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

AUTHORIZATION WALLET, LLC)	
Plaintiff,)	
) Civil Action No. 6:21-cv-0	1120
v.)	
)	
NORDSTROM, INC.) JURY TRIAL DEMANDE	ED
Defendant.)	

PLAINTIFF'S ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

Authorization Wallet, LLC ("Wallet") files this Original Complaint and demand for jury trial seeking relief from patent infringement of the claims of U.S. Patent No. 9,292,852 ("the '852 patent") (referred to as the "Patent-in-Suit") by Nordstrom, Inc., ("Nordstrom").

I. THE PARTIES

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

2. On information and belief, Nordstrom is a corporation existing under the laws of the State of Washington, with a principal place of business located at 2901 S Capital of Texas Hwy, Austin, Texas 78746. On information and belief, Nordstrom 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. Nordstrom may be served through their registered agent Corporate Creations Network Inc., 5444 Westheimer #1000, Houston, TX 77056.

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, et. seq.

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 '852 Patent

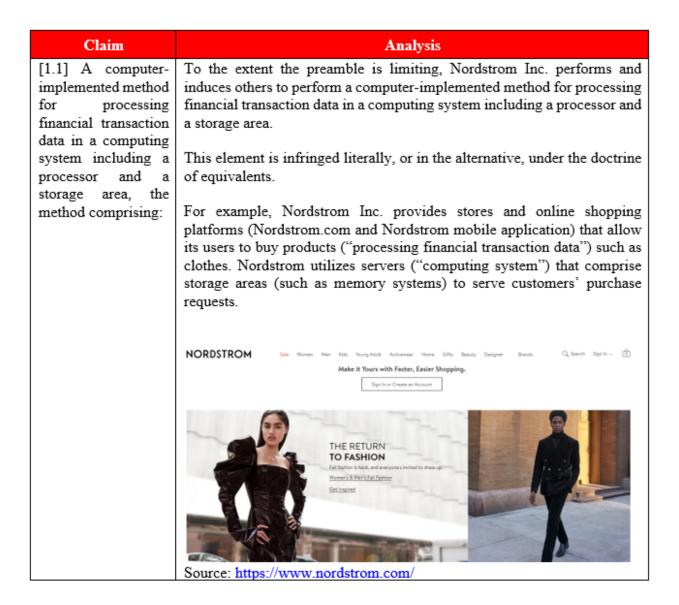
6. On March 22, 2016, U.S. Patent No. 9,292,852 ("the '852 patent", attached as Exhibit A) entitled "System And Method For Applying Stored Value To A Financial Transcation" was duly and legally issued by the U.S. Patent and Trademark Office. Authorization Wallet owns the '852 patent by assignment.

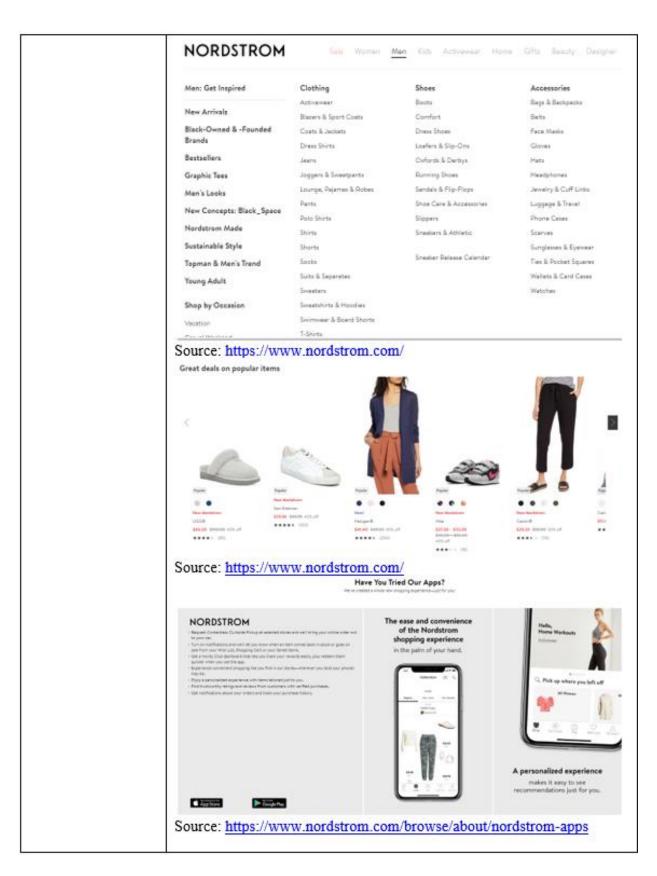
7. The '852 patent relates to novel and improved methods and systems for processing financial transaction data.

