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CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

Attorneys for Plaintiff, SONIC INDUSTRY, LLC BY: _____

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

SONIC INDUSTRY, LLC,

Plaintiff,

v.

WELLS FARGO BANK, N.A.

Defendant.

Case No. 2:12-cv-04587-GAF-AJW

**SECOND AMENDED COMPLAINT
FOR PATENT INFRINGEMENT**

Jury Trial Demanded

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PLAINTIFF’S SECOND AMENDED COMPLAINT

Plaintiff Sonic Industry, LLC (“Plaintiff”), by and through its undersigned counsel, files this Second Amended Complaint against Wells Fargo Bank, N.A. (“Defendant”) as follows:

NATURE OF THE ACTION

1. This is a patent infringement action to stop Defendant’s infringement of Plaintiff’s United States Patent No. 5,954,793 entitled “*Remote Limit-Setting Information System*” (the “’793 patent”; a copy of which is attached hereto as Exhibit A). Plaintiff is the exclusive licensee of the ’793 patent with respect to the Defendant. Plaintiff seeks injunctive relief and monetary damages.

PARTIES

2. Plaintiff is a limited liability company organized and existing under the laws of the State of Delaware. Plaintiff maintains its principal place of business at 3422 Old Capital Trail, PMB (STE) 1549, Wilmington, Delaware 19808-6192. Plaintiff is the exclusive licensee of the ’793 patent with respect to the Defendant, and possesses the right to sue for infringement and recover past damages.

3. Upon information and belief, Defendant is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business located at 420 Montgomery Street, San Francisco, California 94104.

JURISDICTION AND VENUE

4. This action arises under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*, including 35 U.S.C. §§ 271, 281, 283, 284, and 285. This Court has subject matter jurisdiction over this case for patent infringement under 28 U.S.C. §§ 1331 and 1338(a).

5. The Court has personal jurisdiction over Defendant because: Defendant is present within or has minimum contacts with the State of California and the Central District of California; Defendant has purposefully availed itself of the privileges of conducting business in the State of California and in the Central District of California; Defendant has sought protection and benefit

1 from the laws of the State of California; Defendant regularly conducts business within the State of
2 California and within the Central District of California; and Plaintiff's causes of action arise
3 directly from Defendant's business contacts and other activities in the State of California and in
4 the Central District of California.

5 6. More specifically, Defendant, directly and/or through authorized intermediaries,
6 ships, distributes, offers for sale, sells, and/or advertises (including the provision of an interactive
7 web page) its products and services in the United States, the State of California, and the Central
8 District of California. Upon information and belief, Defendant has committed patent
9 infringement in the State of California and in the Central District of California, has contributed to
10 patent infringement in the State of California and in the Central District of California, and/or has
11 induced others to commit patent infringement in the State of California and in the Central District
12 of California. Defendant solicits customers in the State of California and in the Central District of
13 California. Defendant has paying customers who are residents of the State of California and the
14 Central District of California and who use the Defendant's products and services in the State of
15 California and in the Central District of California.

16 7. Venue is proper in the Central District of California pursuant to 28 U.S.C. §§ 1391
17 and 1400(b).

18 **COUNT I – PATENT INFRINGEMENT**

19 8. The '793 patent was duly and legally issued by the United States Patent and
20 Trademark Office on September 21, 1999, after full and fair examination, for systems and
21 methods for setting limits on a remote information system. Plaintiff is the exclusive licensee of
22 the '793 patent with respect to the Defendant, and possesses all rights of recovery under the '793
23 patent with respect to the Defendant, including the right to sue for infringement and recover past
24 damages.

25 9. Plaintiff is informed and believes that Defendant owns, operates, advertises,
26 controls, sells, and otherwise provides hardware and software for "A method for remotely setting
27 limits on an information distribution system including a remote processing device for being
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1 connected to a host computer by a communications channel, said method comprising the steps of:
2 entering selection and limit parameters at the remote processing device; verifying the selection
3 and limit parameters at the remote processing device prior to establishing said communications
4 channel; if the selection and limit parameters are verified at the remote processing device,
5 establishing said communications channel and transferring said selection and limit parameters
6 from the remote processing device to the host computer by the communication channel; storing
7 said selection and limit parameters in a memory of the host computer; transmitting inbound
8 information directly from at least one information source, through a communications link, to said
9 host computer, said information source being outside said host computer and said processing
10 device; extracting, only in said host computer, extracted information from said inbound
11 information in response to said selection and limit parameters, said extracted information
12 including only those portions of inbound information which satisfy said selection and limit
13 parameters; and distributing a non-interactive paging message from the host computer to the
14 remote processing device, said paging message including, of said inbound information
15 transmitted to said host computer, only said extracted information.”

16 10. Upon information and belief, Defendant has infringed and continues to infringe
17 one or more claims of the '793 patent by making, using, providing, offering to sell, and selling
18 (directly or through intermediaries), in this district and elsewhere in the United States, systems
19 and methods for using a remote device to set a selection and limit on a server. More particularly,
20 Plaintiff is informed and believes that Defendant sells and/or requires and/or directs users to
21 access and/or use a software system on a remote device to enter and verify selection and limit
22 parameters for online banking prior to transmitting the parameters to a host computer for
23 processing, in a manner claimed in the '793 patent. Defendant infringes the '793 patent by
24 Defendant providing the Wells Fargo Banking Software that practices a method for remotely
25 setting limits on an information distribution system.

