

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

SOURCE, INC.	§	
	§	
	Plaintiff,	§
vs.	§	CIVIL ACTION NO. 2:08-cv-23
	§	
1) ACCESS DEVELOPMENT CORPORATION,	§	
2) BCORNER.COM, INC.,	§	
3) BELCARO GROUP, INC., D/B/A	§	JURY DEMANDED
SHOPATHOME.COM,	§	
4) BIG CO-OP, INC.,	§	
5) INTEGRAL TECHNOLOGIES, INC.,	§	
6) 77BLUE LLC,	§	
7) EBATES SHOPPING.COM, INC.,	§	
8) ELECTRONIC SCRIP INC.,	§	
9) THE EZSHOPPEN COMPANY,	§	
10) FATWALLET.COM, INC.,	§	
11) IGIIVE.COM HOLDINGS, LLC,	§	
12) JELLYFISH, INC.,	§	
13) JET SET JOE CORPORATION,	§	
14) LITTLE GRAD, INC.	§	
15) MBC DIRECT, LLC,	§	
16) MALL NETWORKS, INC.,	§	
17) MISERMART.COM INC.,	§	
18) MEZI MEDIA, INC.,	§	
19) MOTHERS WORK, INC.,	§	
20) OC REBATES,	§	
21) PINNACLE COMMUNICATIONS	§	
INTERNATIONAL, INC.,	§	
22) QDEALS, INC.,	§	
23) QUICKREWARDS NETWORK, INC.,	§	
24) SHOP.COM,	§	
25) SIMPLICITY GROUP, LLC, D/B/A/	§	
SIMPLEREBATES.COM,	§	
26) SPREE.COM CORPORATION,	§	
27) TRICORDIA, LLC,	§	
28) TUITION FUND, LLC,	§	
29) WEBLOYALTY.COM, INC.,	§	
30) ZIONS FIRST NATIONAL BANK,	§	
31) ALLIANCE CARD, INC.	§	
32) FAMILY NETWORK, INC.,	§	
DBA AFFINITY SOLUTIONS	§	

33) JPMORGAN CHASE & CO.	§
34) GOLDEN RETRIEVER SYSTEMS, L.L.C.	§
35) SUMMIT STATE BANK	§
36) NIETECH CORPORATION	§
37) U.S BANCORP	§
38) U.S. BANK	§
	§
Defendants.	§

**PLAINTIFF’S COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff, Source, Inc. (“Plaintiff” or “Source”) hereby files this Complaint and in support thereof would show the Court the following:

**Parties**

1. Source is a Delaware corporation with its principal place of business in Newhall, California.

2. On information and belief, Defendant, Access Development Corporation (“Access Development”), is a corporation having a principal place of business at 1012 W. Beardsley, Salt Lake City, Utah 84119. On information and belief, Access Development’s agent to receive service of process is Sherry H. Larsen, at the aforementioned address.

On information and belief, Defendant, bCorner.com, Inc. (“bCorner.com”), is a corporation having a principal place of business at 45 West 21<sup>st</sup> Street, 5<sup>th</sup> Floor, New York, New York 10010. On information and belief, bCorner.com’s agent to receive service of process is Alastair Onglingswan, at the aforementioned address.

On information and belief, Defendant, Belcaro Group, Inc. (“Belcaro”), is a corporation having a principal of business at 7100 E. Belleview Avenue, Suite 208, Greenwood Village, Colorado 80111. On information and belief, Belcaro’s agent to receive service of process is Claudia Braunstein, at the aforementioned address.

On information and belief, Defendant, BigCo-Op, Inc. (BigCo-Op), is a corporation having a principal of business at 3666 University Avenue, 3<sup>rd</sup> Floor, Riverside, California. On information and belief, BigCo-Op's agent to receive service of process is J. Albert Sweeney, at the aforementioned address.

On information and belief, Defendant, Integral Technologies, Inc. ("Integral Technologies"), is a corporation having a principal place of business at 2451 Cumberland Pkwy, Suite 3422, Atlanta, Georgia 30339. On information and belief, Integral Technologies' agent to receive service of process is Vincent S. Martin, Jr., at 3416 Belridge Drive, Smyrna, Georgia 30080.

On information and belief, Defendant, 77Blue LLC ("77Blue"), is a limited liability company having a principal place of business at 3370 Patricia Avenue, Los Angeles, California 90064. On information and belief, 77Blue's agent to receive service of process is David M. Lewis, at the aforementioned address.

