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8 **United States District Court**
9 **Central District of California**

10 KENNY PHAN, an individual; and
11 GEORGE SAMAHA, an individual,
12 Plaintiffs,

13 v.

14 NAYAX, LTD., an Israeli corporation
15 headquartered in Maryland; NAYAX,
16 LLC, a Maryland limited liability
company, and DOE 1 through DOE 10,
inclusive,

17 Defendants.

Case No.

**COMPLAINT FOR PATENT
INFRINGEMENT**

DEMAND FOR JURY TRIAL

1 Plaintiffs Kenny Phan and George Samaha (“Plaintiffs”) file this Complaint for
2 Patent Infringement against the Defendants and alleges as follows:

3
4 **JURISDICTION**

5 1. This civil action arises out of the United States patent laws codified at
6 35 United States Code sections 1 et seq., thereby providing this court with subject
7 matter jurisdiction over this action pursuant to 28 United States Code section 1331
8 and 1338(a), where this is a federal question involving patent infringement. The
9 federal district courts therefore have original jurisdiction.

10
11 **PARTIES**

12 2. Plaintiff Kenny Phan is an individual residing in the State of California
13 in this judicial district.

14 3. Plaintiff George Samaha is an individual residing in Lebanon.

15 4. Defendant Nayax, Ltd. is an Israeli corporation headquartered in
16 Maryland, and doing business in this judicial district.

17 5. Defendant Nayax, LLC is a Maryland limited liability company
18 headquartered in Maryland, and doing business in this judicial district.

19 6. Defendants are subject to the specific jurisdiction of this Court by
20 virtue of its committing acts of patent infringement in this judicial district, which
21 acts form a substantial part of the events giving rise to Plaintiffs’ claims.

22 **VENUE**

23 7. Venue is proper within this district generally pursuant to 28 U.S.C.
24 § 1391, because all defendants are deemed to “reside” in this district, or in the
25 alternative, because a substantial part of the events giving rise to the claims
26 Plaintiffs assert occurred in this district. Venue is also proper within this district in
27 particularly pursuant to 28 U.S.C. § 1400(b) because all defendants reside in this
28

1 district, or in the alternative, because each of them has committed acts of
2 infringement and has a regular and established place of business in this district.

3 **THE NATURE OF THE ACTION**

4 8. This is a patent infringement action, based on the patent laws of the
5 United States, codified at 35 United States Code, sections 271, *et seq.*, brought by
6 Plaintiffs against the Defendants, for its infringement, including willful
7 infringement, of the United States Patent owned by Plaintiffs.

8 9. Plaintiffs are the owners and inventors of the patent in this suit who
9 have developed devices and techniques for facilitating access to a target device
10 using unique codes that are in proximity to a target device.

11 10. Defendants, among other associated entities, have copied Plaintiffs'
12 computing device and methods which are configured to facilitate remote access
13 from a user's device. Instead of pursuing independent product development,
14 Defendants relied on Plaintiffs' research and development to create a copy of
15 Plaintiffs' product.

16 11. Plaintiffs are filing this lawsuit to end Defendants' continued
17 infringement.

18 **Plaintiffs' Utility Patent**

19 12. Plaintiffs have obtained U.S. utility patent number 9,911,273, a copy of
20 which attached as Exhibit 1 and incorporated by reference, to which Plaintiffs owns
21 all rights, title, and interest.

22 13. The '273 Patent claims in claim 1:

23 A computer-implemented method for facilitating access to a
24 target device, comprising:
25 presenting from the target device a unique code to a user device
26 that is located in proximity to the target device, wherein the
27 user device presents the unique code to a management server
28 for the target device to gain access to the target device, wherein

1 the management server links the user device and the target
2 device, wherein the user device is associated with a user
3 account on the management server, wherein the target device
4 periodically receives unique codes from the management
5 server, wherein the unique code is presented for only a
6 specified time interval, wherein upon receiving an updated
7 unique code from the management server the target device
8 discards the unique code and instead presents the updated
9 unique code to proximate user devices to ensure that only
10 presently physically proximate user devices can access the
11 target device;
12 receiving at the target device notification that the user device
13 has been linked to the target device and account information for
14 the user account;
15 displaying the account information for the user account on a
16 display of the target device;
17 receiving at the target device notification from the management
18 server that the user device has applied a credit to the target
19 device; and
20 initiating an operation on the target device that is associated
21 with consuming the credit.

