

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

WALKER DIGITAL, LLC

Plaintiff,

v.

**MASTERCARD INTERNATIONAL
INCORPORATED**

Defendant.

Civil Action No. _____

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Walker Digital, LLC, (“Walker Digital”) files this complaint for patent infringement against defendant MasterCard International Incorporated (“Defendant” or “MasterCard”):

THE PARTIES

1. Walker Digital is a Delaware limited liability company with its principal place of business located at 2 High Ridge Park, Stamford, CT 06905. Walker Digital is a world-renowned research and development laboratory responsible for launching several successful businesses, including Priceline.com and Synapse, Inc.

2. On information and belief, Defendant MasterCard is a Delaware corporation with its principal place of business located at 2000 Purchase Street, Purchase, New York 10577.

JURISDICTION AND VENUE

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

4. On information and belief, Defendant is subject to this Court's jurisdiction because Defendant has transacted business in this district, including, more specifically, directly and/or through intermediaries, making, using, importing, offering for sale and/or selling products and services in the State of Delaware (including via the provision of such goods and services over the Internet). Defendant, upon information and belief, is doing substantial business in this District, and has committed acts of patent infringement in this District. In addition, Defendant is a corporation organized and existing under the laws of the State of Delaware.

5. Venue is proper in this district under 28 U.S.C. §§ 1391(b) and (c), and 1400(b).

THE ASSERTED PATENTS

6. On January 25, 2000, the United States Patent and Trademark Office ("USPTO") duly and legally issued U.S. Patent No. 6,018,718 (the "718 patent"), entitled "Method And System For Processing Customized Reward Offers," to Jay S. Walker, Sanjay K. Jindal, and Toby Weir-Jones, who assigned their rights and interests in the '718 patent to Walker Digital. A true and correct copy of the '718 patent is attached as Exhibit A.

7. On Aug 13, 2002, the United States Patent and Trademark Office ("USPTO") duly and legally issued U.S. Patent No. 6,434,534 (the "534 patent"), entitled "Method And System For Processing Customized Reward Offers," to Jay S. Walker, Sanjay K. Jindal, and Toby Weir-Jones, who assigned their rights and interests in the '534 patent to Walker Digital. A true and correct copy of the '534 patent is attached as Exhibit B.

8. On September 30, 2008, the United States Patent and Trademark Office ("USPTO") duly and legally issued U.S. Patent No. 7,430,521 (the "521 patent"), entitled "System And Method For Managing Customized Reward Offers," to Jay S. Walker, Sanjay K. Jindal, Toby Weir-Jones, Stephen C. Tulley, and Michael D. Downs who assigned their rights

and interests in the '521 patent to Walker Digital. A true and correct copy of the '521 patent is attached as Exhibit C.

9. On November 7, 2000, the United States Patent and Trademark Office ("USPTO") duly and legally issued U.S. Patent No. 6,144,948 (the "'948 patent"), entitled "Instant credit card marketing system for reservations for future services," to Jay S. Walker, and James A. Jorasch who assigned their rights and interests in the '948 patent to Walker Digital. A true and correct copy of the '948 patent is attached as Exhibit D.

10. Walker Digital is the owner of the '718, '534, '521 and '948 patents (collectively, the "Asserted Patents").

FACTUAL BACKGROUND

11. Walker Digital is a research and development laboratory that has invested many millions of dollars in its intellectual property. Walker Digital is comprised of a diverse group of inventors who solve business problems by analyzing human behavior and designing innovative solutions incorporating modern information technologies. The novel inventions developed by the Walker Digital team are reflected in a portfolio of more than 200 U.S. and international patents in a wide range of industries that includes retail, vending, credit cards, security, gaming, educational testing, and entertainment.

12. Jay S. Walker, the chairman of Walker Digital, is a named inventor of more than 450 issued and pending U.S. and international patents, including each of the Asserted Patents. Mr. Walker is best known as the founder of Priceline.com, which revolutionized the travel industry through unprecedented technology, with the end result of bringing huge savings in airfare, hotel and car rental rates, and other travel related goods and services to every-day consumers. The systems at the heart of Priceline.com's success were developed in the research and development laboratory of Walker Digital.

13. Development of the inventions conceived by Mr. Walker and the Walker Digital team of inventors would not have been possible without substantial financial investments made by Walker Digital. Funds invested by Walker Digital have been used for many things, including the construction of laboratory facilities utilized to develop and test new inventions. Many of the inventions developed at the Walker Digital laboratories have led to successful businesses, including Priceline.com and Synapse, Inc. Revolutionary technologies, including the systems and methods for generating a single-use financial account number for facilitating financial account transactions, as described and claimed in the Asserted Patents, were a direct result of investments made by Walker Digital.

