IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF GEORGIA ATLANTA DIVISION

UNITED PARCEL SERVICE, INC.,)
Plaintiff,)
V.) Civil Action No
ECLIPSE IP LLC,)))
Defendant.)

COMPLAINT FOR DECLARATORY JUDGMENT OF PATENT NONINFRINGEMENT, INVALIDITY, AND UNENFORCEABILITY

Plaintiff United Parcel Service, Inc. ("UPS") files this Complaint for Declaratory Judgment of Patent Noninfringement and Invalidity against Defendant Eclipse IP LLC ("Eclipse"), and in support of its Complaint alleges as follows:

Nature and Basis of Action

- 1. This is an action arising under the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202 and the United States Patent Act, 35 U.S.C. § 1 et seq.
- 2. UPS seeks declarations that: (i) it and its customers utilizing UPS technology do not infringe any valid claim of U.S. Patent Nos. 7,119,716 ("the '716 Patent"), 7,479,899 ("the '899 Patent"), 7,319,414 ("the '414 Patent"), and 7,976,239 ("the '239 Patent") (collectively, the "Patents-in-Suit"); and (ii) each of the claims of the Patents-in-Suit are invalid pursuant to 35 U.S.C. §§ 101, 102, 103

and/or 112. True and correct copies of the '716, '899, '414 and '239 patents are attached hereto as Exhibits A-D, respectively.

The Parties

- 3. Plaintiff United Parcel Service, Inc. is a corporation organized and existing under the laws of the State of Delaware with its principal place of business located in the Northern District of Georgia at 55 Glenlake Parkway, N.E., Atlanta, Georgia, 30328.
- 4. UPS is the world's largest package delivery company and a leading global provider of specialized transportation and logistics services. Each business day, UPS manages the flow of goods, funds and information in more than 200 countries and territories worldwide and delivers over 15 million packages to more than 6.1 million customers.
- 5. UPS is headquartered in Atlanta, Georgia. UPS employs over 300,000 employees in the United States and in this Judicial District, including a substantial number in Atlanta and the surrounding metropolitan area.
- 6. Upon information and belief, Defendant Eclipse IP LLC is a corporation organized and existing under the laws of Florida, having a principal place of business at 115 NW 17th Street, Delray Beach, Florida, 33444.

- 7. Upon information and belief, Eclipse's registered agent and managing member is Pete A. Sirianni III. Eclipse's registered "business" address in Delray Beach, Florida is, according to Palm Beach County tax records, a single-family house in a residential neighborhood purportedly owned by Mr. Sirianni.
- 8. Upon information and belief, Eclipse is the owner by assignment of the right, title and interest in at least thirteen issued United States Patents, including the Patents-in-Suit.
- 9. Upon information and belief, Eclipse is a non-practicing patent entity and does not manufacture, produce and/or sell any products or services.

Jurisdiction and Venue

- 10. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§1331 and 1338, and the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202 based on federal question jurisdiction.
- 11. This Court has personal jurisdiction over the defendant pursuant to the laws of the State of Georgia, including the Georgia long-arm statute, OCGA § 9-10-91.
- 12. Upon information and belief, Scott A. Horstemeyer, the named inventor and assignor of the Patents-in-Suit to Eclipse, resides in this Judicial District. Mr. Horstemeyer and his law firm, Thomas, Kayden, Horstemeyer &

Risley ("TKHR"), LLP, also located in this Judicial District, prosecuted the Patents-in-Suit.

- 13. Upon information and belief, Mr. Horstemeyer entered into an agreement with Eclipse in this Judicial District in order to assign the Patents-in-Suit to Eclipse.
- 14. Upon information and belief, Mr. Horstemeyer is an agent, principal and/or owner of Eclipse.
 - 15. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391 and 1400.