On information and belief, Defendant, Ebates Shopping.com, Inc. ("Ebates"), is a corporation having a principal place of business at 333 Bryant Street, Suite 250, San Francisco, California 94107. On information and belief, Ebates' agent to receive service of process is Alessandro G. Isolani, at 604 Panoramic Way, Berkeley, California 94707.

On information and belief, Defendant, Electronic Scrip Incorporated ("Electronic Scrip"), is a corporation having a principal of business at 1810 Gateway Drive, Suite 380, San Mateo, California 94404. On information and belief, Electronic Scrip's agent to receive service of process is Scott Adams, at 415 Aragon Boulevard, San Mateo, California 94402.

On information and belief, Defendant, The Ezshoppen Company (Ezshoppen"), is a corporation having a principal place of business at 6309 Straw Acres Road, Spring Grove, Pennsylvania 17362. On information and belief, Ezshoppen's agent to receive service of process is

Walter Oakhem or Michael J. Sterner, at the aforementioned address.

On information and belief, Defendant, FatWallet.com, Inc. (“FatWallet”), is a corporation having a principal place of business at 8900 North 2<sup>nd</sup> Street, Machesney Park, Illinois 61115. On information and belief, FatWallet’s agent to receive service of process is Craig P. Thomas, at 2902 McFarland Road, Suite 400, Rockford, Illinois 61107.

On information and belief, Defendant, iGive.com Holdings, L.L.C. (“iGive.com”), is a corporation having a principal place of business at 2859 Central Avenue, Evanston, Illinois 60201. On information and belief, iGive.com’s agent to receive service of process is Robert Grosshandler, at the aforementioned address, or at 2724 Simpson Street, Evanston, Illinois 60201.

On information and belief, Defendant, JellyFish, Inc. (“JellyFish”), is a corporation having a principal place of business at 1600 Aspen Commons, Suite 950, Middleton, Wisconsin 53562. On information and belief, JellyFish’s agent to receive service of process is Mark J. McGuire, at 8010 Exceksuir Drive, Suite 101, Madison, Wisconsin 53717.

On information and belief, Defendant, Jet Set Joe Corporation (“Jet Set Joe”), is a corporation having a principal place of business at 909 Prospect Street, Suite 224, La Jolla, California 92037. On information and belief, Jet Set Joe’s agent to receive service of process is Alexander Burbank, at 1311 La Palma, #2, San Diego, California 92109.

On information and belief, Defendant, Little Grad, Inc. (“Little Grad”), is a corporation having a principal of business at 337 Beach Road, Burlingame, California 94010. On information and belief, Little Grad’s agent to receive service of process is Ann Vasquez, at 3812-B 24<sup>th</sup> Street, San Francisco, California 94114.

On information and belief, Defendant, MBC Direct, LLC (“MBC Direct”), is a limited liability company having a principal place of business at 2100 West Loop South, Suite 610, Houston,

Texas 77027. On information and belief, MBC Direct's agent to receive service of process is Jennifer Mahar, at the aforementioned address.

On information and belief, Defendant, Mall Networks, Inc. ("Mall Networks") is a corporation having a principal place of business at One Militia Drive, Lexington, Massachusetts 02421. On information and belief, Mall Networks' agent to receive service of process is David L. Andre, at 268 South Great Road, Lincoln, Massachusetts 01773.

On information and belief, Defendant, Misermart.com Inc. ("Misermart"), is a corporation having a principal place of business at 8514 Raybluff Lane, Houston, Texas 77040. On information and belief, Misermart's agent to receive service of process is Steve P. Sutton (Registered Agent, President and Director), at the aforementioned address, or Scott Winski (Vice-President and Director) at the aforementioned address.

On information and belief, Defendant, Mezi Media, Inc. ("Mezi Media"), is a corporation having a principal place of business at 103 E. Lemon Avenue, Suite 200, Monrovia, California 91016. On information and belief, Mezi Media's agent to receive service of process is Harry Tsao, at 591 N. Altavista Avenue, Monrovia, California.

On information and belief, Defendant, Mothers Work, Inc. ("Mothers Work"), is a corporation having a principal of business at 456 N. 5<sup>th</sup> Street, Philadelphia, Pennsylvania 19123. On information and belief, Mothers Work's agent to receive service of process is Rebecca Matthias, at 1300 Noble Street, 5<sup>th</sup> Floor, Philadelphia, Pennsylvania 19123.

On information and belief, Defendant, OC Rebates, is a corporation having a principal place of business at 1641 E. 17<sup>th</sup> Street, Suite B-129, Santa Ana, California 92705. Source has not yet identified OC Rebate's agent for service of process.

