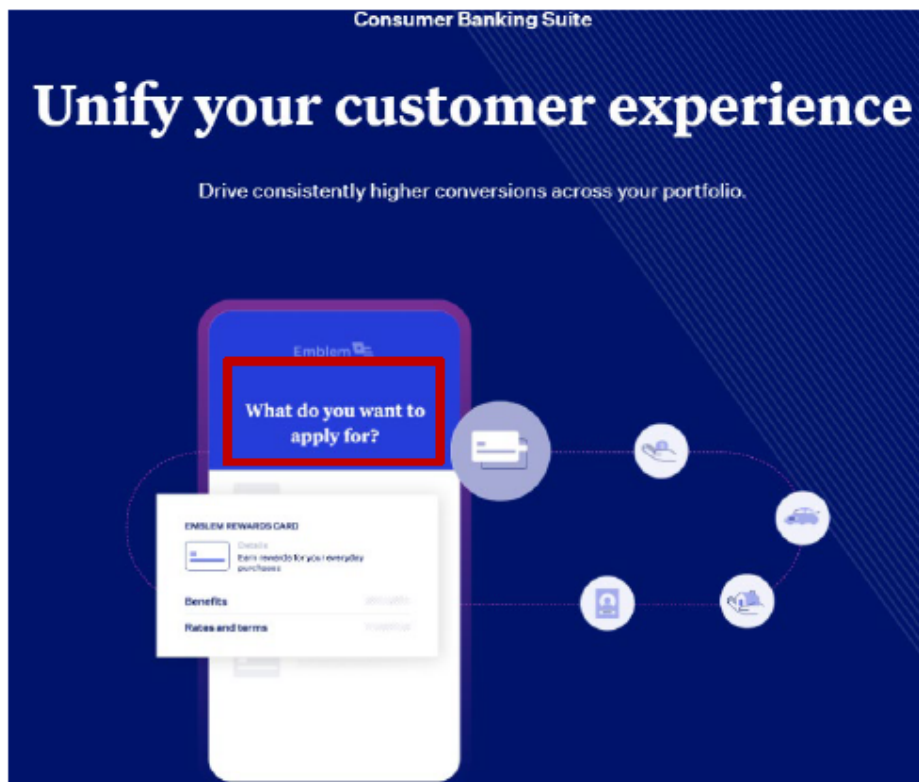
Benefits

Rates and terms

<https://blend.com/products/consumer-banking-suite/>

and transmitted in real-time to at least one of said e-banking touch points for acceptance, rejection, or no response by a user, and wherein said response by said user is used during said active session to determine whether transmission of additional information related to said marketing content occurs during said active session.

For example, Blend's customer chooses to open a checking account and clicks on the checking account tab on the ATM.



<https://www.youtube.com/watch?v=O137gXaKcqp>

<https://www.youtube.com/watch?v=O137gXaKcqp>

and transmitted in real-time to at least one of said e-banking touch points for acceptance, rejection, or no response by a user, and wherein said response by said user is used during said active session to determine whether transmission of additional information related to said marketing content occurs during said active session.

For example, after Blend's customer inputs personal data, a new page is opened showing the new account has been saved.

Consumer Banking Suite

Unify your customer experience

Drive consistently higher conversions across your portfolio.

Emblem

You're pre-approved for a personal loan.

PRE-APPROVED LOAN AMOUNT	
\$5,000	as of Jan 20, 2021
APR	6.99%
Monthly Payment	\$120
Term	48 Months

<https://blend.com/products/consumer-banking-suite/>

The advertisement features a dark blue background with a white and blue mobile app interface. The app screen displays a pre-approved loan offer for \$5,000 with a 6.99% APR, \$120 monthly payment, and a 48-month term. The offer is presented as if coming from a smartphone. To the right of the phone, a circular flow of icons represents various financial services: a hand holding a coin, a car, a house, a credit card, and a person's profile. The overall design is clean and professional, emphasizing a unified customer experience.

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

10. BLEND has and continues to induce infringement. BLEND 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 construct a unified banking system such as to cause infringement of one or more of claims 1–20 of the '508 patent, literally or under the doctrine of equivalents. Moreover, BLEND has known of the '508 patent and the technology underlying it from at least the date of issuance of the patent and the date of the lawsuit filing.

11. BLEND has and continues to contributorily infringe. BLEND 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., construction of unified banking system) and related services that provide unified banking systems such as to cause infringement of one or more of claims 1–20 of the '508 patent, literally or under the doctrine of equivalents. Moreover, BLEND has known of the '508 patent and the technology underlying it from at least the date of issuance of the patent and the date of the lawsuit filing.

12. BLEND has caused and will continue to cause MCom damage by direct and indirect infringement of (including inducing infringement of) the claims of the '508 patent.

IV. JURY DEMAND

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

V. PRAYER FOR RELIEF

WHEREFORE, MCom prays for relief as follows:

- a. enter judgment that Defendant has infringed the claims of the '508 patent;
- b. award MCom damages in an amount sufficient to compensate it for Defendant's infringement of the '508 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 MCom 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 MCom 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 MCom such other and further relief as this Court deems just and proper.

Respectfully submitted,

/s/ David J. Hoffman

David J. Hoffman

254 W 15th St., Apt. 2C

New York, New York 10011

(917) 701-3117 (telephone)

djhoffman@djhoffmanlaw.com

Ramey & Schwaller, LLP

William P. Ramey, III (Pro Hac Vice anticipated)

Texas State Bar No. 24027643

Jeffrey Kubiak (Pro Hac Vice anticipated)

Texas State Bar No. 24028470

5020 Montrose Blvd., Suite 800

Houston, Texas 77006

(713) 426-3923 (telephone)

(832) 900-4941 (fax)

wramey@rameyfirm.com

jkubiak@rameyfirm.com

Attorneys for MCom, LLC