

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

J&H WEB TECHNOLOGIES, LLC,	§	
	§	
Plaintiff,	§	
	§	
v.	§	CIVIL ACTION NO. 4:16-cv-213
	§	JURY DEMAND
UNROLLME INC.,	§	
	§	
Defendant.	§	

ORIGINAL COMPLAINT AND JURY DEMAND

I. INTRODUCTION

This is an action for willful patent infringement and breach of contract in which Plaintiff J&H Web Technologies, LLC makes the following allegations against Defendant Unrollme Inc.:

II. PARTIES

1. Plaintiff J&H Web Technologies, LLC (“J&H”) is a Texas limited liability company with its principal place of business at 337 Garden Oaks Blvd., Suite 32776, Houston, Texas 77018.

2. On information and belief, defendant Unrollme Inc. (“Unroll.Me”) is a Delaware corporation having its principal place of business at 222 Broadway, 19th Floor, New York, NY 10038. Unroll.Me may be served via its registered agent for service of process, Incorporating Services, Ltd., 3500 S. DuPont Highway, Dover, DE, 19901.

III. JURISDICTION AND VENUE

3. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §1331 and 1338(a) and supplemental jurisdiction pursuant to 28 U.S.C. §1367.

4. This Court has personal jurisdiction over Unroll.Me. Unroll.Me has conducted and continues to conduct business within the State of Texas and within the Southern District of

Texas. Unroll.Me (directly and/or through intermediaries acting on its behalf) uses, offers for sale, sells, and/or advertises its products (including, but not limited to, the products that are accused of patent infringement in this lawsuit) in the United States, the State of Texas, and the Southern District of Texas. Unroll.Me (directly and/or through intermediaries acting on its behalf) has committed patent infringement within the State of Texas, and, more particularly, within the Southern District of Texas, as alleged in more detail below. Unroll.Me (directly and/or through intermediaries acting on its behalf) has purposefully and voluntarily placed one or more of its products (including, but not limited to, the products and services that are accused of infringement in this lawsuit) into the stream of commerce with the expectation that they will be accessed and used by customers in the State of Texas, and in the Southern District of Texas.

5. As described herein, Unroll.Me consented to this court's jurisdiction in agreeing to the Terms of Use associated with J&H's Unlistr program, which specify that the user "expressly agree[s] that the exclusive jurisdiction for any claim or action arising out of or relating to these Terms of Use or your use of Unlistr shall be filed only in the state or federal courts located in the state of Texas, and ... further agree[s] and submit[s] to the exercise of personal jurisdiction of such courts for the purpose of litigating any such claim or action."

6. As described in further detail below, substantially all of the acts related to the direction of the development of J&H's Unlistr product took place in this district and significant evidence related to the development and marketing of Unlistr (which practices various claims of the patent-in-suit as described in further detail below) to the conception and reduction to practice of the patent-in-suit (and diligence related thereto) resides in this district. Additionally, the inventor of the patent-in-suit resides in this district.

7. Venue is therefore proper in this judicial district pursuant to 28 U.S.C. §1391 and §1400.

IV. PATENT IN SUIT

8. On January 13, 2015, United States Patent No. 8,935,342 (the “’342 Patent”), entitled “Method for Detecting and Unsubscribing An Address From A Series of Subscriptions,” was duly and legally issued to inventor Henal Patel by the United States Patent and Trademark Office, after a full and fair examination. A true and correct copy of the ’342 Patent is attached as **Exhibit A**.

9. J&H is the owner of the entire right, title, and interest in and to the ’342 Patent by assignment, and has the exclusive right to sue for infringement and recover damages for all past, present and future infringement, including against Unroll.Me.

10. By way of example only, Claim 1 of the ’342 Patent recites one of the inventions disclosed in the ’342 Patent:

1. A method of processing subscriptions comprising:
identifying one or more email accounts;
accessing the mailboxes associated with the email accounts;
processing, at least a subset of the email messages in the mailboxes to identify those originating with a subscription list;
processing, at least one email message associated with a subscription list to identify methods of unsubscribing from the subscription;
wherein identifying methods of unsubscribing from the subscriptions further comprises:
identifying list-unsubscribe headers in a message header;
or
identifying unsubscribe methods within the message body;
presenting to the user the subscriptions previously identified; and
unsubscribing from, at least a single subscription in response to a user requests;
wherein identifying unsubscribe methods within the message body further comprises:
collecting unsubscribe hyperlinks from the message body;
and
identifying those hyperlinks as potential unsubscription methods.