22 14. The '273 Patent claims in claim 14:

23 A computer-implemented method for facilitating access to a
24 target device, comprising:
25 receiving on a user device a unique code from the target device,
26 wherein the target device is located in proximity to the user
27 device, wherein the target device periodically receives unique
28 codes from the management server, wherein the unique code is

1 presented for only a specified time interval, wherein upon
2 receiving an updated unique code from the management server
3 the target device discards the unique code and instead presents
4 the updated unique code to proximate user devices to ensure
5 that only presently physically proximate user devices can access
6 the target device;
7 presenting the unique code and authentication information for a
8 user account to a management server for the target device to
9 gain access to the target device, wherein upon authenticating
10 the user account the management server links the target device
11 and the user device, wherein the management server sends user
12 identification and account balance information to the target
13 device and the user device, wherein the target device displays
14 the received user identification and account balance information
15 on a display of the target device;
16 displaying account balance information for the user account on
17 the display of the user device;
18 receiving at the user device a request to apply a credit to the
19 target device; and
20 sending the request to apply the credit to the management
21 server, wherein the management server subtracts the credit from
22 the user account and notifies the target device of the applied
23 credit, wherein the target device initiates an operation on the
24 target device that is associated with consuming the credit.

25 15. The '273 Patent claims in claim 15:

26 A non-transitory computer-readable storage medium storing
27 instructions that when executed by a computer cause the
28 computer to perform a method for facilitating access to a target

1 device, the method comprising:
2 presenting from the target device a unique code to a user device
3 that is located in proximity to the target device, wherein the
4 user device presents the unique code to a management server
5 for the target device to gain access to the target device, wherein
6 the management server links the user device and the target
7 device, wherein the user device is associated with a user
8 account on the management server, wherein the target device
9 periodically receives unique codes from the management
10 server, wherein the unique code is presented for only a
11 specified time interval, wherein upon receiving an updated
12 unique code from the management server the target device
13 discards the unique code and instead presents the updated
14 unique code to proximate user devices to ensure that only
15 presently physically proximate user devices can access the
16 target device;
17 receiving at the target device notification that the user device
18 has been linked to the target device and account information for
19 the user account, wherein the user device is associated with a
20 user account;
21 displaying the account information for the user account on a
22 display of the target device;
23 receiving at the target device notification from the management
24 server that the user device has applied a credit to the target
25 device; and
26 initiating an operation on the target device that is associated
27 with consuming the credit.
28

1 16. The '273 Patent claims in claim 16:

2 A computing device that that facilitates remote access from a
3 user device, comprising:

4 a processing element;

5 a memory;

6 a network interface; and

7 a display;

8 wherein the processing element and memory are configured to

9 present a unique code to a user device that is located in

10 proximity to the computing device, wherein the user device

11 presents the unique code to a management server for the

12 computing device to gain access to the computing device,

13 wherein the management server links the user device and the

14 computing device, wherein the user device is associated with a

15 user account on the management server, wherein the computing

16 device periodically receives unique codes from the management

17 server, wherein the unique code is presented for only a

18 specified time interval, wherein upon receiving an updated

19 unique code from the management server the computing device

20 discards the unique code and instead presents the updated

21 unique code to proximate user devices to ensure that only

22 presently physically proximate user devices can access the

23 computing device;

24 wherein the network interface is configured to receive

25 notification that the user device has been linked to the

26 computing device and account information for the user account;

27 wherein the display is configured to display the account

28 information for the user account;

1 wherein the network interface is further configured to receive
 2 notification from the management server that the user device
 3 has applied a credit to the computing device; and
 4 wherein the processing element is configured to initiate an
 5 operation that is associated with consuming the credit.

6 **DEFENDANTS'S INFRINGING ACTIVITIES AND PRODUCTS**

7 17. Defendants make, market, import, use, sell and/or offer for sale several
 8 products within the United States, including this district, which infringe the Patent-
 9 in-suit.

10 18. Non-limiting examples of Accused Products sold by Defendants that
 11 infringe the Patent-in-suit include:

- 12 • Onyx Contactless Card Reader Cashless Payment Device
- 13 • VPOS Touch Credit Card Reader Cash Payment Device
- 14 • Nova Market Micro Market Self-checkout Solution
- 15 • DOT Smart QR and Barcode Reader
- 16 • EV Meter- Electric Vehicle Charging Stations

17 Defendants' products have a computer implemented method for
 18 facilitating access to a target device, comprising presenting from the target device a
 19 unique code to a user device that is located in proximity to the target device.

20 19. The user device presents the unique code to a management server for
 21 the target device to gain access to the target device.

22 20. The management server links the user device and the target device,
 23 wherein the user device is associated with a user account on the management
 24 server.

25 21. The target device periodically receives unique codes from the
 26 management server, wherein the unique code is presented for only a specified time
 27 interval.

1 22. Upon receiving an updated unique code from the management server,
2 the target device discards the unique code and instead presents the updated unique
3 code to proximate user devices to ensure that only presently physically proximate
4 user devices can access the target device.

5 23. Receives at the target device notification that the user device has been
6 linked to the target device and account information for the user account; displaying
7 the account information for the user account on a display of the target device.

