UNITED STATES DISTRICT COURT EASTERN DISTRICT OF

APPLIED INTERACT, LLC

Plaintiff,

٧.

BULOVA CORP.

Defendant.

ECF Case

1664 DEARE, J.

Civil Action No. 06-CIV-J. ORENSTEIN, M.J

JURY TRIAL DEMANDED

U.S. DISTRICT COURT E.D.N.

COMPLAINT

APR 10 2006 BROOKLYN OFFICE

Plaintiff Applied Interact, LLC ("Applied Interact"), for its Complaint of patent infringement against defendant Bulova Corp. ("Bulova"), alleges, upon knowledge as to its own acts and upon information and belief as to the acts of others, as follows:

The Parties

- Plaintiff Applied Interact is a limited liability company organized 1. under the laws of the State of Delaware.
- Defendant Bulova is a corporation organized under the laws of the 2. State of New York, having a place of business in Woodside, New York.

Jurisdiction and Venue

3. This action arises under the patent laws of the United States, 35 U.S.C. §§ 271, 281, 283-285. This Court has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338(a). Venue is proper under 28 U.S.C. §§ 1391(b), 1391(c) and/or 1400(b).

Background

- 4. On September 28, 1993, the United States Patent and Trademark Office issued United States Letters Patent No. 5,249,044 ("the '044 patent") for an invention entitled "Product Information Storage, Display, and Coupon Dispensing System." A copy of the '044 patent is attached as Exhibit "A".
- 5. On April 16, 1996, the United States Patent and Trademark Office issued United States Letters Patent No. 5,508,731 ("the '731 patent") for an invention entitled "Generation of Enlarged Participatory Broadcast Audience." A copy of the '731 patent is attached as Exhibit "B".
- 6. Applied Interact is the exclusive licensee of the '044 patent and has the right to sublicense and enforce the '044 patent.
- 7. Applied Interact is the exclusive licensee of the '731 patent and has the right to sublicense and enforce the '731 patent.

COUNT I – INFRINGEMENT OF THE '044 PATENT

8. Bulova has infringed and is infringing the '044 patent by its unlicensed use of transmitting and presenting product information over the Internet that are covered by one or more claims of the '044 patent.

- 9. Bulova's infringement of the '044 patent continued after it was given written notice of its infringement.
- 10. Bulova's infringement of the '044 patent has been and continues to be willful and deliberate.
- 11. As a direct and proximate consequence of Bulova's acts and practices, Applied Interact has been, is being and, unless the Court enjoins such acts and practices, will continue to be injured in its business and property rights, and has suffered, is suffering, and will continue to suffer injury and damages for which it is entitled to relief under 35 U.S.C. § 284.

COUNT II – INFRINGEMENT OF THE '731 PATENT

- 10. Bulova has infringed and is infringing the '731 patent by its unlicensed use of sweepstakes conducted over the Internet that are covered by one or more claims of the '731 patent.
- 11. Bulova's infringement of the '731 patent continued after it was given written notice of its infringement.
- 12. Bulova's infringement of the '731 patent has been and continues to be willful and deliberate.
- 13. As a direct and proximate consequence of Bulova's acts and practices, Applied Interact has been, is being and, unless the Court enjoins such acts and practices, will continue to be injured in its business and property rights, and has suffered, is suffering, and will continue to suffer injury and damages for which it is entitled to relief under 35 U.S.C. § 284.

Prayer For Relief

WHEREFORE, Applied Interact prays for the entry of a judgment from this Court:

- (a) Declaring that each of the '044 and '731 patents was duly and legally issued, is valid and is enforceable;
- (b) Declaring that Bulova has directly infringed, contributorily infringed, and/or induced the infringement of one or more claims of each of the '044 and '731 patents;
- (c) Declaring that Bulova has willfully infringed one or more claims of each of the '044 and '731 patent, and that Applied Interact is entitled to treble damages;
- (d) Deeming this to be an "exceptional" case within the meaning of 35 U.S.C. § 285, entitling Applied Interact to an award of its reasonable attorney fees, expenses and costs in this action;
- (e) Permanently enjoining Bulova and its respective officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of the order by personal service or otherwise, from committing further acts of infringement;
- (f) Awarding Applied Interact damages in accordance with 35 U.S.C. § 284;
- (g) Awarding Applied Interact its costs in connection with this action; and

(h) Awarding Applied Interact such other and further relief as this Court may deem to be just and proper.

Respectfully Submitted,

KENYON & KENYON LLP

April 10, 2006

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