(’342 Patent, claim 1.)

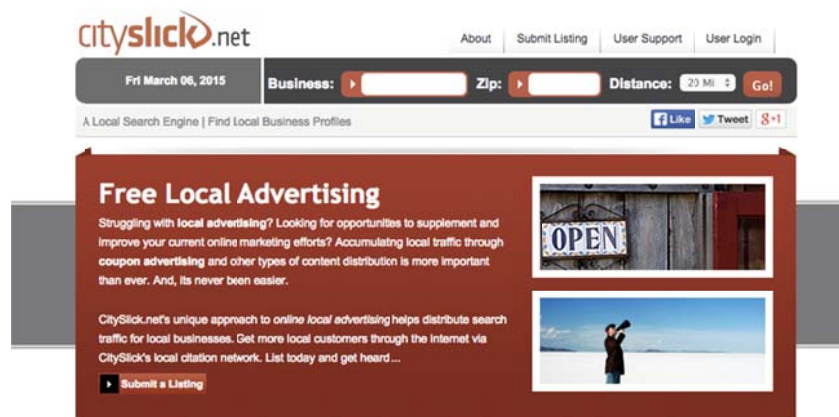
11. Unlitr has complied with the statutory requirements of 35 U.S.C §287 by placing a notice of the ‘342 Patent on its website and within the “Help” section of its software application. Notice of the ‘342 has also been placed on certain software distribution channels, including the Apple App Store and Google Play.

V. FACTUAL BACKGROUND

A. J&H WEB TECHNOLOGIES DEVELOPS USEFUL WEB-BASED PROGRAMS

12. J&H was created in October 2006 by two Houston natives and former computer science classmates, Henal Patel and James Glenn. Messrs. Patel and Glenn, after earning degrees from the Massachusetts Institute of Technology and the University of Houston, started their company with the goal of creating web-based computer technologies that are useful to consumers.

13. J&H’s first venture was www.cityslick.net, a website that provides small local businesses the opportunity to reach more customers over the internet. The website has reached over 2.4 million visitors since its inception in 2007, and has assisted over 100,000 small business owners grow with low cost online advertising. Messrs. Patel and Glenn personally engineered and programmed many aspects of the website. The website—www.cityslick.net—remains online today.



(The present interface of the cityslick.net website.)

B. INVENTOR PATEL INVENTS THE PATENTED METHODS AND SYSTEMS AND J&H DEVELOPS UNLISTR

14. In early 2010, J&H co-founder Henal Patel was inundated with unwanted subscription email (emails automatically received from distribution lists) due to companies picking up his email address from J&H's websites, as well as other sources logging his email address upon use. The process of manually unsubscribing from unwanted subscription email proved to be burdensome and time intensive.

