

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

POLLIN PATENT LICENSING, LLC and
AUTOSCRIBE CORPORATION,

Plaintiffs,

v.

AT&T CORPORATION; SBC INTERNET
SERVICES, INC. (d/b/a AT&T INTERNET
SERVICES); and ILLINOIS BELL
TELEPHONE COMPANY (d/b/a AT&T
ILLINOIS),

Defendants.

Case No.

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiffs Pollin Patent Licensing, LLC and Autoscribe Corporation complain of AT&T Corporation; SBC Internet Services, Inc. (d/b/a AT&T Internet Services); and Illinois Bell Telephone Company (d/b/a AT&T Illinois) (collectively, "Defendants"), as follows:

1. This is a claim for patent infringement that arises under the patent laws of the United States, Title 35 of the United States Code. This Court has original jurisdiction over the subject matter of this claim under 28 U.S.C. §§ 1331 and 1338(a).

2. Pollin Patent Licensing, LLC ("PPL") is a Florida limited liability company with a business address of 9801 Washingtonian Boulevard, Suite 200, Gaithersburg, Maryland 20878.

3. Autoscribe Corporation ("Autoscribe") is a Maryland corporation with a principal place of business at 9801 Washingtonian Boulevard, Suite 200, Gaithersburg, Maryland 20878.

4. On October 3, 2006, the United States Patent and Trademark Office granted U.S. Patent No. 7,117,171 (the "'171 patent") from an application filed on October 15, 1992, entitled "System and Method for Making a Payment from a Financial Account" and naming Robert Pollin as the inventor.

5. Autoscribe is the owner by assignment of all legal rights, title, and interest in and to the '171 patent.

6. PPL is an exclusive licensee to rights in the '171 patent.

7. Among other activities, Autoscribe specializes in various forms of electronic payment solutions, including software and services for payment capture, risk management, ACH processing and check by phone (see, e.g., www.paymentvision.com). Among other things, PPL is responsible for the licensing of the '171 patent.

8. Autoscribe and PPL have standing to sue for infringement of the '171 patent because they collectively own all right, title and interest in and to the '171 patent and the Autoscribe processes and products covered by that patent, including the right to collect for past damages. Autoscribe and PPL have each suffered injury from the Defendants' acts of patent infringement.

9. AT&T Corporation ("AT&T Corp.") is New York corporation licensed to do business in Illinois and having a registered agent at CT Corporation System, 208 South LaSalle Street, Suite 814, Chicago, Illinois 60604. AT&T Corp. provides a wide variety of goods and services in Illinois and this judicial district. Upon information and belief, AT&T Corp. is a wholly owned subsidiary of and operating company for AT&T Inc.

10. SBC Internet Services, Inc. (d/b/a AT&T Internet Services) ("AT&T Internet") is a California corporation licensed to do business in Illinois and having a registered agent at CT Corporation System, 208 South LaSalle Street, Suite 814, Chicago, Illinois 60604. Upon information and belief, AT&T Internet provides Internet and voice sales and services under the "U-Verse" brand to customers in Illinois and this judicial district. Also upon information and belief, AT&T Internet is a wholly owned subsidiary of AT&T Corp.

11. Illinois Bell Telephone Company (d/b/a AT&T Illinois) ("AT&T Illinois") is an Illinois corporation with a place of business at 225 West Randolph Street, Chicago, Illinois 60606, having a registered agent at CT Corporation System, 208 South LaSalle Street, Suite 814, Chicago, Illinois 60604. Upon information and belief, AT&T Illinois provides billing, payment and other services for the U-Verse brand products and services to customers in Illinois and this judicial district. Also upon information and belief, AT&T Illinois is a subsidiary of AT&T Inc.

12. Upon information and belief, AT&T Corp., AT&T Internet and AT&T Illinois conduct telephone, wireless, Internet and other business in the State of Illinois and this judicial district. Also upon information and belief, AT&T Corp., AT&T Internet and/or AT&T Illinois, directly or indirectly, own, operate, control, direct the activities of and/or collect funds through call centers, including at least one call center located in Chicago, Illinois, through which debt is collected using a telephone (also known as "check by phone" or "pay by phone").

