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

limited liability company,	
Plaintiff,	
v.	Civil Action No.:
Apple Inc.,	
Defendant.	

## COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff, Sportbrain Holdings LLC ("Sportbrain"), through its attorney, Isaac Rabicoff, complains of **Apple Inc.** ("Apple") as follows:

## NATURE OF THE ACTION

1. This is a patent infringement action to stop Defendant's infringement of Plaintiff
Sportbrain's United States Patent No. 7,454,002 entitled "Integrating Personal

Data Capturing Functionality Into a Portable Computing Device and a Wireless

Communication Device" (hereinafter, the "'002 Patent" or the "Patent-in-Suit"). A

copy of the '002 Patent is attached hereto as Exhibit A. Sportbrain seeks monetary

damages.

#### THE PARTIES

2. Plaintiff Sportbrain is an Illinois limited liability company. Sportbrain is the exclusive licensee of the Patent-in-Suit, and possesses all rights thereto, including

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the exclusive right to exclude Apple from making, using, selling, offering to sell or importing in this district and elsewhere into the United States the patented invention(s) of the Patent-in-Suit, the right to sublicense the Patent-in-Suit, and to sue Apple for infringement and recover past damages.

3. Apple Inc. is a company organized under the laws of California with its principal place of business located in Cupertino, California.

#### JURISDICTION AND VENUE

- This is an action for patent infringement arising under the Patent Laws of the United States, Title 35 of the United States Code.
- 5. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).
- This Court has personal jurisdiction over Defendant because, among other things, it transacts business in this judicial district, at least by offering to sell, selling and/or advertising infringing products and services, including at least the Apple Watch and iPhone product line (e.g., iPhone 7; "iPhone") when each is used in conjunction with the watchOS3 and Apple companion apps, including the Activity app (collectively "Accused Products and Services"), in such a way as to reach customers in Illinois and this judicial district including, but not limited to, over the internet, and through Apple retail stores located throughout this district. Defendant also directly markets and sells its infringing products and services to Illinois residents, including through their own website, https://www.apple.com.
- Defendant has, consequently, committed acts of infringement in this judicial district.

8. Venue is proper in this district under 28 U.S.C. §§ 1391(b)-(d) and 1400(b) because a substantial part of the events giving rise to the claims occurred in this judicial district, and Defendant has committed acts of infringement in this district.

#### **COUNT I: INFRINGEMENT OF THE '002 PATENT**

- Sportbrain realleges and incorporates by reference the above paragraphs of this
   Complaint, inclusive, as though fully set forth herein.
- 10. The '002 Patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code.
- 11. Defendant has infringed and continue to infringe the '002 Patent, either literally or under the doctrine of equivalents. Upon information and belief, Defendant has infringed and continues to infringe one or more claims of the '002 Patent by making, using, selling, providing, advertising and/or importing, directly or through intermediaries, in this district and elsewhere in the United States, devices for integrating a personal data capturing functionality into a wireless communication device and for analyzing and supplying feedback information to a user through the combined use of the personal parameter receiver, a wireless communication device, a network server, and website in this district and elsewhere in the United States through its website.
- Each of the Accused Products and Services infringes at least claim 1 of the '002Patent.
- In particular, using at least an accelerometer and/or motion sensor, the AppleWatch and iPhone each separately and/or in conjunction with each other act as the

personal parameter receiver by collecting data about the activity of the user including at least recording the number of steps taken by the user when the product is active. For example, the Apple Watch, watchOS3 and Apple companion apps (collectively the "Apple product") connect to wireless communication devices, including smartphones, for capturing personal data via a bluetooth connection. The Apple product periodically transmits personal data, including at least step data, from at least a smartphone to a network server over a wireless network. A network server then analyzes the personal data of the user and generates feedback information; this feedback information is posted to a website in at least a graphical and chart form for the user, and includes at least daily and weekly progress and other health and fitness metrics, including at least step count data. The aforementioned website and Apple companion apps also allow a user to compare that user's personal data, at least in relation to the user's friends, and posts that comparison of the personal data.

- 14. Defendant has also partnered with third parties to provide additional companion apps, services, and/or fitness tracker devices; to the extent that these third party companion apps, services, and/or fitness tracker devices (in combination with the Apple Watch) carry out the remaining steps of the method in at least claim 1, these acts are attributable to Defendant under a theory of divided infringement, and Defendant directly infringes on the patent-in-suit.
- 15. Defendant also has and continues to indirectly infringe one or more claims of the asserted patent by inducing others to infringe, including merchants and end-users

through their use of the Accused Products and Services. Specifically, Defendant has actively induced, and continues to induce, the infringement of one or more claims of the '002 Patent at least by actively inducing its customers, including merchants and end-users to use Defendant's devices for integrating a personal data capturing functionality into a wireless communication device and for analyzing and supplying feedback information to a user through the combined use of the personal parameter receiver, a wireless communication device, a network server, and website in this district and elsewhere in the United States through its website. Upon information and belief, Defendant has specifically intended that its customers use the Accused Products and Services that infringe the '002 Patent by, at a minimum, providing access to, support for, training and instructions for, the Accused Products and Services to its customers to enable said customers to use said apparatus, products and services in such a way that infringes the '002 Patent. Even where performance of the steps required for infringement of one or more claims of the '002 Patent is accomplished by Defendant and Defendant's customer jointly, Defendant's actions have solely caused all of the steps to be performed.

- 16. Defendant also contributed to the infringement of the patent-in-suit, with knowledge of infringement, violating 35 USC § 271(c) by its design, use, manufacture, importation, distribution, sale and offer for sale of the Accused Products and Service.
- 17. Defendant knew that its conduct of advertising and instructing would induce others others to use its products and services in a manner infringing the '002 Patent.

- 18. Without permission or compensation to Sportbrain, Defendant decided to take Sportbrain's inventions and utilize its patented technology in its Accused Products and Services. On this basis, this infringement has been willful, deliberate, and in reckless disregard of Sportbrain's patent rights.
- 19. Sportbrain has complied with the provisions of 35 U.S.C. § 287 to the extent they are applicable.
- 20. Defendant's infringement has injured Sportbrain and it is entitled to recover damages adequate to compensate it for such infringement, but in no event less than a reasonable royalty, together with interest and costs.

WHEREFORE, Plaintiff Sportbrain respectfully asks this Court to enter judgment against Defendant Apple Inc. for infringement and against its respective subsidiaries, successors, parents, affiliates, officers, directors, agents, servants, employees, and all persons in active concert or participation with it, granting the following relief:

- A. Apple has infringed and are infringing one or more claims of the '002 Patent;
- B. Apple accounts to Sportbrain for damages adequate to compensate for Apple's infringement of the '002 Patent and that such damages be awarded to Sportbrain, including pre-judgment and post-judgment interest;
- C. Sportbrain's damages be trebled as a result of Apple's willful infringement of the '002 Patent;

- D. This case be adjudged as an exceptional case pursuant to 35 U.S.C. § 285 and that the Court award Sportbrain its expenses and attorneys' fees incurred in bringing and prosecuting this action; and
- E. Sportbrain be awarded such further and additional relief as the Court deems just and proper.

## **JURY DEMAND**

Under Rule 38(b) of the Federal Rules of Civil Procedure, Sportbrain respectfully requests a trial by jury on all issues.

Respectfully submitted,

/s/ Isaac Rabicoff
Counsel for Plaintiff

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