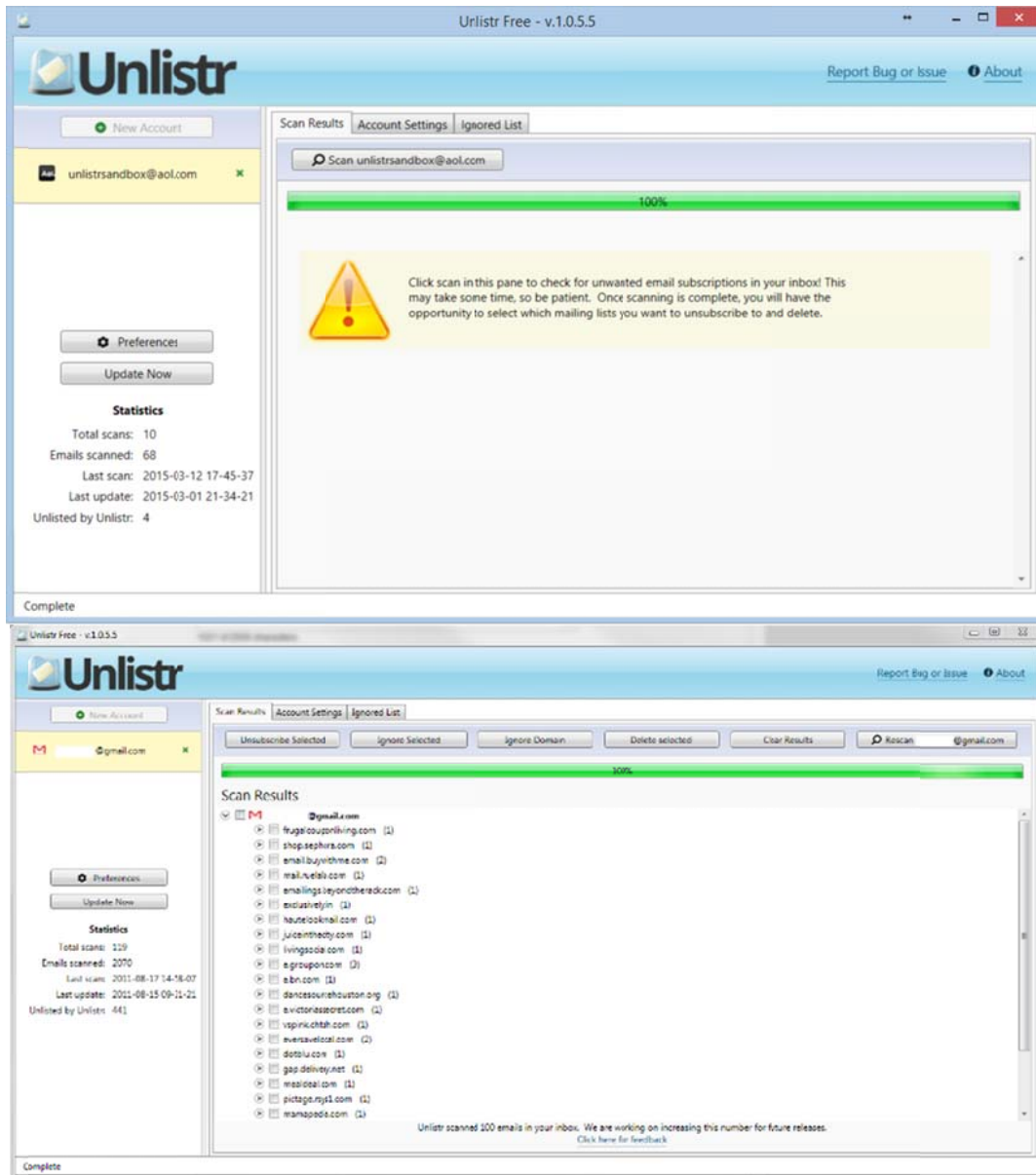
15. Mr. Patel was unable to locate a technology solution to scan and unsubscribe an email address from unwanted subscription email in bulk or automatically. Predicting that many email users likely encountered the same problem in their email inboxes, Mr. Patel set out to create a solution.

16. By September 2010, Mr. Patel had invested significant time, labor, skill, and money in creating, writing and developing a technology to mass unsubscribe an email user from unwanted subscriptions email automatically.

17. During research and development, Messrs. Patel and Glenn applied their technical expertise to create a "Regular Expressions Dictionary," which identifies over one hundred attribute properties for email subscription lists.¹ The algorithms maintained in the Regular Expressions Dictionary are email-centric and required a significant amount of testing and development. To unsubscribe one or more senders, attribute properties must be determined for each subscription list in a given email queue, and the application is then instructed to take further steps on behalf of the user, such as sending an opt-out request to a designated email address automatically or automating access to unsubscribe links within the body of an email.

¹ "RegexDictionarySettings," available at <<http://unlistr.com/download/RegexSettings.xml>> (last accessed January 21, 2016).

18. On August 29, 2011, after a year of software development, J&H publicly released Unlistr 1.0 to software distribution websites download.cnet.com and brothersoft.com. Unlistr is a software program capable of, among other things, intelligently scanning email inboxes, detecting email subscriptions using J&H's Regular Expressions Dictionary, and automatically unsubscribing from email subscriptions based on user election.



(The 2011 version of Unlistr.)