14. The Asserted Patents represent breakthroughs in the field of financial account transaction processing.

COUNT I

(Infringement of the '718 Patent)

15. Walker Digital incorporates and realleges the allegations of paragraphs 1-14 as are fully set forth above.

16. Upon information and belief, MasterCard is infringing (literally and/or under the doctrine of equivalents) the '718 patent in this District and throughout the United States by, among other things, making, using, importing, offering for sale and/or selling products and services, including at least its Loyalty and Rewards Solutions service, which practice one or more of the claims of the '718 patent. For instance, upon information and belief, MasterCard's Loyalty and Rewards Solutions service has the functionality to identify and categorize cardholders based on their historical spending behavior and transactions and then tailor offers designed to drive the cardholders to new categories of spending and performance targets.

17. Defendant has committed these acts of infringement without license or authorization.

18. As a result of Defendant's infringement of the '718 patent, Walker Digital has suffered monetary damages in an amount not yet determined, and will continue to suffer damages in the future unless Defendant's infringing activities are enjoined by this Court.

19. Walker Digital has suffered and will continue to suffer severe and irreparable harm unless this Court issues a permanent injunction prohibiting Defendant, its agents, servants, employees, representatives, and all others acting in active concert therewith from infringing the '718 patent.

COUNT II

(Infringement of the '534 Patent)

20. Walker Digital incorporates and realleges the allegations of paragraphs 1-19 as are fully set forth above.

21. Upon information and belief, MasterCard is infringing (literally and/or under the doctrine of equivalents) the '534 patent in this District and throughout the United States by, among other things, making, using, importing, offering for sale and/or selling products and services, including at least its Loyalty and Rewards Solutions service, which practice one or more of the claims of the '534 patent.

22. Defendant has committed these acts of infringement without license or authorization.

23. As a result of Defendant's infringement of the '534 patent, Walker Digital has suffered monetary damages in an amount not yet determined, and will continue to suffer damages in the future unless Defendant's infringing activities are enjoined by this Court.

24. Walker Digital has suffered and will continue to suffer severe and irreparable harm unless this Court issues a permanent injunction prohibiting Defendant, its agents, servants, employees, representatives, and all others acting in active concert therewith from infringing the '534 patent.

COUNT III

(Infringement of the '521 Patent)

25. Walker Digital incorporates and realleges the allegations of paragraphs 1-24 as are fully set forth above.

26. Upon information and belief, MasterCard is infringing (literally and/or under the doctrine of equivalents) the '521 patent in this District and throughout the United States by, among other things, making, using, importing, offering for sale and/or selling products and services, including at least its Loyalty and Rewards Solutions service, which practice one or more of the claims of the '521 patent.

27. Defendant has committed these acts of infringement without license or authorization.

28. As a result of Defendant's infringement of the '521 patent, Walker Digital has suffered monetary damages in an amount not yet determined, and will continue to suffer damages in the future unless Defendant's infringing activities are enjoined by this Court.

29. Walker Digital has suffered and will continue to suffer severe and irreparable harm unless this Court issues a permanent injunction prohibiting Defendant, its agents, servants, employees, representatives, and all others acting in active concert therewith from infringing the '521 patent.

COUNT IV

(Infringement of the '948 Patent)

30. Walker Digital incorporates and realleges the allegations of paragraphs 1-29 as are fully set forth above.

31. Upon information and belief, MasterCard is infringing (literally and/or under the doctrine of equivalents) the '948 patent in this District and throughout the United States by, among other things, making, using, importing, offering for sale and/or selling products and services, including at least its merchant-branded credit cards, which practice one or more of the claims of the '948 patent. For instance, upon information and belief, MasterCard receives credit applications from customers of various merchants and can determine whether to offer the line of credit and, if so, inform the merchant of the credit approval and activate the customer's account.

32. Defendant has committed these acts of infringement without license or authorization.

33. As a result of Defendant's infringement of the '948 patent, Walker Digital has suffered monetary damages in an amount not yet determined, and will continue to suffer damages in the future unless Defendant's infringing activities are enjoined by this Court.

34. Walker Digital has suffered and will continue to suffer severe and irreparable harm unless this Court issues a permanent injunction prohibiting Defendant, its agents, servants, employees, representatives, and all others acting in active concert therewith from infringing the '948 patent.

DEMAND FOR JURY TRIAL

Plaintiff Walker Digital, 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

For the above reasons, Walker Digital respectfully requests that this Court grant the following relief in favor of Walker Digital and against Defendant:

(a) A judgment in favor of Walker Digital that Defendant has directly infringed one or more claims of each of the Asserted Patents;

(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 or participation with Defendant, from infringing each of the Asserted Patents;

(c) A judgment and order requiring Defendant to pay Walker Digital its damages, costs, expenses, and pre-judgment and post-judgment interest for Defendant's infringement of each of the Asserted Patents;

(d) A judgment and order requiring Defendant to provide an accounting and to pay supplemental damages to Walker Digital, including, without limitation, pre-judgment interest;

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

(f) Any and all such other relief as the Court deems just and proper.

April 11, 2011

BAYARD, P.A.

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