

Exhibit Z

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9 **SHIPPING & TRANSIT LLC**

10
11 **UNITED STATES DISTRICT COURT**
12 **NORTHERN DISTRICT OF CALIFORNIA**

13 FTL APPAREL, LLC d/b/a JOYFOLIE,

14 Plaintiff,

15 vs.

16 SHIPPING & TRANSIT LLC,

17 Defendant.

18 SHIPPING & TRANSIT LLC,

19 Counter-Claimant,

20 vs.

21 FTL APPAREL, LLC d/b/a JOYFOLIE,

22 Counter-Defendant.

Case No. 3:16-cv-01453-WHO

**ANSWER TO FIRST AMENDED
COMPLAINT AND
COUNTERCLAIMS**

JURY TRIAL DEMANDED

1 Defendant Shipping & Transit LLC (“Defendant” or “S&T”) hereby answers the
2 Complaint of Plaintiff FTL: Apparel, LLC d/b/a Joyfolie (“Plaintiff” or “Joyfolie”) as
3 follows:

4 **PARTIES**

5 1. S&T lacks information or belief sufficient to admit or deny the allegations
6 contained in paragraph 1 of the Complaint.

7 2. S&T admits the allegations contained in Paragraph 2 of the Complaint.

8 **JURISDICTION AND VENUE**

9 3. The allegations in Paragraph 3 of the Complaint contain legal conclusions
10 and legal argument that Defendant is not required to admit or deny.

11 4. The allegations in Paragraph 4 of the Complaint contain legal conclusions
12 and legal argument that Defendant is not required to admit or deny.

13 5. S&T admits the allegations contained in paragraph 5 of the Complaint.

14 6. S&T admits the allegations contained in paragraph 6 of the Complaint.

15 7. S&T admits that it has filed numerous lawsuits throughout the United
16 States and California alleging infringement of patents it owns.

17 8. S&T admits that it has filed numerous lawsuits throughout the United
18 States and California alleging infringement of patents it owns.

19 9. S&T admits that it has filed numerous lawsuits throughout the United
20 States and California alleging infringement of patents it owns.

21 10. S&T denies the allegations contained in paragraph 10 of the Complaint.

22 11. S&T admits that it has sent letters to companies based in California
23 asserting infringement of one or more of the patents-in-suit.

24 12. S&T admits that it, either directly or via its predecessors ArrivalStar S.A.
25 and Melvino Technologies Limited, has filed numerous lawsuits throughout the United
26 States and California alleging infringement of patents it owns.

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1 13. S&T admits that it, either directly or indirectly or via its predecessors
2 ArrivalStar S.A. and Melvino Technologies Limited, has sent letters to companies
3 based in California asserting infringement of one or more of the patents-in-suit.

4 14. S&T admits the allegations contained in paragraph 14 of the Complaint.

5 **FACTUAL BACKGROUND**

6 15. S&T admits the allegations contained in paragraph 15 of the Complaint.

7 16. S&T denies the allegations in paragraph 16 of the Complaint.

8 17. S&T admits the allegations contained in paragraph 17 of the Complaint.

9 18. S&T denies the allegations contained in paragraph 18 of the Complaint.

10 19. S&T is without information sufficient to form a belief as to the truth of the
11 allegations in Paragraph 19 of the Complaint and therefore denies them.

12 20. The allegations in Paragraph 20 of the Complaint contain legal conclusions
13 and legal argument that Defendant is not required to admit or deny.

14 21. S&T admits the allegations contained in paragraph 21 of the Complaint.

15 22. S&T admits the allegations contained in paragraph 22 of the Complaint.

16 23. The allegations in Paragraph 23 of the Complaint contain legal conclusions
17 and legal argument that Defendant is not required to admit or deny.

18 24. S&T is without information sufficient to form a belief as to the truth of the
19 allegations in Paragraph 24 of the Complaint and therefore denies them.

20 25. S&T admits the allegations contained in paragraph 25 of the Complaint.

21 26. S&T denies the allegations in paragraph 26 of the Complaint.

22 27. S&T admits the allegations contained in paragraph 27 of the Complaint.

23 28. The allegations in Paragraph 28 of the Complaint contain legal conclusions
24 and legal argument that Defendant is not required to admit or deny.

25 29. S&T is without information sufficient to form a belief as to the truth of the
26 allegations in Paragraph 29 of the Complaint and therefore denies them.

27 30. S&T admits the allegations contained in Paragraph 30 of the Complaint.

28 31. S&T denies the allegations in paragraph 31 of the Complaint.

1 32. S&T admits the allegations contained in Paragraph 32 of the Complaint.

2 33. The allegations in Paragraph 33 of the Complaint contain legal conclusions
3 and legal argument that Defendant is not required to admit or deny.

4 34. S&T is without information sufficient to form a belief as to the truth of the
5 allegations in Paragraph 34 of the Complaint and therefore denies them.

6 35. S&T admits that the American Letter asserted Joyfolie infringed various
7 claims of the '970 Patent, '207 Patent, '359 Patent and '299 Patent, but denies the
8 remainder of the allegations in Paragraph 35 of the Complaint.

