

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS**

**MARSHALL DIVISION**

<b>LEON STAMBLER,</b>	§	
	§	
<i>Plaintiff,</i>	§	
	§	<b>Civil Action No. 2:12-cv-608</b>
<b>v.</b>	§	
	§	
<b>ALLY FINANCIAL INC. and ALLY BANK,</b>	§	<b>JURY TRIAL DEMANDED</b>
	§	
<i>Defendants.</i>	§	

**PLAINTIFF’S ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff LEON STAMBLER files this Original Complaint for Patent Infringement against ALLY FINANCIAL INC. and ALLY BANK, alleging as follows:

**I. THE PARTIES**

1. Plaintiff LEON STAMBLER (“Stambler”) is an individual residing in Parkland, Florida.
2. Defendant ALLY FINANCIAL INC. is a Delaware corporation with its principal place of business in Detroit, Michigan. This Defendant may be served with process through its registered agent, The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.
3. Defendant ALLY BANK (a subsidiary of Ally Financial Inc.) is a Utah corporation with its principal place of business in Midvale, Utah. This Defendant may be served with process through its registered agent, Corporation Service Company, 2711 Centerville Road Suite 400, Wilmington, Delaware 19808.

## **II. JURISDICTION AND VENUE**

4. This is an action for patent infringement arising under 35 U.S.C. §§ 271, 281, and 284-285, among others. This Court has subject matter jurisdiction of this action under Title 28 U.S.C. §1331 and §1338(a).

5. The Court has general and specific personal jurisdiction over each Defendant, and venue is proper pursuant to 28 U.S.C. §§ 1391 and 1400(b). Each Defendant has substantial contacts with the forum as a result of pervasive business activities conducted within the State of Texas and within this District. On information and belief, each Defendant regularly solicits business in Texas and in this District, and derives substantial revenue from products, systems, and/or services provided to individuals or entities residing in Texas and in this District. Each Defendant provides secure online transaction services directly to customers in this District through its interactive website(s). Specifically, each Defendant conducts business relating to secure online banking, including online bill pay, with and for customers residing in this District through interactive website(s) (*e.g.*, ally.com). Through the provisions of such products and/or services, each Defendant has committed and continues to commit acts of patent infringement in the State of Texas and in this District.

## **III. PATENT INFRINGEMENT**

6. On August 11, 1998, United States Patent No. 5,793,302 (“the ‘302 patent”) was duly and legally issued for a “Method for Securing Information Relevant to a Transaction.” A true and correct copy of the ‘302 patent is attached hereto as Exhibit A.

7. On October 26, 1999, United States Patent No. 5,974,148 (“the ‘148 patent”) was duly and legally issued for a “Method for Securing Information Relevant to a Transaction.” A true and correct copy of the ‘148 patent is attached hereto as Exhibit B.

8. On August 10, 1999, United States Patent No. 5,936,541 (“the ‘541 patent”) was duly and legally issued for a “Method for Securing Information Relevant to a Transaction.” A true and correct copy of the ‘541 patent is attached hereto as Exhibit C.

9. Stambler is the inventor and owner of all rights, title, and interest in and to the ‘302, ‘148, and ‘541 patents, and Stambler possesses all rights of recovery under them.

**COUNT I (INFRINGEMENT OF U.S. PATENT NO. 5,793,302)**

10. Defendants ALLY FINANCIAL INC. and ALLY BANK (together, “Ally Bank”) have infringed and continue to infringe, directly, and/or through the inducement of others, claimed methods of the ‘302 patent.

11. Ally Bank has been and now is directly infringing claims of the ‘302 patent, including (for example) at least claims 41 and 47 of the ‘302 patent, by performing secure online transactions initiated using Ally Bank’s secure online banking products and/or services (*e.g.*, Ally Online Banking, Ally Auto Online Services) accessible through Ally Bank’s interactive online website(s) (*e.g.*, ally.com) and, upon information and belief, claim 8 of the ‘302 patent by engaging in encrypted communications between computers or other devices owned by Ally Bank.

12. Ally Bank has been and now is inducing its customers’ direct infringement of claims of the ‘302 patent, including (for example) at least claim 8 of the ‘302 patent, by requiring customers to use SSL and/or TLS to secure information communicated using Ally Bank’s secure online banking products and/or services (*e.g.*, Ally Online Banking, Ally Auto Online Services) accessible through Ally Bank’s interactive online website(s) (*e.g.*, ally.com).

