IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS TYLER DIVISION

SFA SYSTEMS, LLC,	
Plaintiff,	Civil Action No. 6:11-cv-00
v.	JURY TRIAL DEMANDED
DRUGSTORE.COM, INC.	
Defendant	

COMPLAINT AND DEMAND FOR JURY TRIAL

For its Complaint against Drugstore.com, Inc. ("Drugstore.com"), Plaintiff SFA Systems, LLC ("SFA") alleges as follows:

PARTIES

- 1. SFA is a Texas Limited Liability Company with its principal place of business at 719 W. Front Street, Suite 242, Tyler, Texas 75702.
- 2. Upon information and belief, Defendant Drugstore.com is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business located at 411 108th Avenue NE, Suite 1400, Bellevue, WA 98004-8417. Drugstore.com may be served with process through its registered agent, Corporation Service Company d/b/a CSC Lawyers Incorporating Service, 2730 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833-3503.

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 pursuant to 28 U.S.C. §§ 1331 and 1338(a).
- 4. On information and belief, Drugstore.com is subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute, due at

least to their substantial business in this forum, 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 in this Judicial District.

5. Venue is proper in this district under 28 U.S.C. §§ 1391(c) and 1400(b). On information and belief, Drugstore.com has a regular and established place of business in this district, has transacted business in this district, and/or has committed or induced acts of patent infringement in this district.

INFRINGEMENT OF U.S. PATENT NO. 7,941,341

- 6. SFA is the owner by assignment of United States Patent No. 7,941,341 ("the '341 patent") entitled "Sales Force Automation System and Method," a true copy of which is attached as Exhibit A. The '341 patent was issued on May 10, 2011.
- 7. Defendant Drugstore.com has been and now is directly infringing, and indirectly infringing by way of inducing infringement by others and/or contributing to the infringement by others of the '341 patent in the State of Texas, in this judicial district, and elsewhere in the United States. Among other things, Drugstore.com has been making and/or using in the United States, without license, computer implemented sales systems and methods for facilitating processes relating to the sale and provision of products and services on its www.drugstore.com website, including, but not limited to, the "We Recommend" and "Product Spotlight" recommendation features. Drugstore.com has also otherwise been making and using, without license, supply chain methods, sales methods, sales systems, marketing methods, marketing systems, and inventory systems covered by one or more claims of the '341 patent. Drugstore.com has indirectly infringed the '341 patent by inducing its customers and third party users of its website to use and practice the computer implemented sales systems and methods covered by the claims of the '341 patent. Defendant Drugstore.com is thus liable for infringement of the '341 patent pursuant to 35 U.S.C. § 271.

- 8. To the extent that facts learned in discovery show that Drugstore.com's infringement of the '341 patent is or has been willful, SFA reserves the right to request such a finding at time of trial.
- 9. As a result of Drugstore.com's infringement of the '341 patent, SFA has suffered monetary damages that are compensable under 35 U.S.C. § 284 in an amount not yet determined, and will continue to suffer such monetary damages in the future unless Drugstore.com's infringing activities are permanently enjoined by this Court.
- 10. Unless a permanent injunction is issued enjoining Drugstore.com and its agents, servants, employees, attorneys, representatives, affiliates, and all other acting on its behalf from infringing the '341 patent, SFA will be greatly and irreparably harmed.

INFRINGEMENT OF U.S. PATENT NO. 6,067,525

- 11. SFA is the owner by assignment of United States Patent No. 6,067,525 ("the '525 patent") entitled "Integrated Computerized Sales Force Automation System," a true copy of which is attached as Exhibit B. The '525 patent was issued on May 23, 2000.
- 12. Defendant Drugstore.com has been and now is directly infringing, and indirectly infringing by way of inducing infringement by others and/or contributing to the infringement by others of the '525 patent in the State of Texas, in this judicial district, and elsewhere in the United States. Among other things, Drugstore.com has been making and/or using in the United States, without license, computer implemented sales systems and methods for facilitating processes relating to the sale and provision of products and services on its www.drugstore.com website, including, but not limited to, the "We Recommend" and "Product Spotlight" recommendation features. Drugstore.com has also otherwise been making and using, without license, supply chain methods, sales methods, sales systems, marketing methods, marketing systems, and inventory systems covered by one or more claims of the '525 patent. Drugstore.com has indirectly infringed the '525 patent by inducing its customers and third party users of its website to use and practice the computer implemented sales systems and methods

covered by the claims of the '525 patent. Defendant Drugstore.com is thus liable for infringement of the '525 patent pursuant to 35 U.S.C. § 271.