9 36. S&T denies the allegations contained in Paragraph 36 of the Complaint.

10 37. The allegations in Paragraph 37 of the Complaint contain legal conclusions
11 and legal argument that Defendant is not required to admit or deny.

12 38. S&T denies the allegations contained in Paragraph 38 of the Complaint.

13 39. S&T denies the allegations contained in Paragraph 39 of the Complaint.

14 40. S&T denies the allegations contained in Paragraph 40 of the Complaint.

15 41. S&T is without information sufficient to form a belief as to the truth of the
16 allegations in Paragraph 41 of the Complaint and therefore denies them.

17 42. S&T admits the allegations contained in paragraph 42 of the Complaint.

18 43. S&T admits the allegations in Paragraph 43 of the Complaint.

19 44. S&T is without information sufficient to form a belief as to the truth of the
20 allegations in Paragraph 44 of the Complaint and therefore denies them.

21 45. S&T admits FedEx has a license to S&T's patents.

22 46. S&T admits it entered into a covenant not to sue with USPS, but denies
23 that USPS has a license to the entire Shipping and Transit patent portfolio or that its
24 covenant not to sue extends to USPS extends to USPS customers.

25 47. S&T admits the allegations in Paragraph 47 of the Complaint.

26 48. It is S&T's understanding and belief that Joyfolie, via its courier service,
27 tracks the package or any vehicle that carries the package, allows the user to specify
28 when the user wishes to receive notifications, receives vehicle or location indicator

1 numbers from the user, creates a “vehicle status report,” automatically or otherwise
2 identifies a proximity of a vehicle based on any location indicator, tracks the delivery
3 vehicle, analyzes data indicative of the travel of any vehicle, presents the user with
4 options including an activation option to start monitoring travel data associated with a
5 vehicle carrying a package, asks the user for a package identification number or
6 package delivery number related to the delivery of a package, identifies a vehicle based
7 on any such package number, and monitors travel data associated with a vehicle
8 delivering a package.

9 49. S&T admits that it is in the business of patent licensing.

10 50. S&T denies the allegations in Paragraph 50 of the Complaint.

11 51. S&T admits the allegations in Paragraph 51 of the Complaint.

12 52. S&T admits the allegations in Paragraph 52 of the Complaint.

13 53. S&T admits the allegations in Paragraph 53 of the Complaint.

14 54. S&T denies the allegations in paragraph 54 of the Complaint.

15 55. S&T admits that the basis of its claims of patent infringement against
16 Joyfolie are related to Joyfolie’s checkout procedure and shipping of its products, but
17 denies the remainder of the allegations contained in paragraph 55 of the Complaint.

18 56. S&T is without information sufficient to form a belief as to the truth of the
19 allegations in Paragraph 56 of the Complaint and therefore denies them.

20 57. S&T admits the allegations in Paragraph 57 of the Complaint.

21 58. S&T is without information sufficient to form a belief as to the truth of the
22 allegations in Paragraph 58 of the Complaint and therefore denies them.

23 59. S&T admits the allegations in Paragraph 59 of the Complaint.

24 60. S&T admits that Magento, Inc. has a license to the Shipping and Transit
25 Patent Portfolio.

26 61. S&T denies the allegations in Paragraph 61 of the Complaint.

27 62. S&T admits that FedEx has a license to the Shipping and Transit Patent
28 Portfolio.

1 63. S&T denies that the basis for its claims for infringement against Joyfolie
2 are based on activities associated with Joyfolie's use of FedEx.

3 64. S&T admits that it entered into a covenant not to sue with USPS, but
4 denies the remainder of the allegations in Paragraph 64 of the Complaint.

5 65. S&T denies the allegations in Paragraph 65 of the Complaint.

6 66. S&T denies the allegations in Paragraph 66 of the Complaint.

7 67. The allegations in Paragraph 67 of the Complaint contain legal conclusions
8 and legal argument that Defendant is not required to admit or deny.

9 68. The allegations in Paragraph 68 of the Complaint contain legal conclusions
10 and legal argument that Defendant is not required to admit or deny.

11 69. The allegations in Paragraph 69 of the Complaint contain legal conclusions
12 and legal argument that Defendant is not required to admit or deny.

13 70. The allegations in Paragraph 70 of the Complaint contain legal conclusions
14 and legal argument that Defendant is not required to admit or deny.

15 71. S&T admits the allegations in Paragraph 71 of the Complaint.

16 72. S&T admits the allegations in Paragraph 72 of the Complaint.

17 73. S&T denies the allegations in Paragraph 73 of the Complaint.

18 74. S&T denies the allegations in Paragraph 74 of the Complaint.

19 75. S&T denies the allegations in Paragraph 75 of the Complaint.

20 76. S&T admits the allegations in Paragraph 76 of the Complaint.

21 77. S&T admits the allegations in Paragraph 77 of the Complaint.

22 78. S&T admits the allegations in Paragraph 78 of the Complaint.

23 79. S&T admits the allegations in Paragraph 79 of the Complaint.

24 80. S&T admits the allegations in Paragraph 80 of the Complaint.