8. Nordstrom maintains, operates, and administers online platforms, products and services that facilitate financial transaction data processing that infringes one or more claims of the '852 patent, including one or more of claims 1-40, literally or under the doctrine of equivalents. Defendant put the inventions claimed by the '852 Patent into service (i.e., used them); but for Defendant's actions, the claimedinventions 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:

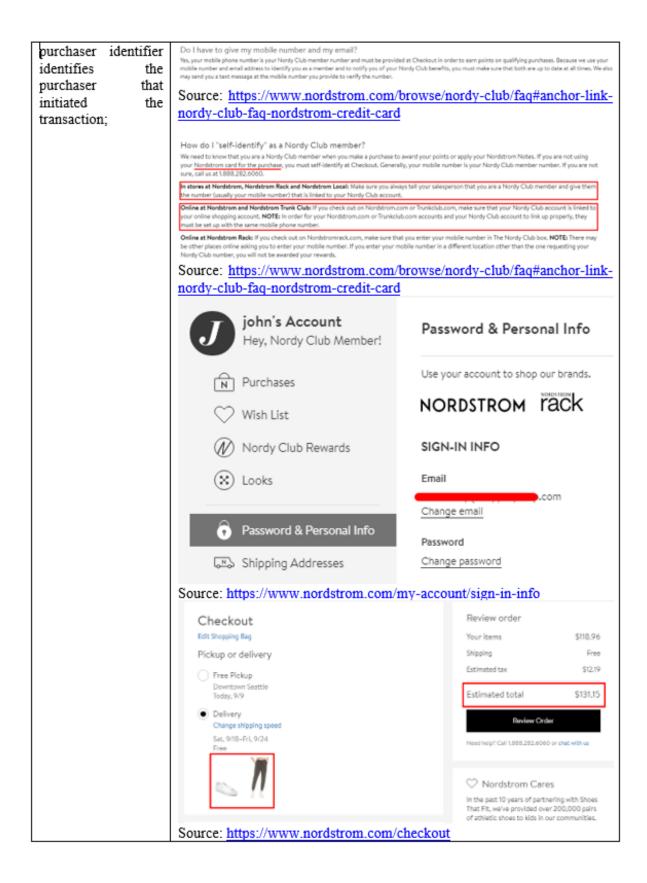
3



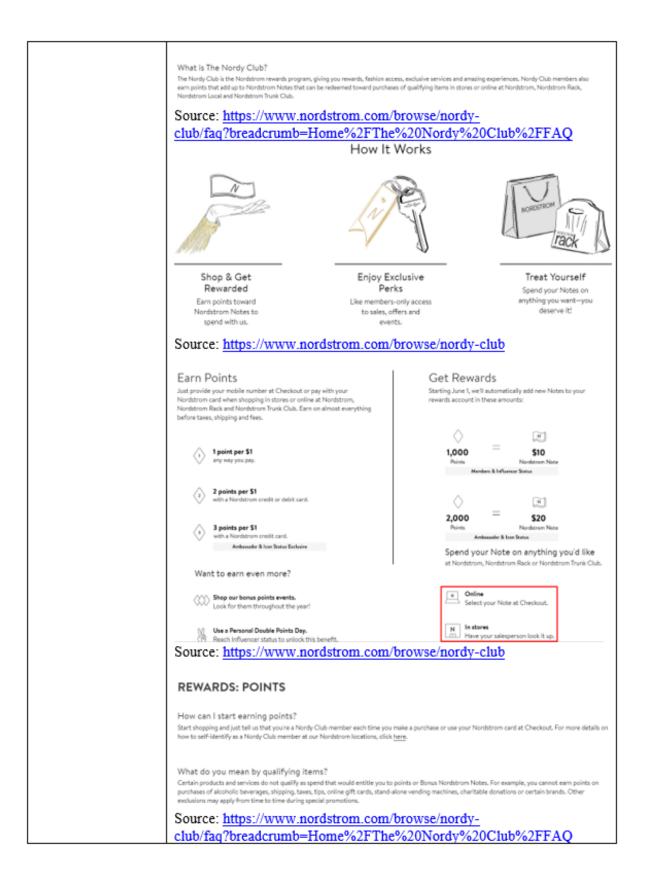


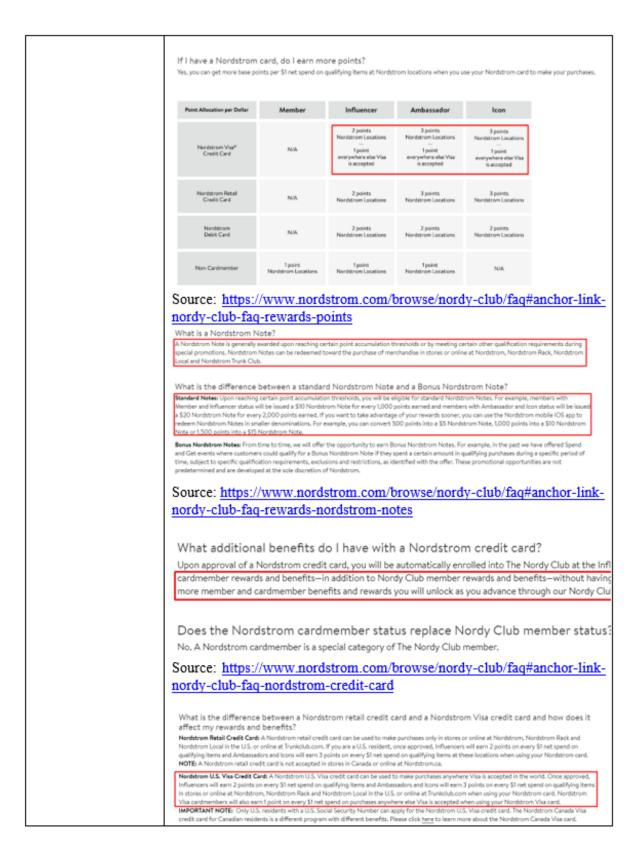


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[
	Further, to the extent this element is performed at least in part by Defendant's software source code, Plaintiff shall supplement these contentions pursuant to production of such source code by the Defendant.		
[1.3] based on the authorization request, determining	Nordstrom Inc. performs and induces others to perform the step of based on the authorization request, determining one or more stored value items to apply to the transaction, wherein each stored value item includes an		
one or more stored value items to apply to the transaction,	associated value, wherein the one or more stored value items are selected from a plurality of stored value items stored in the storage area, and wherein the plurality of stored value items includes stored value items		
wherein each stored value item includes	provided by a plurality of different third parties.		
an associated value,	This element is infringed literally, or in the alternative, under the doctrine of equivalents.		