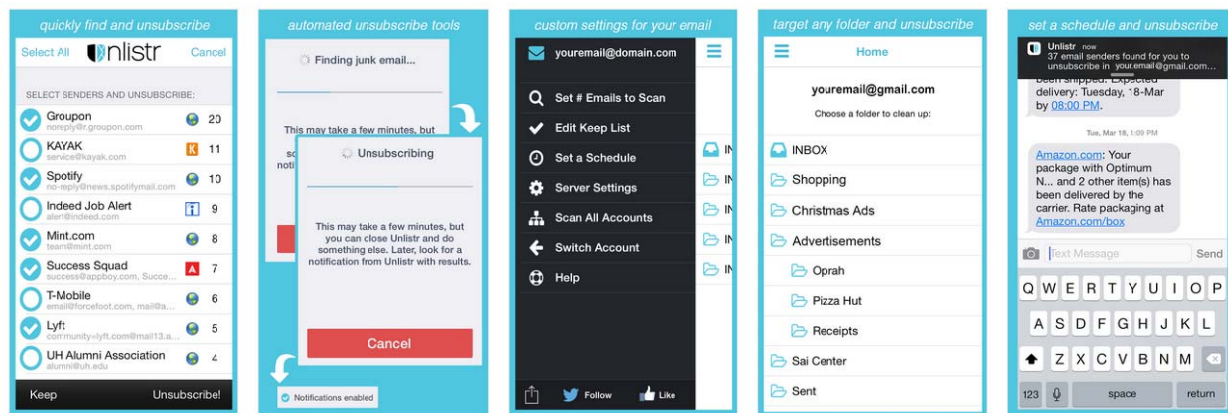
19. At the same time as the release of Unlistr 1.0, J&H launched the website for its new product, www.unlistr.com. Mr. Patel personally engineered and programmed the website, in addition to loading the Regular Expressions Dictionary on the website for connection to Unlistr 1.0.



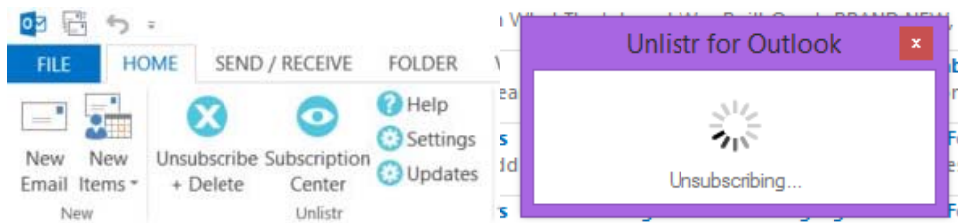
(The Unlistr website in September of 2011.)

20. Upon information and belief, within three months of the launch of Unlistr, hundreds of users downloaded the Unlistr program.

21. As a result of its popularity amongst users, J&H developed a mobile version of the application in May of 2012. J&H further improved Unlistr in May of 2014, and most recently released a version of the application for Microsoft Outlook.



(Unlstr for Mobile Devices (2012-2015).)



(Unlstr for Outlook (2014-2015).)

22. To date, J&H has devoted considerable capital resources developing, improving and marketing Unlstr's programs, website, and Regular Expressions Dictionary. In addition, to

date, J&H has expended significant time and effort to develop, test and launch Unlistr in multiple programming languages.

23. Unlistr has been downloaded approximately 65,000 times since its launch on August 29, 2011, with several thousand paying customers.

24. The Unlistr product practices claims 1-9, 14 and 16 of the '342 patent.

C. UNROLL.ME LAUNCHES ITS INFRINGING PRODUCT

25. On August 29, 2011, Unroll.Me registered as a corporation in Delaware.

26. On information and belief, Unroll.Me was created by Josh Rosenwald and Jojo Hedaya. Prior to forming Unroll.Me and following the failure of his first startup business, on information and belief, Mr. Rosenwald was in search of a technology upon which to base a startup company.

27. On information and belief, Unroll.Me did not have a Chief Technology Officer at the time that it launched its product; nor did its founders have backgrounds in technology or software engineering.

D. UNROLL.ME MISAPPROPRIATED UNLISTR'S TECHNOLOGY AND INFORMATION TO GAIN A COMPETITIVE ADVANTAGE AGAINST J&H

28. On January 3, 2013, Mr. Patel sent a letter to Unroll.Me to inform the company that he had a pending patent application that covered the technology used by Unroll.Me:

The Law Offices of
Kevin M. Jones & Associates
LLC
3 January 2013

Kevin M. Jones, Attorney
KJones@KMJonesLaw.com
Justin T. Thompson, Attorney
JThompson@KMJonesLaw.com

Josh Rosenwald, CEO
Unroll.Me Inc.
787 7 Ave 48 Floor
New York, New York 10019

Sent Via: Certified Mail RR : XXXX XXXX XXXX XXXX XXXX

Dear: Mr. Rosenwald:

I represent the legal interest of Henal Patel. Mr. Patel is the inventor and current owner of all rights to an invention titled "*Method for Detecting and Unsubscribing an Address from a Series of Subscriptions*," filed in the United States as application #13/417,174.