25 81. S&T admits the allegations in Paragraph 81 of the Complaint.

26 82. S&T admits the allegations in Paragraph 82 of the Complaint.

27 83. S&T admits the allegations in Paragraph 83 of the Complaint.

28 84. S&T admits the allegations in Paragraph 84 of the Complaint.

- 1 85. S&T admits the allegations in Paragraph 85 of the Complaint.
2 86. S&T admits the allegations in Paragraph 86 of the Complaint.
3 87. S&T admits the allegations in Paragraph 87 of the Complaint.
4 88. S&T admits the allegations in Paragraph 88 of the Complaint.
5 89. S&T admits the allegations in Paragraph 89 of the Complaint.
6 90. S&T admits the allegations in Paragraph 90 of the Complaint.
7 91. S&T admits the allegations in Paragraph 91 of the Complaint.
8 92. S&T admits the allegations in Paragraph 92 of the Complaint.
9 93. S&T admits the allegations in Paragraph 93 of the Complaint.
10 94. S&T admits the allegations in Paragraph 94 of the Complaint.
11 95. S&T admits the allegations in Paragraph 95 of the Complaint.
12 96. S&T admits the allegations in Paragraph 96 of the Complaint.
13 97. S&T admits the allegations in Paragraph 97 of the Complaint.
14 98. S&T admits the allegations in Paragraph 98 of the Complaint.
15 99. S&T admits the allegations in Paragraph 99 of the Complaint.
16 100. S&T admits the allegations in Paragraph 100 of the Complaint.
17 101. S&T admits the allegations in Paragraph 101 of the Complaint.
18 102. S&T admits the allegations in Paragraph 102 of the Complaint.
19 103. S&T admits the allegations in Paragraph 103 of the Complaint.
20 104. S&T admits the allegations in Paragraph 104 of the Complaint.
21 105. S&T admits the allegations in Paragraph 105 of the Complaint.

22 **COUNT I - Declaration of Invalidity**

23 **(U.S. Patent No. 7,400,970)**

24 106. S&T repeats and re-alleges its answers above and incorporate them herein
25 as its response to Paragraph 106.

26 107. S&T admits the allegations contained in paragraph 107 of the Complaint.

27 108. S&T denies the allegations contained in paragraph 108 of the Complaint.

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1 109. The allegations in Paragraph 98 of the Complaint contain legal conclusions
2 and legal argument that Defendant is not required to admit or deny.

3 110. S&T denies the allegations contained in Paragraph 110 of the Complaint.

4 111. S&T denies the allegations contained in Paragraph 111 of the Complaint.

5 112. The allegations in Paragraph 101 of the Complaint contain legal
6 conclusions and legal argument that S&T is not required to admit or deny.

7 **COUNT II – Declaration of Invalidity**

8 **(U.S. Patent No. 6,415,207)**

9 113. S&T repeats and re-alleges its answers above and incorporate them herein
10 as its response to Paragraph 113.

11 114. S&T admits the allegations contained in paragraph 114 of the Complaint.

12 115. S&T denies the allegations contained in paragraph 115 of the Complaint.

13 116. The allegations in Paragraph 105 of the Complaint contain legal
14 conclusions and legal argument that Defendant is not required to admit or deny.

15 117. S&T denies the allegations contained in Paragraph 117 of the Complaint.

16 118. S&T denies the allegations contained in Paragraph 118 of the Complaint.

17 119. The allegations in Paragraph 119 of the Complaint contain legal
18 conclusions and legal argument that S&T is not required to admit or deny.

19 **COUNT III – Declaration of Invalidity**

20 **(U.S. Patent No. 6,763,299)**

21 120. S&T repeats and re-alleges its answers above and incorporate them herein
22 as its response to Paragraph 120.

23 121. S&T admits the allegations contained in paragraph 121 of the Complaint.

24 122. S&T denies the allegations contained in paragraph 122 of the Complaint.

25 123. The allegations in Paragraph 123 of the Complaint contain legal
26 conclusions and legal argument that Defendant is not required to admit or deny.

27 124. S&T denies the allegations contained in Paragraph 124 of the Complaint.

28 125. S&T denies the allegations contained in Paragraph 125 of the Complaint.

1 126. The allegations in Paragraph 126 of the Complaint contain legal
2 conclusions and legal argument that S&T is not required to admit or deny.

3 **COUNT IV – Declaration of Invalidity**

4 **(U.S. Patent No. 6,904,359)**

5 127. S&T repeats and re-alleges its answers above and incorporate them herein
6 as its response to Paragraph 127.

7 128. S&T admits the allegations contained in paragraph 128 of the Complaint.

8 129. S&T denies the allegations contained in paragraph 129 of the Complaint.

9 130. The allegations in Paragraph 130 of the Complaint contain legal
10 conclusions and legal argument that Defendant is not required to admit or deny.

11 131. S&T denies the allegations contained in Paragraph 131 of the Complaint.

12 132. S&T denies the allegations contained in Paragraph 132 of the Complaint.

13 133. The allegations in Paragraph 133 of the Complaint contain legal
14 conclusions and legal argument that S&T is not required to admit or deny.