wherein the one or more stored value items are selected from a plurality of stored value items stored in the storage area, and wherein the plurality	For example, when a user who is a member of Nordstrom Nordy Club makes purchases in-store or on online shopping platforms (for example, by using the Nordstrom credit card and/or by providing the Nordy Club membership number), the user's account is credited with points ("stored value item"). The user earns 2 or 3 points for every 1\$ spent when payment is done using Nordstrom credit card and 1 point for every 1\$ when payment is completed by any other means. The user earns \$20 in Nordstrom Notes ("associated value") for every 2000 points and \$10 for		
of stored value items includes stored value	every 1000 points. The Notes are automatically credited to the user's account.		
items provided by a plurality of different third parties;	Further, when the user makes a payment in-store or on online shopping platforms, the user is allowed to select Nordstrom Notes to make the purchase. Nordstrom's servers store the information regarding the user's account and the associated points and Nordstrom Notes.		
	Further, the points that the user redeems as Nordstrom Notes have been provided by a third-party (such as stores where the Nordstrom Visa card is accepted) such that when the user makes a payment at a third-party store (using the Nordstrom Visa card), the store informs Nordstrom that the purchase was complete and then Nordstrom credits the points to the user's account. Hence, upon successful completion of a purchase request at a third-party store, the points are credited to the user's account.		
	The Nordy Club		
	Rewards look good on you. Rewards for shopping. Exclusive access. Curated benefits. The bask of Nordstrom- tailoned just for you.		
	Source: https://www.nordstrom.com/browse/nordy-club		