13. Ally Bank has knowledge that its customers use of SSL and/or TLS to secure information communicated using Ally Bank's secure online banking products and services infringes claims of the '302 patent (*e.g.*, claim 8) based, at least, on this complaint.

14. Ally Bank intends that its customers infringe claims of the '302 patent (*e.g.*, claim 8) by requiring that its customers use SSL and/or TLS when using Ally Bank's secure online banking products and/or services (*e.g.*, Ally Online Banking, Ally Auto Online Services), which requires the customer's device (*e.g.*, computer, smartphone) to perform the steps of claimed methods.

15. Stambler has been damaged as a result of Ally Bank's infringing conduct. Ally Bank is, thus, liable to Stambler in an amount that adequately compensates him for its infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

**COUNT II (INFRINGEMENT OF U.S. PATENT NO. 5,974,148)**

16. Ally Bank has infringed and continues to infringe, through the inducement of others, claimed methods of the '148 patent.

17. Ally Bank has been and now is inducing its customers' direct infringement of claims of the '148 patent, including (for example) at least claims 28 and 33 of the '148 patent, by requiring customers to use SSL and/or TLS to secure funds transfer or payment information communicated to Ally Bank using Ally Bank's secure online banking products and/or services (*e.g.*, Ally Online Banking, Ally Auto Online Services) accessible through Ally Bank's interactive online website(s) (*e.g.*, ally.com).

18. Ally Bank has knowledge that its customers' use of SSL and/or TLS to secure funds transfer or payment information communicated to Ally Bank using Ally Bank's secure

online banking products and/or services (*e.g.*, Ally Online Banking, Ally Auto Online Services) infringes claims of the '148 patent (*e.g.*, claims 28 and 33) based, at least, on this complaint.

19. Ally Bank intends that its customers infringe claims of the '148 patent (*e.g.*, claims 28 and 33) by requiring that its customers use SSL and/or TLS when transferring funds or making a payment using Ally Bank's secure online banking products and/or services (*e.g.*, Ally Online Banking, Ally Auto Online Services), which requires the customer's device (*e.g.*, computer, smartphone) to perform the steps of claimed methods.

20. Stambler has been damaged as a result of Ally Bank's infringing conduct. Ally Bank is, thus, liable to Stambler in an amount that adequately compensates him for its infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

**COUNT III (INFRINGEMENT OF U.S. PATENT NO. 5,936,541)**

21. Ally Bank has infringed and continues to directly infringe claimed methods of the '541 patent.

22. Ally Bank has been and now is directly infringing claims of the '541 patent, including (for example) at least claim 20 of the '541 patent, by securing information relevant to transactions (*e.g.*, funds transfers, payments) initiated through Ally Bank's interactive website(s) (*e.g.*, ally.com) using one or more secure cookies (*e.g.*, PMData) and encrypting and/or encoding information relevant to the transactions.

23. Stambler has been damaged as a result of Ally Bank's infringing conduct. Ally Bank is, thus, liable to Stambler in an amount that adequately compensates him for its infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

#### **IV. JURY DEMAND**

Stambler hereby requests a trial by jury pursuant to Rule 38 of the Federal Rules of Civil Procedure.

#### **V. PRAYER FOR RELIEF**

Stambler requests that the Court find in his favor and against Defendants, and that the Court grant Stambler the following relief:

- a. Judgment that one or more claims of United States Patent Nos. 5,793,302, 5,974,148, and 5,936,541 have been infringed, either literally and/or under the doctrine of equivalents, by one or more Defendants and/or by others to whose infringement has been induced by Defendants;
- b. Judgment that Defendants account for and pay to Stambler all damages to and costs incurred by Stambler because of Defendants' infringing activities and other conduct complained of herein;
- c. That Stambler be granted pre-judgment and post judgment interest on the damages caused by Defendants' infringing activities and other conduct complained of herein;
- d. That the Court declare this an exceptional case and award Stambler his reasonable attorney's fees and costs in accordance with 35 U.S.C. § 285; and
- e. That Stambler be granted such other and further relief as the Court may deem just and proper under the circumstances.

Respectfully submitted,



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