It has come to our attention that your company, is offering a service under the product name UnRoll.Me at a website by the same name. You may wish to have your patent counsel examine the enclosed patent documents (particularly claims 8 – 17, and 19), to determine whether a non-exclusive license is needed.

29. Approximately three months later, Josh Rosenwald of Unroll.Me contacted Mr. Patel by email. In that email, Mr. Rosenwald indicated that he had "tried" the Unlistr application:

From: **Josh Rosenwald** <josh@unroll.me>
Date: Thu, Apr 18, 2013 at 12:32 AM
Subject: Hello from Unroll.me
To: henalpatel@unlistr.com

Hey Henal,

Tried your app recently. Would love to talk about the unsubscribe business and space if you have some time?

Best,

Josh

—
Josh Rosenwald
CEO
Unroll.me
Josh@unroll.me
212 554 4564

30. From this email, received a few months after Mr. Patel sent a "patent pending" notice to Unroll.Me, Mr. Patel understood that Unroll.Me was interested in discussing a potential license to Mr. Patel's forthcoming patent.

31. Several days later, on April 29, 2013, Mr. Patel had a telephone conversation with Mr. Rosenwald and his partner, Jojo Hedaya. In the course of the conversation, Messrs. Rosenwald and Hedaya prodded Mr. Patel for information about Unlistr's user growth model and technology.

32. In particular, Messrs. Rosenwald and Hedaya asked detailed questions about J&H's two-tiered growth model for its product: a basic version of Unlistr was offered to consumers for free with a limited cap on total unsubscribes, but additional unsubscribe features required payment of a fee. During the call, both Messrs. Rosenwald and Hedaya acknowledged the innovation of Unlistr and its use of the opportunity to scale user growth by incentivizing users to take action in order to uncap unsubscribe limits.

33. Messrs. Rosenwald and Hedaya asked if J&H had secured funding for Unlistr. Mr. Patel responded and disclosed that J&H had not obtained any outside funding. Mr. Hedaya then disclosed to J&H that Unroll.me had secured \$500,000 from a funding source in New York.

34. During the call, Mr. Patel again raised the issue of the proprietary technology embodied in Unlistr and the pending application for what is now the '342 patent. Mr. Hedaya acknowledged the application for the '342 patent but declined interest in a license. Unroll.Me never again contacted J&H to discuss a potential license.

35. On information and belief, following Mr. Patel's telephone conversation with Messrs. Rosenwald and Hedaya, Unroll.Me released a new version of its application that featured a version of Unlistr's growth model: a basic version of Unroll.Me's program was offered to consumers for free with a limited number of unsubscribes per user, but uncapped unsubscribe limits were offered if the user shared Unroll.Me on the social networking site Facebook.

36. On information and belief, Unroll.Me used Unlistr's application, website, and misleading conversation with Mr. Patel to obtain Unlistr's proprietary information and incorporate it into its product to gain a competitive advantage. Unroll.Me touted these changes publicly shortly after implementing them.

37. Following these changes, on information and belief, Unroll.Me was able to attract many more users than before and gain a competitive advantage against J&H. Unroll.Me was able to gain this advantage without having to incur all of the costs and expend resources associated with testing, developing and commercializing the technology.

38. Unlistr and Unroll.me compete in identical markets in direct, head-to-head competition for users, revenue, data acquisition, and funding.

39. As a result of Unroll.Me's conduct, J&H has lost and continues to suffer damages, including loss of market share, lost profits and lost funding opportunities.

E. UNROLL.ME'S USE OF UNLISTR'S PROPRIETARY INFORMATION IS A VIOLATION OF UNLISTR'S TERMS OF USE

40. Any user of J&H's Unlistr application or website agrees to abide by the Terms of Use ("TOU") of the product and its associated website through their use.