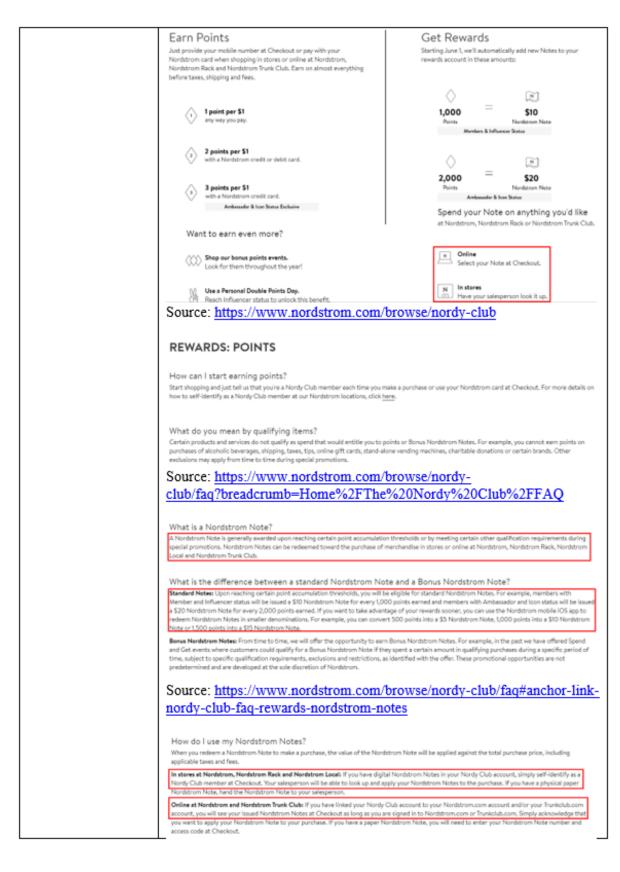




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	Source: https://ww	ww.nordstrom.	com/browse/nordy-club/faq#anchor-link-
	nordy-club-faq-nordstrom-credit-card		
	Add Nordstrom Note		
	Note number		
	Access code		
	Apply		
	Review order		
	Your items	\$118.96	
	Shipping	Free	
	Estimated tax	\$12.19	
	Estimated total	\$131.15	
	Estimated total	\$151.15	
	Review Or	der	
	Source: https://ww	ww.nordstrom.	com/checkout
			ment is performed at least in part by
			code, Plaintiff shall supplement these
[1.4] transmitting a			on of such source code by the Defendant. induces others to perform the step of
transaction	-	•	tion message to a mobile device associated
indication message			herein the transaction indication message
to a mobile device	includes informati	ion about the de	etermined one or more stored value items.
associated with the	This standard in in	C.:	
purchaser identifier, wherein the	of equivalents.	iringed interally	y, or in the alternative, under the doctrine
transaction	or equivalents.		
indication message	For example, wh	en a user tries	s to make a purchase and/or performs a
includes information			hopping platforms (for example, by using
about the determined			nd/or by providing the Nordy Club
one or more stored value items;	-	<i>/.</i>	trom identifies the user (using the des information regarding the Nordstrom
tarbo rearro,	-	· -	to the value of the Notes) ("transaction
	indication messag		

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	Source: https://www.nordstrom.com/browse/nordy-club/faq#anchor-link-		
	nordy-club-faq-rewards-nordstrom-notes		
[1.5] receiving an indication from a user of the mobile device that at least one stored value item should be applied against the transaction;			
	Gift Card or Promo Card 🗸		
	Promotions 🗸		
	Add Nordstrom Note		
	Review order		
	Your items \$118.96		
	Shipping Free		
	Estimated tax \$12.19		
	Estimated total \$131.15		
	Review Order		
	Source: https://www.pordstrom.com/shash-start		
	Source: https://www.nordstrom.com/checkout		
	I		