 Eclipse Litigation Against UPS Customers
- 16. On or about February 15, 2011, Matt McAndrews of the law firm Niro Haller & Niro, counsel for Eclipse, sent a letter to Edward Rosenfeld, Chief Executive Officer for Steve Madden, Ltd., demanding that Steve Madden pay a license fee of \$150,000 in exchange for a license to all of Eclipse's patents, including the Patents-in-Suit. A true and correct copy of that letter is attached hereto as Exhibit E.
- 17. On May 12, 2011, Eclipse filed a patent infringement lawsuit before the United States District Court for the Southern District of Florida against Steve Madden, Ltd. and The Green Mountain Corporation (the "Eclipse I Litigation"), alleging that the defendants infringed, actively induced and/or contributed to the

infringement of the Patents-in-Suit. See Eclipse IP LLC v. Steve Madden, Ltd., et al., No. 9:11-cv-80553-KAM (S.D. Fla. May 12, 2011). Specifically, Eclipse alleges that the defendants infringe the Patents-in-Suit by providing their customers with electronic shipment notifications that contain embedded URL linking systems to package tracking information. Eclipse is represented in that suit by the law firm Niro Haller & Niro.

- 18. Steve Madden is a UPS customer, and uses UPS technology to provide its customers electronic shipment notifications containing UPS package tracking information.
- 19. The following day, on May 13, 2011, Eclipse filed another patent infringement lawsuit before the United States District Court for the Southern District of Florida against Hautelook, Inc. and Nepresso USA, Inc. (the "Eclipse II Litigation"), alleging that the defendants infringed, actively induced and/or contributed to the infringement of the Patents-in-Suit. *See Eclipse IP LLC v. Hautelook, Inc., et al.*, No. 9:11-cv-80555-DMM (S.D. Fla. May 13, 2011). Specifically, Eclipse alleges that the defendants infringe the Patents-in-Suit by providing their customers with electronic shipment notifications that contain embedded URL linking systems to package tracking information. Eclipse is represented in that suit by the law firm Niro Haller & Niro.

- 20. Hautelook, Inc. is a UPS customer, and uses UPS technology to provide its customers electronic shipment notifications containing UPS package tracking information.
- 21. The following week, on May 19, 2011, Eclipse filed another patent infringement lawsuit before the United States District Court for the Northern District of Illinois against Aldo U.S., Inc. and Footlocker.com, Inc. (the "Eclipse III Litigation"), alleging that the defendants infringed, actively induced and/or contributed to the infringement of the Patents-in-Suit. *See Eclipse IP LLC v. Aldo U.S. Inc. et al.*, No. 9:11-cv-80553-KAM (N.D. Ill. May 19, 2011). Specifically, Eclipse alleges that the defendants infringe the Patents-in-Suit by providing their customers with electronic shipment notifications that contain embedded URL linking systems to package tracking information. Eclipse is represented in that suit by the law firm Niro Haller & Niro.
- 22. Footlocker.com, Inc. is a UPS customer, and uses UPS technology to provide its customers electronic shipment notifications containing UPS package tracking information.
- 23. The four Patents-in-Suit in the present declaratory judgment action are the same four patents being asserted by Eclipse against UPS's customers and the remaining defendants in the Eclipse I, Eclipse II, and Eclipse III cases.

- 24. The title of the '716 Patent is "Response Systems and Methods for Notification Systems for Modifying Future Notifications," and it was filed on November 12, 2003.
- 25. The title of the '899 Patent is "Notification Systems and Methods
 Enabling a Response to Cause Connection Between a Notified PCD and a Delivery
 or Pickup Representative," and it was filed on June 2, 2004.
- 26. The title of the '414 Patent is "Secure Notification Messaging Systems and Methods Using Authentication Indicia," and it was filed on June 2, 2004.
- 27. The title of the '239 Patent is "Secure Notification Messaging Systems and Methods Using Authentication Indicia," and it was filed on October 26, 2007.
- 28. According to the complaints in the Eclipse I, Eclipse II, and Eclipse III cases, the Patents-in-Suit are directed to the defendants' use of email shipment notifications that contain embedded URL linking systems to package tracking information.
- 29. According to statements made by counsel for Eclipse to Steve Madden, Eclipse is specifically targeting, with regards to Steve Madden, email shipment notifications that include links to UPS package tracking information.