15 **COUNT V – Declaration of Infringement**

16 **(U.S. Patent No. 7,400,970)**

17 134. S&T repeats and re-alleges its answers above and incorporate them herein
18 as its response to Paragraph 134.

19 135. S&T admits the allegations contained in paragraph 135 of the Complaint.

20 136. S&T denies the allegations contained in paragraph 136 of the Complaint.

21 137. S&T denies that a judicial declaration is necessary to determine the
22 parties' respective rights regarding the '970 Patent, but admits the remainder of the
23 allegations contained in paragraph 137 of the Complaint.

24 138. The allegations in Paragraph 138 of the Complaint contain legal
25 conclusions and legal argument that S&T is not required to admit or deny.

26 **COUNT VI – Declaration of Infringement**

27 **(U.S. Patent No. 6,415,207)**

28 139. S&T repeats and re-alleges its answers above and incorporate them herein

1 as its response to Paragraph 139.

2 140. S&T admits the allegations contained in paragraph 140 of the Complaint.

3 141. S&T denies the allegations contained in paragraph 141 of the Complaint.

4 142. S&T denies that a judicial declaration is necessary to determine the
5 parties' respective rights regarding the '207 Patent, but admits the remainder of the
6 allegations contained in paragraph 142 of the Complaint.

7 143. The allegations in Paragraph 143 of the Complaint contain legal
8 conclusions and legal argument that S&T is not required to admit or deny.

9 **COUNT VII – Declaration of Infringement**

10 **(U.S. Patent No. 6,904,299)**

11 144. S&T repeats and re-alleges its answers above and incorporate them herein
12 as its response to Paragraph 144.

13 145. S&T admits the allegations contained in paragraph 145 of the Complaint.

14 146. S&T denies the allegations contained in paragraph 146 of the Complaint.

15 147. S&T denies that a judicial declaration is necessary to determine the
16 parties' respective rights regarding the '299 Patent, but admits the remainder of the
17 allegations contained in paragraph 147 of the Complaint.

18 148. The allegations in Paragraph 148 of the Complaint contain legal
19 conclusions and legal argument that S&T is not required to admit or deny.

20 **COUNT VIII – Declaration of Infringement**

21 **(U.S. Patent No. 6,904,359)**

22 149. S&T repeats and re-alleges its answers above and incorporate them herein
23 as its response to Paragraph 149.

24 150. S&T admits the allegations contained in paragraph 150 of the Complaint.

25 151. S&T denies the allegations contained in paragraph 151 of the Complaint.

26 152. S&T denies that a judicial declaration is necessary to determine the
27 parties' respective rights regarding the '359 Patent, but admits the remainder of the
28 allegations contained in paragraph 152 of the Complaint.

1 153. The allegations in Paragraph 153 of the Complaint contain legal
2 conclusions and legal argument that S&T is not required to admit or deny.

3 **COUNT IX – DECLARATION OF UNENFORCEABILITY BASED ON LICENSE**

4 (U.S. Patent Nos. 5,400,020; 5,444,444; 5,623,260; 5,648,770; 5,657,010; 5,668,543; 6,278,936;
5 6,313,760; 6,317,060; 6,363,254; 6,363,323; 6,411,891; 6,415,207; 6,486,801; 6,492,912; 6,510,383;
6 6,618,668; 6,683,542; 6,700,507; 6,714,859; 6,741,927; 6,748,318; 6,748,320; 6,763,299; 6,763,300;
6,804,606; 6,859,722; 6,904,359; 6,952,645; 6,975,998; 7,030,781; 7,089,107; 7,191,058; and
7,400,970)

7 154. S&T repeats and re-alleges its answers above and incorporate them herein
8 as its response to Paragraph 154.

9 155. S&T denies that the basis for its claims for infringement against Joyfolie
10 are based on activities associated with Joyfolie’s use of licenses granted to third parties.

11 156. S&T admits that Magento, Inc. has a license to the Shipping and Transit
12 Patent Portfolio.

13 157. S&T is without information sufficient to admit or deny the allegations
14 contained in Paragraph 157 of the Complaint and therefore denies the allegations.

15 158. S&T denies the allegations contained within Paragraph 158 of the
16 Complaint.

17 159. S&T admits that FedEx has a license to the Shipping and Transit Patent
18 Portfolio.

19 160. S&T denies that the basis for its claims for infringement against Joyfolie
20 are based on activities associated with Joyfolie’s use of Fed Ex.

21 161. S&T denies that the basis for its claims for infringement against Joyfolie
22 are based on activities associated with Joyfolie’s use of Fed Ex.

23 162. S&T admits that USPS has a covenant not to sue to the Shipping and
24 Transit Patent Portfolio.

25 163. S&T denies the allegations contained in Paragraph 163 of the Complaint.

26 164. S&T denies the allegations contained in Paragraph 164 of the Complaint.

27 165. The allegations in Paragraph 165 of the Complaint contain legal
28 conclusions and legal argument that S&T is not required to admit or deny.

1 166. S&T denies that a judicial declaration is necessary to determine
2 unenforceability by virtue of license.