	Further, to the extent this element is performed at least in part by Defendant's software source code, Plaintiff shall supplement these		
	contentions pursuant to production of such source code by the Defendant.		
[1.6] applying the	Nordstrom Inc. performs and induces others to perform the step of		
indicated at least one	computing at the participating vendor web site a total price for the selected		
stored value item to pay a first portion of	subset of the products and services in units of electronic tokens		
the transaction	This element is infringed literally, or in the alternative, under the doctrine		
amount; and	of equivalents.		
	For example, the value of the selected Mardstrom Note is applied accient		
	For example, the value of the selected Nordstrom Note is applied against the total purchase amount such that the value of the Note is subtracted from		
	the total purchase amount ("pay a first portion of the transaction amount").		
	How do I use my Nordstrom Notes? When you redeem a Nordstrom Note to make a purchase, the value of the Nordstrom Note will be applied against the total purchase price, including applicable taxes and fees.		
	applicable taxes and fees. In stores at Nordstrom, Nordstrom Rack and Nordstrom Locals IF you have digital Nordstrom Notes in your Nordy Club account, simply self-identify as a Nordy Club member at Checkout, Your salesperson will be able to look up and apply your Nordstrom Notes to the purchase. If you have a physical opper		
	Nordstrom Note, kand the Nordstrom Note to your selected period approvement to your Nordstrom notes to the parchase. In your new a physical paper Nordstrom Note, kand the Nordstrom Note to your selected period. Online at Nordstrom and Nordstrom Trusk Club: If you have linked your Nordy Club account to your Nordstrom.com account and/or your Truskclub.com		
	account, you will see your issued Nordstrom Notes at Checkout as long as you are signed in to Nordstrom.com or Trunkclub.com. Simply acknowledge that you want to apply your Nordstrom Note to your purchase. If you have a paper Nordstrom Note, you will need to enter your Nordstrom Note number and		
	access code at Checkout. Online at Nordstreen Racks If you are checking out on Nordstromrack.com, you will need to enter your Nordstrom Note number and access code at Checkout, You can find the Nordstrom Note number and access code on the face of the paper Nordstrom Note, online on your Nordy Club account or by		
	calling 1888.282.6060. Source: https://www.nordstrom.com/browse/nordy-club/faq#anchor-link-		
	nordy-club-faq-rewards-nordstrom-notes		
	Gift Card or Promo Card 🗸		
	Promotions 🗸		
	Add Nordstrom Note		
	Review order		
	Your items \$118.96		
	Shipping Free		
	Estimated tax \$12.19		
	Estimated total \$131.15		
	Review Order		
	Source: https://www.nordstrom.com/checkout		
	Further, to the extent this element is performed at least in part by Defendant's software source code, Plaintiff shall supplement these		
	contentions pursuant to production of such source code by the Defendant.		

[1.7] initiating a	Nordstrom Inc. performs and induces others to perform the step of		
payment process to			
pay a remaining			
portion of the	manifestation of the user account		
transaction amount			
by providing a	This element is infringed literally, or in the alternative, under the doctrine		
modified transaction			
amount to the	or equivalents.		
acquirer for	For example, the remaining total purchase amount to be paid is displayed		
submission to a	to the user. When the user checks out, a request for the modified		
payment association.	transaction amount is sent to, for example, VISA ("payment association")		
payment association.	• • • • • • • • •		
	for completion of the purchase.		
	How do I use my Nordstrom Notes? When you redeem a Nordstrom Note to make a purchase, the value of the Nordstrom Note will be applied against the total purchase price, including		
	applicable taxes and fees.		
	In stores at Nordstrom, Nordstrom Rack and Nordstrom Local: If you have digital Nordstrom Notes in your Nordy Club account, simply self-identify as a Nordy Club member at Checkout. Your salesperson will be able to look up and apply your Nordstrom Notes to the purchase. If you have a physical paper		
	Nordstrom Note, hand the Nordstrom Note to your talesperson. Online at Nordstrom and Nordstrom Trunk Clubs If you have linked your Nordy Club account to your Nordstrom.com account and/or your Trunkclub.com		
	account, you will see your issued Nordstrom Notes at Checkout as long as you are signed in to Nordstrom.com or Trunkolub.com. Simply acknowledge that you want to apply your Nordstrom Note to your purchase. If you have a paper Nordstrom Note, you will need to enter your Nordstrom Note number and		
	you man to appry your remeasurements a your parchase. If you have a paper remeasuremente, you wanteed to enter your remaintent reme and access code at Checkout.		
	Online at Nardstrom Racks If you are checking out on Nordstromrack.com, you will need to enter your Nordstrom Note number and access code at Checkout. You can find the Nordstrom Note number and access code on the face of the paper Nordstrom Note, online on your Nordy Club account or by		
	caling 1888.282.6060.		
	Source: https://www.nordstrom.com/browse/nordy-club/faq#anchor-link-		
	nordy-club-faq-rewards-nordstrom-notes		
	Payment		
	Credit Card		
	Card number*		
	Expiration date"		
	MM/YY		
	Security code"		
	Billing address		
	Same as shipping address		
	First name*		
	Last name*		
	Address*		
	Quickly find your address		
	PayPal		
	Source: https://www.nordstrom.com/checkout		