- 30. Upon information and belief, the technology accused of infringing the Patents-in-Suit in the Eclipse I, Eclipse II and Eclipse III cases includes technology provided by UPS to its customers.
- 31. With regard to the Eclipse I and Eclipse II complaints, counsel for Eclipse stated that those lawsuits were the first Eclipse has filed, but will likely not be the last. A true and correct copy of a news article concerning Eclipse I and Eclipse II is attached hereto as Exhibit F.
- 32. Counsel for Eclipse stated in that article that "Eclipse is enthused about and looks forward to licensing and enforcing its 13 patents that cover core technologies used widely in the online retail market. These technologies broadly include location tracking, email, SMS and other electronic shipment confirmations and embedded website hyperlinks." *See* Exhibit F.
- 33. Eclipse's statements and filings against UPS's customers create an actual case or controversy as to whether UPS and its customers are infringing any valid claim of the Patents-in-Suit.
- 34. Eclipse's statements and filings show that there is a substantial controversy, between parties having adverse legal interests, of sufficient immediacy and reality to warrant the issuance of a declaratory judgment.

35. UPS and its customers continue to utilize and offer within this Judicial District and elsewhere the notification and messaging technology that Eclipse has accused UPS's customers of using to infringe the Patents-in-Suit.

COUNT I

Declaration of Non-Infringement

- 36. UPS reincorporates and realleges the allegations of Paragraphs 1 through 35 above as if fully set forth herein.
- 37. Eclipse has asserted that UPS's customers infringe the Patents-in-Suit by using UPS's shipment notification systems.
- 38. UPS's shipment notification systems, as used by UPS and its customers, do not infringe any valid claim of the Patents-in-Suit because they do not satisfy all limitations of those claims.
- 39. UPS's shipment notification systems, as used by UPS and its customers, do not infringe any valid claim of the Patents-in-Suit because UPS is licensed to practice those claims.

40. Based on Eclipse's statements and filings against UPS's customers, an actual case or controversy exists as to whether UPS and its customers infringe any valid or enforceable claim of the Patents-in-Suit, and UPS is entitled to a declaration that it and its customers do not infringe any valid claim of the Patents-in-Suit.

COUNT II

Declaration of Invalidity

- 41. UPS reincorporates and realleges the allegations of Paragraphs 1 through 35 above as if fully set forth herein.
- 42. One or more claims of the Patents-in-Suit are invalid under the United States Patent Act, 35 U.S.C. § 1 *et seq.*, including 35 U.S.C. §§ 101, 102, 103, and/or 112.
- 43. One or more claims of the Patents-in-Suit are invalid pursuant to 35 U.S.C. §§ 102 and/or 103 because they are anticipated and/or rendered obvious by the prior art.
- 44. One or more claims of the Patents-in-Suit are invalid pursuant to 35 U.S.C. § 102(f) because the applicant and sole named inventor did not himself invent the subject matter sought.

- 45. One or more claims of the Patents-in-Suit are invalid pursuant to 35 U.S.C. § 112 because they are indefinite, not enabled, and/or lack sufficient written description.
- 46. Based on Eclipse's statements, correspondence and filings against UPS's customers, an actual case or controversy exists as to whether UPS and its customers infringe any valid or enforceable claim of the Patents-in-Suit, and UPS is entitled to a declaration that the Patents-in-Suit are invalid.

Jury Demand

UPS demands a jury trial on all issues so triable.

Request for Relief

WHEREFORE, UPS respectfully request that the Court enter judgment:

- A. That UPS and its customers utilizing UPS technology do not infringe any valid claim of the Patents-in-Suit;
- B. That the claims of the Patents-in-Suit are invalid;
- C. That this case is exceptional and awarding UPS its attorneys' fees and costs incurred in this action, pursuant to 35 U.S.C. § 285; and
- D. Granting UPS such additional relief as the Court may deem just and proper.

Respectfully submitted, this 30th day of June, 2011.

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