- 13. To the extent that facts learned in discovery show that Drugstore.com's infringement of the '525 patent is or has been willful, SFA reserves the right to request such a finding at time of trial.
- 14. As a result of Drugstore.com's infringement of the '525 patent, SFA has suffered monetary damages that are compensable under 35 U.S.C. § 284 in an amount not yet determined, and will continue to suffer such monetary damages in the future unless Drugstore.com's infringing activities are permanently enjoined by this Court.
- 15. Unless permanent injunctions are issued enjoining Drugstore.com and its agents, servants, employees, attorneys, representatives, affiliates, and all other acting on its behalf from infringing the '525 patent, SFA will be greatly and irreparably harmed.

PRAYER FOR RELIEF

WHEREFORE, SFA requests that this Court enter:

- 1. A judgment in favor of SFA that Drugstore.com has infringed the '341 patent, directly and indirectly, by way of inducing and/or contributing to the infringement of the '341 patent;
- 2. A judgment in favor of SFA that Drugstore.com has infringed the '525 patent, directly and indirectly, by way of inducing and/or contributing to the infringement of the '525 patent;
- 3. A permanent injunction, enjoining Drugstore.com and its officers, directors, agents, servants, affiliates, employees, divisions, branches subsidiaries, parents, and all others acting in concert therewith from infringement, inducing the infringement of, or contributing to the infringement of the '341 patent;
- 4. A permanent injunction, enjoining Drugstore.com and its officers, directors, agents, servants, affiliates, employees, divisions, branches subsidiaries, parents, and all others

acting in concert therewith from infringement, inducing the infringement of, or contributing to the infringement of the '525 patent;

- 5. A judgment and order requiring Drugstore.com to pay SFA its damages, costs, expenses and prejudgment and post-judgment interest for Drugstore.com's infringement of the '341 patent as provided under 35 U.S.C. § 284;
- 6. A judgment and order requiring Drugstore.com to pay SFA its damages, costs, expenses and prejudgment and post-judgment interest for Drugstore.com's infringement of the '525 patent as provided under 35 U.S.C. § 284; and
 - 7. Any and all other relief for which the Court may deem SFA entitled.

DEMAND FOR JURY TRIAL

Plaintiff SFA, under Rule 38 of the Federal Rules of Civil Procedure, requests a trial by jury of any issues so triable by right.

Dated: November 23, 2011 Respectfully submitted,

By: /s/ Marc A. Fenster

Marc A. Fenster, CA Bar # 181067 E-mail: mfenster@raklaw.com

Alexander Giza, CA Bar # 212327

E-mail: agiza@raklaw.com

Adam Hoffman, CA Bar # 218740

E-mail: ahoffman@raklaw.com

Stanley H. Thompson, Jr., CA Bar # 198825

E-mail: sthompson@raklaw.com

Jules L. Kabat, CA Bar # 061659

E-mail: jkabat@raklaw.com

Benjamin T. Wang, CA Bar #228712

E-mail: bwang@raklaw.com RUSS, AUGUST & KABAT

12424 Wilshire Boulevard, 12th Floor

Los Angeles, California 90025 Telephone: 310/826-7474

Facsimile: 310/826-6991

Andrew W. Spangler, TX SB # 24041960 E-mail: spangler@spanglerlawpc.com

SPANGLER LAW P.C. 208 N. Green Street, Suite 300 Longview, Texas 75601 Telephone: 903/753-9300 Facsimile: 903/553-0403

Attorneys for Plaintiff SFA SYSTEMS, LLC