Gift Card or Promo Card 🗸		
Promotions 🗸		
Add Nordstrom Note		
Review order		
Your items	\$118.96	
Shipping	Free	
Estimated tax	\$12.19	
Estimated total	\$131.15	
Review Orde	a.	
Source: https://www.s	nordstrom.com	l/checkout
Defendant's software	e source cod	nt is performed at least in part by e, Plaintiff shall supplement these of such source code by the Defendant.

List of References

- 1. https://www.nordstrom.com/, last accessed on September 17, 2021
- <u>https://www.nordstrom.com/browse/about/nordstrom-apps</u>, last accessed on September 17, 2021
- 3. https://www.nordstrom.com/browse/nordy-club, last accessed on September 17, 2021
- <u>https://www.nordstrom.com/browse/nordy-club/faq#anchor-link-nordy-club-faq-nordstrom-credit-card</u>, last accessed on September 17, 2021
- <u>https://www.nordstrom.com/browse/nordy-club/faq#anchor-link-nordy-club-faq-rewards-nordstrom-notes</u>, last accessed on September 17, 2021
- https://www.nordstrom.com/my-account/sign-in-info, last accessed on September 17, 2021
- 7. https://www.nordstrom.com/checkout, last accessed on September 17, 2021
- <u>https://www.nordstrom.com/browse/nordy-</u> <u>club/faq?breadcrumb=Home%2FThe%20Nordy%20Club%2FFAQ</u>, last accessed on September 17, 2021
- 9. <u>https://www.nordstrom.com/browse/nordy-club/faq#anchor-link-nordy-club-faq-rewards-points</u>, last accessed on September 17, 2021
- https://apps.apple.com/us/app/nordstrom/id474349412, last accessed on September 17, 2021

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

10. Nordstrom has and continues to induce infringement. Nordstrom 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., payment products and services that facilitate purchases from a vendor using a bridge computer) such as to cause infringement of one or more of claims 1–18 of the '852 patent, literally or under the doctrine of equivalents. Moreover, Nordstrom has known or should have known of the '852 patent and the technology underlying it from at least the date of issuance of the patent.

11. Nordstrom has and continues to contributorily infringe. Nordstrom 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., payment products and services that facilitate purchases from a vendor using a bridge computer) and related services such as to cause infringement of one or more of claims 1–18 of the '852 patent, literally or under the doctrine of equivalents. Moreover, Nordstrom has known or should have known of the '852 patent and the technology underlying it from at least the date of issuance of the patent.

12. Nordstrom has caused and will continue to cause Authorization Wallet damage by direct and indirect infringement of (including inducing infringement of) the claims of the '852 patent.

IV. JURY DEMAND

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

V. PRAYER FOR RELIEF

WHEREFORE, Authorization Wallet prays for relief as follows:

a. enter judgment that Defendant has infringed the claims of the '852 patent through Nordstrom payment links;

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- award Authorization Wallet damages in an amount sufficient to compensate it for Defendant's infringement of the '852 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 Authorization Wallet 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 Authorization Wallet 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 Authorization Wallet such other and further relief as this Court deems just and proper.

Respectfully submitted,

Ramey & Schwaller, LLP



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