On information and belief, Defendant, Pinnacle Communications International, Inc.

(“Pinnacle Communications”), is a corporation having a principal place of business at 9116 Cypress Green Drive, Suite 116, Jacksonville, Florida 32256. On information and belief, Pinnacle Communications’ agent to receive service of process is Levine A. Williams at the aforementioned address.

On information and belief, Defendant, QDeals, Inc. (“QDeals”), is a corporation having a principal place of business at 10011 Allyson Park Drive, Charlotte, North Carolina 28277. On information and belief, QDeals’ agent to receive service of process is Kausik Chaudhuri at the aforementioned address.

On information and belief, Defendant, QuickRewards Network, Inc. (“QuickRewards”), is a corporation having a principal place of business at 2203 E. 27<sup>th</sup> Street, Brooklyn, New York 11229. On information and belief, QuickRewards’ agent to receive service of process is c/o Secretary of State of New York, Division of Corporations, at 41 State Street, Albany, New York 12231.

On information and belief, Defendant, Shop.com, is a corporation having a principal place of business at 1 Lower Ragsdale Drive, Building 1, Suite 210, Monterey, California 93940. On information and belief, Shop.com’s agent to receive service of process is Julie R. Culver at the aforementioned address.

On information and belief, Defendant, Simplicity Group, LLC, D/B/A SimpleRebates.com (“SimpleRebates.com”), is a limited liability company having a principal place of business at 2250 North University Parkway, Suite No. 4894, Provo, Utah 84604. On information and belief, SimpleRebates.com’s agent to receive service of process is Adam K. Wilkinson at the aforementioned address.

On information and belief, Defendant, Spree.com Corporation (“Spree.com”), is a corporation having a principal place of business at 1155 Phoenixville Pike, Park Valley, Suite 103,

West Chester, Pennsylvania 19380. On information and belief, Spree.com's agent to receive service of process is Michael P. Dever at the aforementioned address.

On information and belief, Defendant, Tricordia, LLC ("Tricordia"), is a limited liability company having a principal place of business at 147 West Election Road, Suite 200, Salt Lake City, Utah 84020. On information and belief, Tricordia's agent to receive service of process is John Sideles, at the aforementioned address, or at 67 Holly Hill Lane, Greenwich, CT 06830. In the alternative, Tricordia may be served with process through its registered agent, The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.

On information and belief, Defendant, TuitionFund, LLC ("TuitionFund"), is a limited liability company having a principal place of business at 151 Chickering Meadows, Suite 1F, Nashville, Tennessee 37215. On information and belief, TuitionFund's agent to receive service of process is Kevin H. Douglas, at 424 Church Street, Suite 2000, Nashville, Tennessee 37219.

On information and belief, Defendant, Webloyalty.com, Inc. ("Webloyalty"), is a corporation having a principal place of business at 101 Merritt 7, 7<sup>th</sup> Floor, Norwalk, Connecticut 06851. On information and belief, Webloyalty's agent to receive service of process is c/o Secretary of the State of Connecticut, at 30 Trinity Street, Hartford, Connecticut, 06106.

On information and belief, Defendant, Zions First National Bank, a subsidiary of Zions Bancorporation. ("Zions"), is a national banking association having a principal place of business at One South Main Street, Salt Lake City, Utah 84111. On information and belief, Zions' agent to receive service of process is Corporation Service Company, at 2180 South 1300 East, Suite 650, Salt Lake City, Utah 84106.

On information and belief, Defendant, Alliance Card, Inc. ("ACI"), is a corporation having a principal place of business at 406 Gateway Boulevard, Burnsville, Minnesota 55337. On

information and belief, ACI's agent to receive service of process is Michael Bouchey at the aforementioned address.

On information and belief, Defendant, Family Network, Inc. ("Family Network"), doing business as Affinity Solutions, is a corporation having a principal place of business at 350 Fifth Avenue, Suite 2212, New York, New York 10118. On information and belief, Family Network's agent to receive service of process is Jonathan Silver at the aforementioned address.

On information and belief, Defendant, JPMorgan Chase & Co. ("JPMorgan Chase"), is a national banking association having a principal place of business at 270 Park Avenue, New York, New York 10017. On information and belief, JPMorgan Chase's agent to receive service of process is CT Corporate System, at 111 Eighth Avenue, 13<sup>th</sup> Floor, New York, New York 10017.