41. Unlistr's TOU in January of 2013 included a section that read:

2. PROPRIETARY RIGHTS

You acknowledge and agree that all content and materials available on and in Unlistr, including any sub-folders, are protected by copyrights, trademarks, service marks, patents, trade secrets, or other proprietary rights and laws. Except as expressly authorized by Unlistr, you agree not to sell, license, rent, modify, distribute, copy, reproduce, transmit, publicly display, publicly perform, publish, adapt, edit, or create derivative works from such materials or content. Systematic retrieval of data or other content from Unlistr to create or compile, directly or indirectly, a collection, compilation, database, or directory without written permission from Unlistr is prohibited. In addition, use of the content or materials for any purpose not expressly permitted in these Terms of Use is prohibited.

(emphasis added.)

42. Josh Rosenwald, the CEO of Unroll.Me, agreed to abide by Unlistr's TOU, including the requirements of Section 2 ("Proprietary Rights"), as a condition to using the Unlistr application.

43. On information and belief, and in contravention of Unlistr's TOU, Mr. Rosenwald and Unroll.Me wrongly obtained J&H's proprietary information from the Unlistr website and used it to create derivative works, adaptations and/or copies and thereby gained a competitive advantage. Such derivative works included persistent advancement of Unroll.Me's "newsletter algorithms," application interface, and all of its unsubscribe technology.

44. As a result of Unroll.Me's breach of Unlistr's TOU, Unlistr has suffered economic harm.

F. UNROLL.ME'S MISAPPROPRIATION AND INFRINGING USE OF J&H'S TECHNOLOGY CAUSED J&H TO LOSE FUNDING AND BUSINESS OPPORTUNITIES

45. Mr. Patel has participated in multiple investor conferences and startup communities in Houston, Texas in order to grow J&H's technology business.

46. Unroll.Me's wrongful conduct in infringing J&H's patent has caused J&H to lose valuable opportunities for funding from investors.

47. During the teleconference held in April of 2013, Messrs. Patel, Rosenwald, and Hedaya discussed the challenges of obtaining funding in the startup world. Mr. Patel informed Messrs. Rosenwald and Hedaya that J&H was actively seeking to obtain funding from investors in its technology.

48. At the 2013 Rice Alliance IT and Web Ventures Technology forum, Mr. Patel was invited to participate in individual round table conferences with investors. The conference gave participants opportunities to have discussions with venture capitalists to obtain funding.

49. Investors were not interested in Unlistr in part because of Unroll.Me's presence in the market.

50. Alan Ying, Managing Director of Polus Entrepreneur Friendly Capital ("Polus"), initially seemed interested in discussing funding with Mr. Patel during a scheduled meeting.

However, Mr. Ying focused his initial questions on how Unlistr was different from Unroll.Me. Because Unroll.Me uses Unlistr's proprietary technology, Mr. Patel was unable to convince Mr. Ying that the programs were different in any significant way. Mr. Ying suggested to Mr. Patel that his opportunities were limited due to Unroll.Me's market presence.

51. As a result, Unlistr was unable to obtain funding from Polus and others and suffered economic harm.

52. On information and belief, Unroll.Me knew that its conduct, including its infringement and misappropriation of Unlistr's technology and information, was certain or substantially certain to interfere in J&H's prospective contracts with funders, including Polus.

53. In the meantime, Unroll.Me, after garnering success using Unlistr's patented technology, was acquired by Slice Technologies, Inc., a company that offers web and email-based services related to shopping, for tens of millions of dollars.

VI. COUNT I

Willful Infringement of U.S. Patent No. 8,935,342

54. J&H refers to and incorporates herein the allegations of paragraphs 1 through 53.

55. Unroll.Me is liable for direct infringement of the '342 Patent pursuant to 35 U.S.C. § 271(a).

56. Unroll.Me has directly infringed and continues to directly infringe, either literally or under the doctrine of equivalents, at least claim 1 of the '342 Patent by making, using, selling, and/or offering to sell in the United States certain methods and/or systems disclosed and claimed in the '342 Patent, specifically including its Unroll.Me application. A chart detailing J&H's current infringement contentions for claim 1 of the '342 patent against Unroll.Me is attached as **Exhibit B**. J&H reserves the right to amend and/or supplement this chart (including the assertion of additional claims) in accordance with the Federal Rules of Civil Procedure, Local

Patent Rules, and any other applicable rules as this action progresses. On information and belief, Unroll.me literally infringes at least claims 1-9, 14 and 16 of the '342 patent. On information and belief, the recently launched iOS version of Unroll.Me infringes the '342 patent.