3 **COUNT X – BREACH OF CONTRACT**

4 167. S&T repeats and re-alleges its answers above and incorporate them herein
5 as its response to Paragraph 167.

6 168. S&T admits that it has granted licenses to third parties, but denies the
7 remainder of the allegations contained in Paragraph 168 of the Complaint.

8 169. S&T denies its claims for infringement against Joyfolie are based on
9 activities associated with Joyfolie’s use of Magento, FedEx, or USPS.

10 170. S&T is without information sufficient to admit or deny the allegations
11 contained in Paragraph 170 of the Complaint and therefore denies the allegations.

12 171. S&T is without information sufficient to admit or deny the allegations
13 contained in Paragraph 171 of the Complaint and therefore denies the allegations.

14 172. The allegations in Paragraph 172 of the Complaint contain legal
15 conclusions and legal argument that S&T is not required to admit or deny.

16 173. S&T denies the allegations contained in Paragraph 173 of the Complaint.

17 174. S&T denies the allegations contained in Paragraph 174 of the Complaint.

18 175. . S&T denies the allegations contained in Paragraph 175 of the Complaint.

19 176. The allegations in Paragraph 176 of the Complaint contain legal
20 conclusions and legal argument that S&T is not required to admit or deny.

21 **PRAYER FOR RELIEF**

22 S&T denies that Joyfolie is entitled to any judgment or relief in its favor,
23 including the relief sought in the “WHEREFORE” paragraph in Joyfolie’s Complaint.

24 **FIRST AFFIRMATIVE DEFENSE**

25 1. The Complaint, and each and every claim therein, fails to state a claim for
26 which relief can be granted and should, therefore, be dismissed.

27 **SECOND AFFIRMATIVE DEFENSE**

28 2. Plaintiff’s claims are barred, in whole or in part, by the equitable doctrines

1 of laches, waiver, acquiescence, unclean hands, and/or estoppel.

2 **THIRD AFFIRMATIVE DEFENSE**

3 3. Plaintiff’s claims are barred, in whole or in part, by the equitable doctrines
4 of laches, waiver, acquiescence, unclean hands, and/or estoppel.

5 **FOURTH AFFIRMATIVE DEFENSE**

6 4. Plaintiff’s request for attorney fees under 35 U.S.C. § 285, which is
7 necessarily premised upon either bad faith litigation conduct or inequitable conduct
8 before the United States Patent and Trademark Office, has been inadequately pled
9 under Rule 9(b) of the Federal Rules of Civil Procedure. The Federal Circuit has made
10 it clear in *Exergen Corp. v. Wal-Mart Stores, Inc.*, 575 F.3d 1312 (Fed. Cir. 2009), that
11 a party must plead the specific who, what, when, where and how of the material
12 representations or omissions before the United States Patent and Trademark Office,
13 which form the bases of the inequitable conduct defense or counterclaim being raised.
14 *Id.* at 1328.

15 **DEFENDANT’S COUNTERCLAIM FOR PATENT INFRINGEMENT**

16 COMES NOW S&T as Counterclaimant alleges against FTL Apparel, LLC d/b/a
17 Joyfolie (“Joyfolie”) as follows:

18 **THE PARTIES**

19 1. Defendant and Counterclaimant S&T is a company organized and existing
20 under the laws of Florida and having an address at 711 SW 24th, Boynton Beach,
21 Florida 33435.

22 2. Counterclaim defendant FTL: Apparel, LLC d/b/a Joyfolie is a Colorado
23 corporation headquartered in California.

24 **JURISDICTION AND VENUE**

25 3. This is a suit for patent infringement arising under the patent laws of the
26 United States, Title 35 of the United States Code § 1 *et seq.*

27 4. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and
28 1338(a).

1 11. S&T is the assignee and owner of the right, title and interest in and to the
2 '207 Patent, the '359 Patent, the '299 Patent and the '060 Patent including the right to
3 assert all causes of action arising under said patents and the right to any remedies for
4 infringement of them.