On information and belief, Defendant, Golden Retriever Systems, L.L.C. (Golden Retriever"), a wholly-owned subsidiary of Total Systems Services, Inc. ("TSYS"), is a limited liability company having a principal of business at 8320 South Hardy Drive, Tempe, Arizona 85248. On information and belief, Golden Retriever's agent to receive service of process is Corporation Service Company, at 2338 West Royal Palm Road, Suite J, Phoenix, Arizona 85021.

On information and belief, Defendant, Summit State Bank, is a bank organized under the laws of the State of California having its principal place of business at 500 Bicentennial Way, Santa Rosa, California 95403. On information and belief, Summit State Bank's agent to receive service of process is Terrance Davis at the aforementioned address.

On information and belief, Defendant, Nietech Corporation ("Nietech"), is a corporation having a principal place of business at 110 Stony Point Road, Suite 115, Santa Rosa, California 95401. On information and belief, Nietech's agent to receive service of process is Larry Roberts at the aforementioned address.

On information and belief, Defendants, U.S. Bancorp and its subsidiary U.S. Bank, are national banking associations having a principal place of business at 800 Nicollet Mall, Minneapolis, Minnesota 55402. On information and belief, U.S. Bancorp's agent to receive service of process is Corporation Trust Company, at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.

### **Jurisdiction**

3. This Court has federal question jurisdiction over this case pursuant to 28 U.S.C. §§ 1331, 1332, and 1338(a).

4. On information and belief, each of the Defendants has solicited business in the state of Texas, transacted business within the state of Texas and attempted to derive financial benefit from residents of the state of Texas directly related to the instant patent infringement cause of action set forth herein. Further, on information and belief, venue is proper in this judicial district pursuant to 28 U.S.C. §1391(c) and §1400(b) because acts constituting infringement have occurred in this judicial district.

### **Background**

5. On July 10, 1990, United States Patent No. 4,941,090 (the '090 patent) entitled "Centralized Consumer Cash Value Accumulation System For Multiple Merchants" was duly and legally issued to Patrick D. McCarthy and which patent is now exclusively licensed to Source. Source has the sole right to bring all actions for infringement of the '090 patent and recover all damages for infringement of this patent.

6. On May 26, 1992, United States Patent No. 5,117,355 (the '355 patent) entitled "Centralized Consumer Cash Value Accumulation System For Multiple Merchants" was duly and legally issued to McCarthy and which is now exclusively licensed to Source. Source has the sole

right to bring all actions for infringement of the '355 patent and recover all damages for infringement of this patent.

7. On April 13, 1993, United States Patent No. 5,202,826 (the '826 patent) entitled "Centralized Consumer Cash Value Accumulation System For Multiple Merchants" was duly and legally issued to McCarthy and which is now exclusively licensed to Source. Source has the sole right to bring all actions for infringement of the '826 patent and recover all damages for infringement of this patent.

8. On February 23, 1999, United States Patent No. Re: 36,116 (the '116 patent, attached hereto) entitled "Centralized Consumer Cash Value Accumulation System for Multiple Merchants" was duly and legally issued to McCarthy and which is now exclusively licensed to Source. Source has the sole right to bring all actions for infringement of the '116 patent and recover all damages for infringement of this patent.

9. On information and belief, each of the Defendants owns, operates and is otherwise responsible for the following cards and associated reward, rebate and/or loyalty programs:

- "Access Rewards", operated by Access Development.
- "bCorner", operated by bCorner.com.
- "ShopAtHome.com Cash Back Program", operated by Belcaro.
- "Bigcoop.com", operated by BigCo-Op.
- "BigCrumbs.com", operated by Integral Technologies.
- "Cashbaq Shopping Rewards Program", operated by 77Blue.
- "Ebates Shopping Cash Back Rewards Program", operated by Ebates.
- "eScrip Program", operated by Electronic Scrip.
- "Ezshopsave Shopping Rebate Program", operated by Ezshoppen.

- “FatWallet Cash Back Program”, operated by FatWallet.
- “iGive.com”, operated by iGive.com.
- “JellyFish.com Cash Back Service”, operated by JellyFish.
- “Jet Set Joe”, operated by Jet Set Joe.
- “Little Grad”, operated by Little Grad.
- “MBC Direct Online Mall”, MBC Direct Loyalty Program”, operated by MBC Direct.
- “Mall Networks”, operated by Mall Networks.
- “MiserMoney Rebate Program”, operated by MiserMart.
- “MoreRebates”, operated by Mezi Media.
- “FutureTrust Program”, operated by Mothers Work.
- “One Click Rebates”, “myBestRewards.com”, operated by OC Rebates.
- “ShopZero”, operated by Pinnacle Communications.
- “QDeals.com”, operated by QDeals.
- “QuickRewards”, operated by QuickRewards.
- “Shop.com Cares Program”, operated by Shop.com.
- “SimpleRebates”, operated by SimpleRebates.com.
- “Spree.com”, operated by Spree.com.
- “Tricordia”, operated by Tricordia.
- “Tuition Fund”, operated by TuitionFund.
- “Shopper Discounts & Rewards Program”, “Savings Key Software”, operated by Webloyalty.

