

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

Cascades Branding Innovation LLC

Plaintiff,  
vs.

Allstate Insurance Company.

Defendant.

Civil Action No. 13 C 0976

The Hon. James B. Zagel

Mag. Judge Mary M. Rowland

**JURY TRIAL DEMANDED**

**FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff Cascades Branding Innovation LLC (“Cascades”) complains against Allstate Insurance Company (“Allstate”) as follows:

**THE PARTIES**

1. Plaintiff Cascades is an Illinois limited liability company having a place of business at 500 Skokie Boulevard, Suite 250, Northbrook, Illinois. Cascades is the exclusive licensee and holder of all substantial rights to U.S. Patent Nos. 7,768,395 and 8,106,766, referred to below as the “Cascades Patents.” Cascades has standing to sue for infringement of the Cascades Patents. The Cascades Patents are entitled “BRAND MAPPING,” and relate to improvements in mobile devices to allow them to locate branded products and services in their vicinity.

2. Allstate Insurance Company is an Illinois insurance company organized and existing under the laws of the State of Illinois with a principal place of business at 2775 Sanders Road, Northbrook, Illinois 60062. Allstate provides its customers the Allstate application, aspects of which Cascades contends infringe the Cascades Patents as alleged below. The Allstate application operates on consumers’ smart phones and like devices (such as the Apple iPhone and Android phones), and allows such phones and devices to enable users to select an Allstate-

branded icon to locate Allstate-branded agent locations in their vicinity on a map, without the users having to manually enter a device location.

### **JURISDICTION AND VENUE**

3. This action arises under the patent laws of the United States, e.g., 35 U.S.C. §§ 271, 281, 283-285. Subject matter jurisdiction exists under 28 U.S.C. §§ 1331 and 1338(a).

4. Defendant Allstate resides in the State of Illinois, and in this judicial district. Accordingly, this Court has personal jurisdiction over Allstate, and venue is proper in this Court under 28 U.S.C. § 1391 and/or 1400.

### **FACTUAL BACKGROUND**

5. Inventor Steven K. Gold is a medical doctor by degree who attended medical school to pursue his dream of inventing medical device technologies, as shown by his first two issued patents. Following medical school, Dr. Gold became a successful entrepreneur and started companies in the life sciences and other fields. Dr. Gold now teaches entrepreneurship at the college level. Dr. Gold invented and filed for the Cascades Patents before the first sale in 2007 of the Apple iPhone. The '395 Patent issued on August 3, 2010 and the '766 Patent issued on January 31, 2012.

6. Allstate has been aware of the '395 Patent since at least approximately July 7, 2011, the date of a Notice of Infringement sent to Allstate or its parent corporation, The Allstate Corporation ("Allstate Corp."), on behalf of Cascades. The Notice of Infringement included an infringement claim chart for the '395 Patent, and a firm license offer to abate Allstate's infringement. Allstate did not accept the license offer. A follow-up letter was sent to Allstate's counsel on April 9, 2012, which gave Allstate notice of the '766 Patent and made Allstate a

license offer again on both patents. Allstate has since declined further efforts to engage in licensing discussions with Cascades.

**COUNT I – ‘395 PATENT**

7. Cascades hereby incorporates paragraphs 1-6 above by reference.

8. Allstate has infringed at least one claim of the ‘395 Patent through, among other activities, making, using (for example by testing), offering to sell, and/or selling the Allstate application. Its infringement may include additional products, services and technologies (to be determined in discovery) marketed or used by Allstate. Allstate has also knowingly and intentionally actively aided, abetted and induced others to infringe (such as its customers, users, application downloaders and/or business partners in this judicial district and throughout the United States). Allstate has also knowingly contributed to customer infringement, within the meaning of 35 U.S.C. § 271(c), by among other things providing the Allstate application, which is not a staple article of commerce capable of substantial noninfringing use.

9. As a direct and proximate consequence of the infringement, Cascades has been, is being and, unless such acts and practices are enjoined by the Court, will continue to be injured in its business and property rights, and has suffered, is suffering, and will continue to suffer injury and damages for which it is entitled to relief under 35 U.S.C. § 284 adequate to compensate for such infringement, but in no event less than a reasonable royalty.

**COUNT II – ‘766 PATENT**

10. Cascades hereby incorporates paragraphs 1- 9 above by reference.

11. Allstate has infringed at least one claim of the ‘766 Patent through, among other activities, making, using (for example by testing), offering to sell, and/or selling the Allstate application. Its infringement may include additional products, services and technologies (to be

determined in discovery) marketed or used by Allstate. Allstate has also knowingly and intentionally actively aided, abetted and induced others to infringe (such as its customers, users, application downloaders and/or business partners in this judicial district and throughout the United States). Allstate has also knowingly contributed to customer infringement, within the meaning of 35 U.S.C. § 271(c), by among other things providing the Allstate application, which is not a staple article of commerce capable of substantial noninfringing use.

12. As a direct and proximate consequence of the infringement, Cascades has been, is being and, unless such acts and practices are enjoined by the Court, will continue to be injured in its business and property rights, and has suffered, is suffering, and will continue to suffer injury and damages for which it is entitled to relief under 35 U.S.C. § 284 adequate to compensate for such infringement, but in no event less than a reasonable royalty.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff Cascades asks this Court to enter judgment against Allstate and against its respective subsidiaries, affiliates, agents, servants, employees and all persons in active concert or participation with them, granting the following relief:

- A. An award of damages adequate to compensate Cascades for the infringement that has occurred, together with prejudgment interest from the date infringement of the Cascades Patent began and statutory costs;
- B. An award to Cascades of all remedies available under 35 U.S.C. § 284;
- C. An award to Cascades of all remedies available under 35 U.S.C. § 285;
- D. A permanent injunction prohibiting further infringement, inducement and contributory infringement of the Cascades Patents; and,
- E. Such other and further relief as this Court or a jury may deem proper and just.

**JURY DEMAND**

Cascades demands a trial by jury on all issues so triable.

Dated: March 1, 2013

Cascades Branding Innovations LLC

By: /s/ William W. Flachsbart

William W. Flachsbart  
Robert P. Greenspoon  
Michael R. La Porte  
FLACHSBART & GREENSPOON, LLC  
333 North Michigan Avenue, Ste 2700  
Chicago, IL 60601  
T: 312-551-9500  
F: 312-551-9501

**Attorneys for Plaintiff  
Cascades Branding Innovation LLC**

**CERTIFICATE OF SERVICE**

The undersigned attorney of record hereby certifies that the foregoing document:

**FIRST AMENDED COMPLAINT**

was served today March 1, 2013, in accordance with the Fed. R. Crim. P. 49, Fed. R. Civ. P. 5, L.R. 5.5, and the General Order on Electronic case Filing (ECF) pursuant to the district court's system as to ECF filers.

/s/ William W. Flachsbart  
William W. Flachsbart