

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

SMART OPTIONS, LLC)	
)	
Plaintiff,)	Case No. 12-cv-8042
)	
v.)	Judge Tharp
)	Mag. Judge Cole
STEADYFARE, INC)	
)	JURY TRIAL DEMANDED
Defendant.)	

AMENDED COMPLAINT

Plaintiff Smart Options, LLC (“Smart Options”) files this Amended Complaint against Defendant Steadyfare, Inc. (“Steadyfare”), stating as follows:

I. NATURE OF THE ACTION

1. This is an action for patent infringement.

II. PARTIES

2. Plaintiff is a limited liability company organized under the laws of Delaware. Plaintiff has a principal place of business located at 600 West Chicago Avenue, Suite 300N, Chicago, Illinois 60654. Smart Options integrates its sophisticated, computerized platform for purchasing options into such websites as www.optionit.com.

3. Defendant Steadyfare, Inc. is a Delaware corporation with operating the website www.steadyfare.com. Steadyfare was served with the initial Complaint and Summons in this action via its agent in Delaware, Business Filings Incorporated, 108 West 13th Street, Wilmington, Delaware 19801. Steadyfare operates an interactive website at www.steadyfare.com for selling and offering for sale options to airline reservations for travel throughout the United States.

III. JURISDICTION AND VENUE

4. This Court has subject matter jurisdiction under the provisions of 28 U.S.C. §§ 1331 and 1338(a), in that this action for patent infringement arises under the laws of the United States, including 35 U.S.C. §§ 271 and 281-285.

5. Personal jurisdiction over Defendant comports with 735 ILCS 5/2-209 and the United States Constitution because Defendant does business in this judicial district, has committed and continues to commit, or has contributed and continues to contribute to, acts of patent infringement in this judicial district as alleged in this Complaint, or otherwise has sufficient contacts with the state.

6. Venue is proper in this judicial district under the provisions of 28 U.S.C. §§ 1391(b), (c), and § 1400(b).

IV. FACTUAL BACKGROUND

7. Smart Options is the owner of United States Patent Nos. 7,313,539 (“539 patent”) and United State Patent No. 8,301,550 (“550 patent”). Smart Options also owns several related patents and patent applications. Smart Options does business as OptionIt, using the technology described and claimed in those patents and patent applications and operates the website www.optionit.com.

8. On December 25, 2007, the United States Patent and Trademark Office duly and legally issued United States Patent No. 7,313,539 (the “539 patent”) entitled “Method and System for Reserving Future Purchases of Goods or Services”. A true and correct copy of the 539 patent is attached hereto as Exhibit A. On October 30, 2012, the United States Patent and Trademark Office duly and legally issued United States Patent No. 8,301,550 (the “550 patent”) entitled “Method and System for Reserving Future

Purchases of Goods or Services". A true and correct copy of the 550 patent is attached hereto as Exhibit B.

9. The application which became the 539 patent was filed May 5, 2008. The 550 patent shares that constructive priority date.

10. The inventions described and claimed in the 539 and 550 patents were conceived of at least as early as March 1998.

11. The inventors diligently reduced to practice the described and claimed inventions of the 539 and 550 patents.

12. The inventors of the Smart Options system pioneered the concepts described and claimed in the 539 and 550 patents.

13. On information and belief, conception of the inventions claimed in the 539 and 550 patents predates those claimed by anyone else.

14. In *The Ticket Reserve, Inc. v. OptionIt, Inc.* (09-cv-7375), this Court broadly construed claim 1 of the 539 patent to cover options on all goods and services that are not regulated by a government agency.

15. According to 35 U.S.C. § 282, the 539 and 550 patents are presumed valid. The 539 and 550 patents are also enforceable.

16. Smart Options complies with the marking provisions of 35 U.S.C. § 287.

V. CAUSE OF ACTION

DEFENDANT'S INFRINGEMENT OF THE 539 PATENT

17. Steadyfare, through its website offers for sale and sells options to airline reservations. As reported in the Los Angeles Times:

For as little as \$15, Steadyfare lets you purchase the option to lock in a rate for a flight. There's no obligation to purchase the ticket; Steadyfare just guarantees the rate if you decide later you want it.

Exhibit C, <http://articles.latimes.com/2012/sep/16/travel/la-tr-webbuzz-20120916>. As also reported in the Los Angeles Times under the headline “As airfares soar, some companies sell options on airline tickets: The firms enable customers who don't want to get stuck with a nonrefundable airline ticket that they may not be able to use to lock in an airfare.”:

SteadyFare is also in beta testing, offering flight options from three airports — JFK in New York, Los Angeles and San Francisco — to 17 destinations.

Exhibit D, <http://articles.latimes.com/2012/oct/19/business/la-fi-airfare-options-20121020>.

18. Upon information and belief, Steadyfare’s website has infringed one or more claims of the 539 patent literally and/or under the doctrine of equivalents.

19. Steadyfare’s infringement of the 539 patent has injured Smart Options, has caused financial and other damage to Smart Options, and will continue to do so unless enjoined by the Court.

V. CAUSE OF ACTION

DEFENDANT'S INFRINGEMENT OF THE 550 PATENT

20. Upon information and belief, Steadyfare’s website has infringed one or more claims of the 550 patent literally and/or under the doctrine of equivalents.

21. Steadyfare’s infringement of the 550 patent has injured Smart Options, has caused financial and other damage to Smart Options, and will continue to do so unless enjoined by the Court.

VI. JURY DEMAND

22. Smart Options hereby demands a trial by jury of any and all issues triable of right by a jury pursuant to the VIIth Amendment to the Constitution and Rule 38 of the Federal Rules of Civil Procedure.

VII. PRAYER

Smart Options requests a judgment from this Court including the following:

- a. Defendant Steadyfare, Inc. has infringed claims of the 539 and 550 patents either literally or under the doctrine of equivalents;
- b. Defendant and its agents, servants, officers, directors, employees, and all persons acting in concert with it, directly or indirectly, be permanently enjoined from infringing the 539 and 550 patents;
- c. Defendant be ordered to account and pay to Smart Options the damages to which it is entitled as a consequence of the infringement of the 539 and 550 patents including lost profits and/or no less than a reasonable royalty;
- d. Damages be trebled for the willful, deliberate, and intentional infringement by Defendant in accordance with 35 U.S.C. § 284;
- e. Declare this case an exceptional case and Smart Options be awarded prejudgment interest, costs, disbursements, and attorneys' fees herein in accordance with 35 U.S.C. § 285; and,
- f. Smart Options be awarded such other and further relief as this Court may deem just and equitable.

Respectfully submitted this 3rd day of November, 2012.

/s/ Geoffrey A. Baker
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CERTIFICATE OF SERVICE

The undersigned certifies that, on November 3, 2012, the foregoing AMENDED COMPLAINT was served electronically on Defendant's counsel of record, Todd Flaming, via the email address associated with ECF filings in this action.

/s/Geoffrey A. Baker