- “Zions Cash Rewards Program”, operated by Zions.
- “SmartTown Alliance Program” / “Cash Value Card Alliance”, operated by ACI.
- “Affinity Rewards Program”, operated by Affinity Solutions.
- “Chase Freedom Credit Card”, operated by JPMorgan Chase.
- “Golden Retriever Systems”, operated by Golden Retriever.
- “COMMUNITYsmart card”, operated by Summit State Bank.
- “COMMUNITYsmart program”, operated by Nietech.
- “U.S. Bank Cash Rewards Program”, operated by U.S. Bank.

The aforementioned reward, rebate and/or loyalty programs, and similar programs whose identities are not yet known, will hereafter be collectively referred to as the “Accused Instrumentalities.” On information and belief, the Accused Instrumentalities utilize and practice the claimed inventions in the ‘116 patent.

#### **Defendants’ Infringement**

10. Source incorporates by reference, paragraphs 1-9 herein.
11. On information and belief, each of the Defendants, through its Accused Instrumentalities, has and/or is currently infringing, contributorily infringing, and/or actively inducing the infringement of the ‘116 patent by making, using, selling, offering for sale and/or selling within this judicial district and elsewhere in the United States, without license or authority from Source, hardware, processes and methods that practice the inventions claimed in the ‘116 patent.
12. On information and belief, each of the Defendants’ misappropriation of Plaintiff’s inventions through infringement of the ‘116 patent has been willful and deliberate. On information

and belief, each of the Defendants will continue its infringing activities and will continue this unlawful conduct unless restrained by this Court.

13. On information and belief, Defendants' appropriation of the inventions through infringement of the '116 patent has allowed Defendants to gain substantial market share in the customer loyalty, rebate and rewards and member services market and to reap unjustified profits. Defendants' infringement has caused and will continue to cause irreparable harm to Source.

14. As a result of this unlawful behavior, Source has been damaged and will continue to be damaged by Defendants' infringement of the '116 patent.

**Demand for Jury Trial**

15. Source respectfully demands a trial by jury for all claims alleged herein.

**Prayer**

16. Source respectfully prays for and asks the Court to find and enter judgment as to the following:

A) That this Court adjudge that United States Patent No. Re 36,116 is valid and that each of the Defendants is and has infringed the patent by direct infringement under 35 U.S.C. § 271(a), contributory infringement under 35 U.S.C. §271(c) and/or by inducing infringement under 35 U.S.C. §271(b) as claimed in the Complaint;

B) That Source be awarded under 35 U.S.C. §284, in an amount to be proven at trial, damages adequate to compensate Source for Defendants' infringement of the '116 patent;

C) That Source be awarded its costs and prejudgment interest on its damages, as provided for by 35 U.S.C. §284;

D) That this court enter a preliminary and permanent injunction against each of the Defendants and all of its officers, agents, affiliates, servants, employees, and attorneys, and

all other persons in active concert or participation with them, against further infringement, inducing infringement, and/or contributing to the infringement of the '116 patent;

E) An accounting be had for the damages to Source arising out of Defendants' infringing activities, together with interest and costs and that such damages be awarded to Source;

F) That each of the Defendants be adjudged a willful infringer and that the damages to Source be increased under 35 U.S.C. §284 to three (3) times the amount found or measured;

G) An award of attorney fees to Plaintiff under 35 U.S.C. §285;

H) That each of the Defendants be ordered to make a written report within a reasonable period, to be filed with the Court, detailing the manner of their compliance with the requested injunction; and

I) That Plaintiff be entitled to such other and further relief as the Court may deem appropriate.

DATED: January 24, 2008

Respectfully submitted,

/s/ David K. Anderson  
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**CERTIFICATE OF SERVICE**

The undersigned certifies that the foregoing document was filed electronically in compliance with Local Rule CV-5(a) on this the 24<sup>th</sup> day of January, 2008.

/s/ David K. Anderson