26 11. Defendant infringes “793 patent by providing customers a variety of tools and
27 systems designed to manage and facilitate interacting with their bank accounts, including an alert
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1 system providing users with messages when conditions change. See EXHIBIT B, showing the
2 “Alerts Questions” of Wells Fargo. The remote processing device corresponds to a user’s
3 desktop computer, laptop, smart phone, tablet, or any other portable device interacting with the
4 Wells Fargo Banking Software. The host computer is the Wells Fargo server feeding customer
5 information to the remote processing device, and the communications channel is the data transfer
6 channel that ferries information between the host computer and portable device. Selection and
7 limit parameters refer to classifications that the customer may monitor and receive alerts related
8 to those classifications. Selection limits correspond to the appropriate account. See EXHIBIT B,
9 “How do I set up, add, or delete alerts.” The limit parameters correspond to the values
10 corresponding to whether an alert should be generated. See EXHIBIT B, “How do I set up, add,
11 or delete alerts” numeral 4 stating “Remember to enter dollar thresholds”. This alert generation
12 capability is accessible through the Wells Fargo software present on a user’s computer (the
13 remote processing device). See EXHIBIT B. The customer enters selection and limit parameters
14 for generating an alert. These parameters are verified when the user selects “Save.” See
15 EXHIBIT B, under “How do I set up, add, or delete alerts”.

16 12. After selection and limit parameters are established, the customer’s computer, the
17 remote processing device, based on information and belief, sends this data to the Wells Fargo
18 server, the host computer, over the data transfer channel, the communication channel. Based on
19 information and belief, once the parameter data is transferred from the remote processing device
20 to the host computer, that data is stored in memory. The Defendant infringes the ‘793 patent
21 when the inbound information corresponds to financial data that the host computer aggregates for
22 access by the customer. For the information to go between the inbound information source and
23 the host computer, a communications link is established. These inbound information sources are
24 outside both Defendant’s servers handling customer requests, the host computer, and the
25 customer’s computer, the remote processing device. Based on information and belief, the host
26 computer, after receiving the parameter data from the remote processing device, extracts the
27 relevant information from the inbound information source and delivers only that information as
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1 an alert to the user. This infringement of the '793 patent occurs when, a customer's account goes
2 below a threshold and an alert is generated to the customer's remote processing device, computer
3 and/or smart phone.

4 13. While the Defendant's server is receiving information about many accounts, when
5 it receives information indicating that a customer's specific account has gone below a specific
6 threshold, the Defendant's server generates an alert for delivery to the customer's computer,
7 alerting the customer about the movement of said account, but not about the movement of any
8 other accounts, such as money markets, mortgages, certificates of deposits or savings. Based on
9 information and belief, the host computer, after receiving the parameter data from the remote
10 processing device, extracts the relevant information from the inbound information source and
11 delivers only that information as an alert to the customer.

12 14. Upon information and belief, Defendant has contributed to the infringement of one
13 or more claims of the '793 patent, and/or actively induced others to infringe one or more claims
14 of the '793 patent, in this district and elsewhere in the United States.

15 15. Defendant's aforesaid activities have been without authority and/or license from
16 Plaintiff.

17 16. Plaintiff is entitled to recover from the Defendant the damages sustained by
18 Plaintiff as a result of the Defendant's wrongful acts in an amount subject to proof at trial, which,
19 by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this
20 Court under 35 U.S.C. § 284.

21 17. Defendant's infringement of Plaintiff's exclusive rights under the '793 patent will
22 continue to damage Plaintiff, causing irreparable harm for which there is no adequate remedy at
23 law, unless enjoined by this Court.

24 **JURY DEMAND**

25 18. Plaintiff hereby requests a trial by jury pursuant to Rule 38 of the Federal Rules of
26 Civil Procedure.

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PRAYER FOR RELIEF

Plaintiff respectfully requests that the Court find in its favor and against Defendant, and that the Court grant Plaintiff the following relief:

- A. An adjudication that one or more claims of the '793 patent have been infringed, either literally and/or under the doctrine of equivalents, by Defendant and/or by others to whose infringement Defendant has contributed and/or by others whose infringement has been induced by Defendant;
- B. An award to Plaintiff of damages adequate to compensate Plaintiff for the Defendant's acts of infringement together with pre-judgment and post-judgment interest;
- C. That, should Defendant's acts of infringement be found to be willful from the time that Defendant became aware of the infringing nature of their actions, which is the time of filing of Plaintiff's Original Complaint at the latest, that the Court award treble damages for the period of such willful infringement pursuant to 35 U.S.C. § 284;
- D. A grant of permanent injunction pursuant to 35 U.S.C. § 283, enjoining the Defendant from further acts of (1) infringement, (2) contributory infringement, and (3) actively inducing infringement with respect to the claims of the '793 patent;
- E. That this Court declare this to be an exceptional case and award Plaintiff its reasonable attorneys' fees and costs in accordance with 35 U.S.C. §285; and
- F. Any further relief that this Court deems just and proper.

Respectfully submitted,
LAW OFFICES OF KRIS LE FAN



Kris Le Fan, Esq.,
Attorney for Plaintiff
SONIC INDUSTRY, LLC

Dated: August 30, 2012