8 24. Receiving at the target device notification from the management server
9 that the user device has applied a credit to the target device; and initiates an
10 operation on the target device that is associated with consuming the credit.

11 25. Defendants' products further present unique code and authentication
12 information for a user account to a management server for the target device to gain
13 access to the target device, wherein upon authenticating the user account the
14 management server links the target device and the user device, wherein the
15 management server sends user identification and account balance information to
16 the target device and the user device, wherein the target device displays the
17 received user identification and account balance information on a display of the
18 target device.

19 26. Defendants' products further displays account balance information for
20 the user account on the display
21 of the user device.

22 27. These products receive at the user device a request to apply a credit to
23 the target Device.

24 28. These products further send the request to apply the credit to the
25 management server, wherein management server subtracts the credit from the user
26 account and notifies the target device of the applied credit, wherein the target
27 device initiates an operation on the target device that is associated with consuming
28 the credit.

1 29. Defendants' products also receive at the target device notification from
2 the management server that the user device has applied a credit to the target device.

3 30. Defendants' products initiate an operation on the target device that is
4 associated with consuming the credit.

5 31. A computing device that facilitates remote access from a user device,
6 comprising:

7 a processing element;

8 a memory;

9 a network interface; and

10 a display;

11 wherein the processing element and memory are configured to present a
12 unique code to a user device that is located in proximity to the computing
13 device, wherein the user device presents the unique code to a management
14 server for the computing device to gain access to the computing device,
15 wherein the management server links the user device and the computing
16 device, wherein the user device is associated with a user account on the
17 management server, wherein the computing device periodically receives
18 unique codes from the management server, wherein the unique code is
19 presented for only a specified time interval, wherein upon receiving an
20 updated unique code from the management server the computing device
21 discards the unique code and instead presents the updated unique code to
22 proximate user devices to ensure that only presently physically proximate
23 user devices can access the computing device;

24 wherein the network interface is configured to receive notification that the
25 user device has been linked to the computing device and account
26 information for the user account;

27 wherein the display is configured to display the account information for the
28 user account;

1 wherein the network interface is further configured to receive notification
2 from the management server that the user device has applied a credit to the
3 computing device; and

4 wherein the processing element is configured to initiate an operation that is
5 associated with consuming the credit.

6 **DEFENDANTS' WILLFUL INFRINGEMENT**

7 32. Plaintiffs' products and website contain patent markings, which serve
8 as constructive notice of Plaintiffs' patent rights to Defendants.

9 33. In addition, Plaintiffs sent Defendant Nayax, Ltd. cease-and-desist
10 correspondence as to the infringement, but received no response.

11 **FIRST CLAIM FOR RELIEF**

12 **(Infringement of the '273 Patent)**

13 **(Against All Defendants)**

14 34. Plaintiff incorporates and realleges paragraphs 1 through 41, inclusive
15 of this Complaint, as if fully set forth.

16 35. Defendants have infringed and continues to infringe, directly and
17 indirectly through contributory or induced infringement (or both), one or more
18 claims of the '723 Patent by means of one or more of the following acts with
19 respect to one or more of Products identified in this Complaint: using, selling, and
20 offering to sell in the United States, and importing into the United States.
21 Defendants' infringing activities violate 35 U.S.C. § 271. More particularly,
22 Defendants' manufacture, use, sale, and/or offer for sale in the United States and/or
23 importation into the United States of the Accused Products infringe at least claim 1
24 of the '273 Patent ("Asserted '273 Patent Claim"). Plaintiffs reserve the right to
25 assert additional claims of the '273 patent after a reasonable opportunity for
26 investigation and discovery.

27 36. Defendants' infringement of the '273 Patent is based on literal
28 infringement or infringement under the doctrine of equivalents, or both.

1 37. Defendants' acts of making, using, selling and/or offering for sale or
2 otherwise importing the infringing products has occurred without license, and
3 without the permission, consent, or authorization of Plaintiffs.

4 38. Defendants' infringement includes, but is not limited to, the
5 manufacture, use, importation, sale, and offering for sale of the Accused products.

6 39. Attached hereto as Exhibit 2, and incorporated by reference herein, are
7 claims charts detailing how each of the Accused Products infringes independent
8 claim 1 of the '273 patent.

9 40. The Court has not yet construed the meaning of any claims or term in
10 the '273 patent. In providing these detailed allegations, Plaintiffs do not intent to
11 convey or imply any particular claim construction or the precise scope of the
12 claims. Plaintiffs' contentions regarding the construction of the claims will be
13 provided in compliance with the case schedule, any applicable federal or local
14 procedural rules, and/or any applicable order.