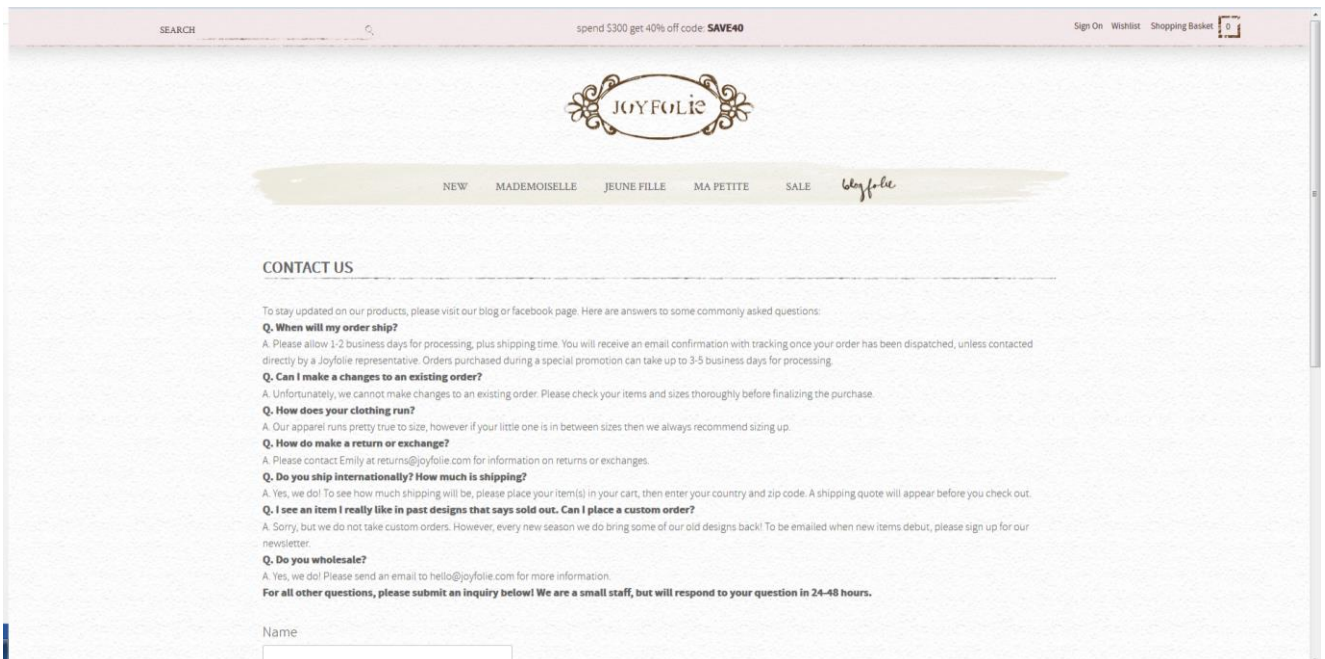
5 12. As evidenced from the screen shots from Joyfolie provides a computer
6 based notification system for providing impending arrival messages to their customers
7 that are waiting on deliveries to occur. This process is commenced when an online user
8 at Joyfolie's store website elects to purchase item(s), and set-up an account by entering
9 an email address and entering a delivery address. It is S&T's understanding and belief
10 saves customer account information during the account setup (first communication link)
11 and Joyfolie retrieves location (customer address information) information indicative of
12 their delivery address and allows this information to be used for determining a region
13 that the delivery vehicle will achieve during travel (from the location a package was
14 initially shipped to, to the delivery address).

15 13. Joyfolie's online store website explains by purchasing an item the
16 customer will be provided "order confirmation" and more importantly "shipment
17 confirmation" by signing up, entering contact information and delivery address
18 information they become the designated package recipient (the purchaser). Joyfolie
19 then presents its customers with different shipping options (i.e. overnight, next day,
20 ground, international, etc.) and may enter one or more email addresses for activating
21 tracking (and messaging) of the vehicle delivering or in route to deliver a package; by
22 selecting a method of shipping, a user at a computer system elects a shipping method
23 that allows tracking (not all couriers and or shipment methods allow tracking). Joyfolie
24 subsequently provides its customers with a shipment tracking update link within the
25 shipment confirmation email informing their customers when orders are processed and
26 when shipments have left their facility and are on their way to the customer's delivery
27 address. The shipment confirmation email is sent by Joyfolie occurs when the package
28

1 starts its route (likely pick-up, placed on conveyer belt and/or scanned out to loading
2 dock/out of warehouse, etc.) to its destination (delivery address).

3 **SHIPPING**

4 Orders are shipped Mon-Fri, excluding holidays. Domestic orders can be sent Smartpost (7-10
5 business days), FedEx Standard Overnight (1 business day), FedEx 2Day (2 business days), FedEx
6 Ground (3-5 business days), USPS Priority (2-5 business days), or USPS First Class (5-7 business
7 days). Free Standard Smartpost shipping in Continental US for orders over \$125. International orders
8 can be sent via USPS Priority (6-10 business days) or USPS First Class (12-14 business days).
9 Joyfolie is not responsible for carrier delays or lost, stolen, or misdirected shipments by the carrier.
10 International customers are responsible for all customs fees. When placing an order for multiple items,
11 and one item is a preorder, your entire order will ship once the preordered item becomes ship ready.
12 We are not able to combine shipping orders for any orders at any time. Please allow 1-2 business days
13 for processing and shipping time. If you would like to receive information regarding your order,
14 please email info@joyfolie.com.



23 **COUNT I**

24 **INFRINGEMENT OF U.S. PATENT NO. 6,415,207**

25 14. S&T repeats and realleges the allegations of paragraphs 1 through 13 as if
26 fully set forth herein.

27 15. Without license or authorization and in violation of 35 U.S.C. § 271(a),
28 Joyfolie has infringed and continues to infringe Claim 5 the '207 Patent by making,

1 using, offering for sale and/or selling within this district and elsewhere in the United
2 States a computer based notification system that enables communication with a user
3 that is designed to receive delivery of a package and provides a means for requesting
4 entry by user of a package identification number. Specifically, Joyfolie monitors
5 shipments from pickup locations, travel and hub locations and also delivery locations
6 and maintains the status shipments about to occur, occurring, in-route and at the
7 delivery location. Joyfolie then provides updates to its customers of vehicle delivery
8 information via Shipment Notifications Emails and Order Confirmation Emails.