13. Accordingly, upon information and belief, and as set forth above, this Court has personal jurisdiction over AT&T Corp., AT&T Internet and AT&T Illinois because, among other things, they transact substantial business in Illinois and this judicial district, including the collection of debt from a debtor's checking account through the use of telephones in this judicial district from residents of Illinois and this judicial district. Upon information and belief, some such pay by phone systems include, but are not limited to, the "Express Pay" system.

14. Venue is proper in this district under 28 U.S.C. §§ 1391(b)-(d) and 1400(b).

15. AT&T Corp. has infringed and continues to infringe the '171 patent by, among other activities, making, using and/or conducting business through its call centers to collect check by phone payments over the telephone throughout the United States, including within this judicial district, in a manner which is covered by at least claims 6 and 12 of the '171 patent. Alternatively, AT&T Corp. will have also infringed the '171 patent with actual notice of

infringement through the filing of this Complaint, by knowingly and actively inducing others to infringe and by contributing to the infringement of others by making, using and/or conducting check by phone business through its call centers.

16. AT&T Internet has infringed and continues to infringe the '171 patent by, among other activities, making, using and/or conducting business through its call centers to collect check by phone payments over the telephone throughout the United States, including within this judicial district, in a manner which is covered by at least claims 6 and 12 of the '171 patent. Alternatively, AT&T Internet will have also infringed the '171 patent with actual notice of infringement through the filing of this Complaint, by knowingly and actively inducing others to infringe and by contributing to the infringement of others by making, using and/or conducting check by phone business through its call centers.

17. AT&T Illinois has infringed and continues to infringe the '171 patent by, among other activities, making, using and/or conducting business through its call centers to collect check by phone payments over the telephone throughout the United States, including within this judicial district, in a manner which is covered by at least claims 6 and 12 of the '171 patent. Alternatively, AT&T Illinois will have also infringed the '171 patent with actual notice of infringement through the filing of this Complaint, by knowingly and actively inducing others to infringe and by contributing to the infringement of others by making, using and/or conducting check by phone business through its call centers.

18. Autoscribe and PPL have complied with the provisions of 35 U.S.C. § 287.

19. Each Defendant's infringement, contributory infringement and/or inducement to infringe has injured Plaintiffs and Plaintiffs are entitled to recover damages adequate to compensate them for such infringement, but in no event less than a reasonable royalty.

20. Each Defendant's infringing activities have caused irreparable harm to Plaintiffs, which have no adequate remedy at law, and will continue to injure Plaintiffs, unless and until this Court enters an injunction prohibiting each Defendant from further infringement, contributing to and/or inducing infringement of the '171 patent.

Prayer for Relief

WHEREFORE, Autoscribe and PPL respectfully ask this Court to enter judgment against each of Defendants, AT&T Corp., AT&T Internet and AT&T Illinois, as well as their respective subsidiaries, successors, parents, affiliates, officers, directors, agents, servants and employees, and all persons in active concert or participation with them, granting the following relief:

- A. The entry of judgment in favor of Plaintiffs and against each Defendant;
- B. An award of damages adequate to compensate Plaintiffs for the infringement that has occurred, but in no event less than a reasonable royalty as permitted by 35 U.S.C. § 284, together with prejudgment interest from the date the infringement began;
- C. A permanent injunction prohibiting further infringement, inducement and/or contributory infringement of the '171 patent;
- D. Increased damages and/or attorneys' fees as permitted under 35 U.S.C. § 284 and § 285;
- E. Such other relief that Plaintiffs are entitled to under law, and any other and further relief that this Court or a jury may deem just and proper.

Jury Demand

Plaintiffs demand a trial by jury of all issues properly triable to a jury.

Respectfully submitted,

/s/ Robert A. Vitale, Jr.

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