15 41. Plaintiffs contend that each element of each Asserted Claim is literally
16 present in the Accused Products. If as a result of the Court's constructions or other
17 determinations one or more claim elements are not literally present, Plaintiffs
18 contend that each such element is present under the doctrine of equivalents and
19 reserves its right to provide more detailed doctrine of equivalents contentions after
20 discovery, a claim construction order from the Court, or at another appropriate
21 time.

22 42. Plaintiffs are informed and believe, and on that basis alleges, that
23 Defendants gained substantial profits and revenue, and subjected Plaintiffs to lost
24 profits and revenue through loss of sales of its own products by virtue of their
25 infringement of the '273 Patent.

26 43. Plaintiffs have been harmed and sustained damages as a direct and
27 proximate result of Defendants' infringement of the '273 Patent. Plaintiffs are thus
28 entitled to monetary compensation for Defendants' infringement in an amount to

1 be determined to compensate Plaintiffs for lost sales and profits and/or the profits
2 and revenue gained by Defendants through its infringement of the '273 Patent, but
3 in no event less than a reasonable royalty.

4 44. Plaintiffs are informed and believe, and on that basis alleges, that the
5 infringement of the '273 Patent by Defendants is and has been intentional, willful
6 and without regard to Plaintiffs' rights. Defendants are aware of Plaintiffs'
7 innovation and the patent it has obtained. Plaintiffs have patent markings on its
8 products, which provide constructive notice to the Defendants, and Defendants are
9 aware of the Patent-in-Suit.

10 45. Despite Defendants' knowledge of the Patent-in-Suit, Defendants sold
11 and continue to sell the '273 infringing products in complete and reckless disregard
12 of Plaintiffs' rights. A such, Defendants acted recklessly and continue to willfully,
13 wantonly, and deliberately engage in the acts of infringement of the '273 Patent,
14 justifying an award for increased monetary damages pursuant to 35 United States
15 Code, section 284, as well as attorneys' fees and costs pursuant to 35 United States
16 code, section 285.

17 46. In addition to their direct infringement, Defendants have indirectly
18 infringed, and will continue to indirectly infringe Plaintiffs' patent by supplying
19 components and otherwise instructing, directing and/or requiring others, as well as
20 other suppliers, resellers, distributors, customers, purchasers, consumers and/or
21 other users to make, use and/or manufacture the infringing products.

22 47. As a result of Defendant's unlawful activities, Plaintiffs have suffered
23 and will continue to suffer irreparable harm for which there is no adequate remedy
24 at law. Plaintiffs directly competes with the Defendants and continued
25 infringement of the '273 Patent causes and will continue to cause harm to Plaintiffs
26 in various ways, including but not limited to, price erosion, loss of goodwill,
27 damages to reputation, lost business opportunities, lost revenue and income from
28 the sale of its own products, and increased direct and/or indirect competition.

48. Monetary compensation alone for the damages incurred due to the harm caused by Defendants' infringing activities is, and will continue to be, insufficient to compensate Plaintiffs for these harms. Plaintiffs are therefore entitled to preliminary and/or permanent injunctive relief. Unless enjoined, Defendants will continue their infringing activities and conduct. Thus, injunctive relief is necessary to protect Plaintiffs from ongoing injury and further damages.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for relief, as follows:

1. A judgment that Defendants have directly and/or indirectly infringed Plaintiffs' patent.

2. An order and judgment either preliminarily or permanently enjoining Defendants, as well as Defendant's officers, agents, affiliates, employees, and/or any other persons acting of attempting to act in concert or participation with Defendants, from any further acts of infringement of Plaintiffs' patent.

3. A judgment awarding Plaintiffs monetary damages adequate to compensate Plaintiffs for Defendants' infringement of the '273 patent, including any and all pre-judgment and post-judgment interest at the maximum rate permitted by law;

4. A judgement that Defendants have willfully, wantonly, and/or deliberately infringed Plaintiffs' patent.

5. A judgment awarding Plaintiffs increased damages and reasonable attorney's fees pursuant to 35 United States Code section 285 to the extent that the Court finds this case exceptional with respect to Defendants' infringement of Plaintiffs' patent.

6. The Defendants be ordered to pay all of Plaintiffs' costs associated with this action, and

7. Any such further relief that this Court determines is proper and just.

1 Dated: January 10, 2024

Respectfully submitted,

2 Law Offices of Mandana Jafarinejad, P.C.

3
4 /s/ Mandana Jafarinejad
5 MANDANA JAFARINEJAD
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9 **DEMAND FOR JURY TRIAL**

10 Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiffs
11 hereby demands trial by jury on all issues raised by the Complaint triable by jury.
12

13 LAW OFFICES OF MANDANA JAFARINEJAD, P.C.

14
15 Dated: January 10, 2024

/s/ Mandana Jafarinejad
Mandana Jafarinejad