9 16. Moreover, Customers purchasing products via Joyfolie setup accounts and
10 enter email address and other contact information. When the customer enters email and
11 account information on Joyfolie's website, the website places information on the
12 customer's computer for automatically identifying this customer when this customer
13 returns to Joyfolie's website. This information that identifies the customer to the
14 website is known as browser cookies or tracking cookies, cookies are small, often
15 encrypted text files, located in browser directories. It understood and believed that
16 Joyfolie uses these cookies to help customer automatically log in or particularly log in
17 and navigate their websites efficiently and perform certain functions. It is S&T's
18 understanding and belief that Joyfolie creates cookies when a user's browser loads
19 Joyfolie's website. The website sends information to the browser which then creates a
20 text file. Every time the user goes back to Joyfolie's website, the browser retrieves and
21 sends this file to the website's server. Joyfolie then utilizes the customer identification
22 information for store fronts to log users into their own account information. Auto-
23 populated email fields are generated and entered into the account log in fields. After
24 the user is automatically identified, they are (a.) automatically logged in or (b.) email
25 addresses are automatically filled in and customers may search for and locate vehicle
26 and shipment status information. Through the use of this information customer
27 information is automatically retrieved once the customer is logged into Joyfolie's
28 website and this automatic log in retrieves and transmits vehicle and shipment status

1 information (i.e., users are not required to enter account in whole or in part,
2 information).

3 17. S&T is entitled to recover from Joyfolie the damages sustained by S&T as
4 a result of Joyfolie's infringement of the '207 Patent in an amount subject to proof at
5 trial, which, by law, cannot be less than a reasonable royalty, together with interest and
6 costs as fixed by this Court under 35 U.S.C. § 284.

7 18. Prior to the filing of this Complaint, S&T, by letter dated January 29,
8 2016, informed Joyfolie of its infringement of the '207 Patent.

9 19. Thus, Joyfolie has been on notice of the '207 Patent since at least the date
10 it received S&T's letter dated January 29, 2016.

11 20. Upon information and belief, Joyfolie has not altered its infringing conduct
12 after receiving S&T's letter dated January 29, 2016.

13 21. Upon information and belief, Joyfolie's continued infringement despite its
14 knowledge of the '299 Patent and the accusations of infringement has been objectively
15 reckless and willful.

16 **COUNT II**

17 **INFRINGEMENT OF U.S. PATENT NO. 6,904,359**

18 22. S&T repeats and realleges the allegations of paragraphs 1 through 21 as if
19 fully set forth herein.

20 23. Without license or authorization and in violation of 35 U.S.C. § 271(a),
21 Joyfolie has infringed and continues to infringe claim 41 of the '359 Patent by making,
22 using, offering for sale and/or selling within this district and elsewhere in the United
23 States by providing Shipment Notifications via Emails and Order Confirmation via
24 Emails for informing their customers when orders are processed and when shipments
25 have left their facility and are on their way to the customer's delivery address; these
26 vehicles are picking up, transporting and delivering customer ordered products.

27 24. Specifically, Joyfolie has infringed and continues to infringe claim 41 of
28 the '359 Patent when its customers set-up accounts and enter delivery address(s) and

1 email contact information (which is saved by Joyfolie’s website for later use) for
2 permitting the Shipment Notification system to send messages associated with the
3 delivery address/location – additionally users may also select exception based tracking
4 and notifications. Customers who purchase products through Joyfolie’s website elect to
5 do so by purchasing items and entering email addresses. Joyfolie’s website explains by
6 purchasing they will be provided “order confirmation” and more importantly “shipment
7 confirmation” by signing up, entering contact information and delivery address
8 information they become the designated package recipient (the purchaser). Joyfolie
9 then accesses this saved information to retrieve location (customer address information)
10 information indicative of their delivery address and allows this information to be used
11 for determining a region that the delivery vehicle will achieve during travel (from the
12 location a package was initially shipped to, to the delivery address). Joyfolie customers
13 are then automatically notified of shipments in route to their delivery address (the
14 event) or exceptions occur before the scheduled delivery. This occurs when the
15 shipment is picked up and in route by a courier (vehicle) and during a second
16 communication link.

17 25. S&T is entitled to recover from Joyfolie the damages sustained by S&T as
18 a result of Joyfolie’s infringement of the ’359 Patent in an amount subject to proof at
19 trial, which, by law, cannot be less than a reasonable royalty, together with interest and
20 costs as fixed by this Court under 35 U.S.C. § 284.

21 26. Prior to the filing of this Complaint, S&T, by letter dated January 29,
22 2016, informed Joyfolie of its infringement of the ’359 Patent.

23 27. Thus, Joyfolie has been on notice of the ’359 Patent since at least the date
24 it received S&T’s letter dated January 29, 2016.

25 28. Upon information and belief, Joyfolie has not altered its infringing conduct
26 after receiving S&T’s letter dated January 29, 2016.