57. Unroll.Me's infringement of the '342 patent has been and continues to be willful. Unroll.Me knew or should have known of a pending patent application that led to the '342 patent as early as January 2013, when J&H contacted Unroll.Me in written correspondence regarding J&H's auto unsubscribe technology and attached its patent application that resulted in the issuance of the '342 patent. Unroll.Me knew or should have known of the '342 patent upon its issuance. Unroll.Me has disregarded and continues to disregard an objectively high likelihood that its actions constitute infringement of the '342 patent. This objectively-defined risk has been known or so obvious that it should have been known to Unroll.Me.

58. Unlistr has suffered and continues to suffer damages as a result of Unroll.Me's infringement of Unlistr's '342 Patent. Pursuant to 35 U.S.C. § 284, Unlistr is entitled to recover damages from Unroll.Me for its infringing acts in an amount subject to proof at trial, but no less than a reasonable royalty. J&H has suffered lost profits as a result of Unroll.Me's continued willful infringement in the form of lost profits on subscription revenue, lost data acquisition opportunities and lost funding opportunities, as described above. Unlistr is further entitled to enhanced damages for Unroll.Me's acts of willful patent infringement pursuant to 35 U.S.C. § 284.

59. Unroll.Me's infringement of Unlistr's '342 Patent has damaged and will continue to damage J&H, causing irreparable harm for which there is no adequate remedy at law, unless Unroll.Me is enjoined by this Court.

VII. COUNT II

Breach of Contract

60. J&H realleges and incorporates paragraphs 1-59 as though set forth fully herein.

61. As alleged herein, Unroll.Me (acting by and through Josh Rosenwald, in his capacity as CEO), entered into a valid contract with J&H when it agreed to Unlistr's Terms of Use and was subsequently permitted to use Unlistr.

62. As alleged herein, Mr. Rosenwald and Unroll.Me breached their obligations under the TOU when they obtained proprietary and patent-protected information from Unlistr and the Unlistr website to create derivative works and to gain a competitive advantage for their application.

63. As alleged herein, J&H has suffered commercial damage as a result of this breach of Unlistr's TOU.

VIII. PRAYER FOR RELIEF

WHEREFORE, J&H respectfully requests that this Court enter judgment in its favor and against Defendant Unroll.Me, granting the following relief:

1. Judgment in J&H's favor that Unroll.Me infringed and continues to infringe one or more claims of the '342 Patent.

2. An award to J&H of damages adequate to compensate it for Unroll.Me's acts of patent infringement, including lost profits, but in no event less than a reasonable royalty, together with interest and costs as fixed by the Court pursuant to 35 U.S.C. § 284.

3. An award to J&H of enhanced damages, up to and including treble damages, pursuant to 35 U.S.C. § 284, for Unroll.Me's acts of willful infringement.

4. A grant of permanent injunction pursuant to 35 U.S.C. § 283 against Unroll.Me, enjoining Defendant from further acts of patent infringement.

5. Award J&H its lost profits and/or other economic damages for Unroll.Me's breach of contract.

6. An award to J&H of its costs of suit and reasonable attorneys' fees pursuant to 35 U.S.C. § 285 due to the exceptional nature of this case and pursuant to Tex. Civ. Prac. & Rem. Code § 38 due to Unroll.Me's breach of contract.

7. Award J&H pre-judgment and post-judgment interest on its damages.

8. Any further relief that this Court deems just and proper.

Dated: January 25, 2016.

Respectfully submitted,

/s/ Matthew R. Rodgers
Matthew R. Rodgers (Attorney-in-Charge)
Texas Bar No. 24041802
S.D. Texas No. 37378
Email: mrodgers@wmalaw.com
710 N. Post Oak Rd., Suite 350
Houston, Texas 77024
Telephone: (713) 934-7000
Facsimile: (713) 934-7011

OF COUNSEL:

Chris N. Cravey
Texas Bar No. 24034398
S.D. Texas No. 37696
Email: cravey@wmalaw.com
WILLIAMS MORGAN, P.C.
710 N. Post Oak Rd., Suite 350
Houston, Texas 77024
Telephone: (713) 934-7000
Facsimile: (713) 934-7011

**ATTORNEYS FOR PLAINTIFF
J&H WEB TECHNOLOGIES, LLC.**