27 ///

28 ///

1 34. Prior to the filing of this Complaint, S&T, by letter dated January 29,
2 2016, informed Joyfolie of its infringement of the '299 Patent.

3 35. Thus, Joyfolie has been on notice of the '299 Patent since at least the date
4 it received S&T's letter dated January 29, 2016.

5 36. Upon information and belief, Joyfolie has not altered its infringing conduct
6 after receiving S&T's letter dated January 29, 2016.

7 37. Upon information and belief, Joyfolie's continued infringement despite its
8 knowledge of the '299 Patent and the accusations of infringement has been objectively
9 reckless and willful.

10 **COUNT IV**

11 **INFRINGEMENT OF U.S. PATENT NO. 6,317,060**

12 38. S&T repeats and realleges the allegations of paragraphs 1 through 37 as if
13 fully set forth herein.

14 39. Without license or authorization and in violation of 35 U.S.C. § 271(a),
15 Joyfolie has infringed and continues to infringes claim 19 of the '060 Patent using an
16 automated notification system for monitoring the shipments of their products from
17 fulfillment to arriving at customer's addresses. Joyfolie's automated notification
18 system comprises one or more processors, one or more memories, computer program
19 code that is stored, timed and executed, transceivers designed to communicate data, and
20 communicates when shipments are in route on vehicles. The shipment notifications
21 emails, order confirmation emails and updated tracking information Joyfolie uses to
22 keep its customers informed from the initial order to delivery are part of a suite of
23 services employed by Joyfolie as part of its automated notification system.

24 40. More specifically, Joyfolie infringes claim 19 of the '060 Patent by using
25 one or more memories and computer program code to maintain data associated with
26 each vehicle and products loaded onto such vehicles in order to monitor shipments that
27 are to be picked up by courier vehicles. It is S&T's understanding and belief that
28 Joyfolie daily stores this data for vehicle/s (different courier companies) picking up,

1 carrying customer packages and start routes to delivery. It is S&T's further
2 understanding and belief that Joyfolie also uses computer program code to monitor
3 customer orders, fulfillment processes (*i.e.*, pulled out of inventory, boxed, shipment
4 labeling, scanned out for pickup, scanned at pickup and or scanned by the courier (at
5 pick up) – each day (before cut-off pick up times) predefined shipments should occur
6 and these shipments will trigger notifications “Shipment Confirmation Emails.” It is
7 S&T's further understanding and belief that Joyfolie uses computer program code to
8 determine during a time (a.) when a product should be shipped (to meet customer
9 delivery requirements and or (b.) during a business day and when shipment cut-off
10 times are met, selected portions of data meeting shipments occurring successfully in
11 that time period. Ultimately, Joyfolie sends shipment notifications to its customers
12 informing them of their order and that their product is successfully in route for the
13 agreed upon delivery date.

14 41. S&T is entitled to recover from Joyfolie the damages sustained by S&T as
15 a result of Joyfolie's infringement of the '060 Patent in an amount subject to proof at
16 trial, which, by law, cannot be less than a reasonable royalty, together with interest and
17 costs as fixed by this Court under 35 U.S.C. § 284.

18 **PRAYER FOR RELIEF**

19 WHEREFORE, Counterclaimant requests that this Court enter judgment against
20 Counterclaim Defendant as follows:

21 A. An adjudication that Counterclaim Defendant has infringed the '207
22 patent, the '359 Patent, the '299 Patent, and the '060 Patent;

23 B. An award of damages to be paid by Counterclaim Defendant adequate to
24 compensate Counterclaimant for Counterclaim Defendant's past infringement of the
25 '207 patent, the '359 Patent, the '299 Patent, and the '060 Patent and any continuing or
26 future infringement through the date such judgment is entered, including interest, costs,
27 expenses and an accounting of all infringing acts including, but not limited to, those
28 acts not presented at trial;

1 C. A declaration that this case is exceptional under 35 U.S.C. § 285, and an
2 award of Counterclaimant's reasonable attorneys' fees;

3 D. To the extent Counterclaim Defendant's conduct subsequent to the date of
4 its notice of the '207 patent, the '359 Patent, the '299 Patent, and the '060 Patent is
5 found to be objectively reckless, enhanced damages pursuant to 35 U.S.C. § 284 for its
6 willful infringement of the '207 Patent, the '359 Patent, the '299 Patent, and the '060
7 Patent; and

8 E. An award to Counterclaimant of such further relief at law or in equity as
9 the Court deems just and proper.

10
11 Dated: April 28, 2016

NEWPORT TRIAL GROUP

12
13 By: /s/Tyler J Woods

Tyler J. Woods

14 Attorney for Defendant and Counter-
15 Claimant S&T IP LLC

1 **DEMAND FOR JURY TRIAL**

2 Pursuant to Federal Rule of Civil Procedure 38(b), Defendant and Counter-
3 Claimant hereby demands a jury trial for all issues in this case that properly are subject
4 to a jury trial.

5 Dated: April 28, 2016

NEWPORT TRIAL GROUP

6
7
8 By: /s/Tyler J Woods

Tyler J. Woods

9 Attorney for Defendant and Counter-
10 Claimant S&T IP LLC

