IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS DALLAS DIVISION

JACK HENRY & ASSOCIATES, INC.,)
Plaintiff,))
v.)
LUPERCAL, LLC,))
Defendant.)

Case No. 3:22-cv-798

<u>COMPLAINT FOR DECLARATORY JUDGMENT OF</u> <u>PATENT NONINFRINGEMENT AND INVALIDITY</u>

Plaintiff Jack Henry & Associates, Inc. (Jack Henry) files this complaint for declaratory judgment of patent non-infringement and invalidity against Defendant Lupercal, LLC (Lupercal) as follows:

NATURE OF THE ACTION

1. This is an action for declaratory judgment that U.S. Patent No. 9,386,094 ('094 patent) is not infringed by Jack Henry and is invalid.

2. Lupercal is the assignee of the '094 patent. A copy of the '094 patent is

submitted herewith as Exhibit A.

THE PARTIES

 Jack Henry is a Delaware corporation having a principal place of business in Missouri.

4. Lupercal is a Delaware limited liability company having a principal place of business in Dallas, Texas.

JURISDICTION AND VENUE

5. This action is brought pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202 and the Patent Laws of the United States, 35 U.S.C. §§ 1-390.

6. This Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C. §§ 1331 and 1338(a), as Lupercal has accused Jack Henry products (Accused Jack Henry Products) of infringing the '094 patent, including the use of Accused Jack Henry Products by Jack Henry's customers.

7. The Accused Jack Henry Products are sold or licensed to Jack Henry's customers in this District. Jack Henry has agreed to indemnify and defend its customers for claims of patent infringement related to their use of the Accused Jack Henry Products, including claims brought by Lupercal against Jack Henry's customers.

8. This Court has personal jurisdiction over Lupercal because Lupercal's principal place of business is in this District.

9. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391(b)-(d) and 1400(b).

STATEMENT OF FACTS

10. A real and immediate controversy exists between Jack Henry and Lupercal concerning Lupercal's allegations that the Accused Jack Henry Products infringe the '094 patent.

11. Lupercal alleges the Accused Jack Henry Products infringe at least one claim of the '094 patent. Specifically, on January 28, 2022 Lupercal filed a suit against Ally Financial, Inc. (Ally) alleging Ally infringes one or more claims of the '094 patent. The products Lupercal accuses of infringement with respect to Ally are Accused Jack Henry Products originally provided by Ensenta Corporation to Ally. A copy of the subject complaint, *Lupercal, LLC v. Ally Financial, Inc.*, No. 2:22-cv-00026-JRG-RSP, is submitted herewith as Exhibit B.

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12. At the time Lupercal filed its complaint against Ally through the present, Jack Henry provided and provides the products to Ally that Lupercal has accused of infringement, and Jack Henry has a contractual duty to indemnify and defend Ally for Lupercal's claims. A copy of the indemnity agreement is submitted herewith as Exhibit C.¹

The agreement in Exhibit C is between Ally and Ensenta Corporation. In 2017,
 Jack Henry purchased Ensenta Corporation and assumed the indemnity obligations set forth therein.

14. Ally and/or Jack Henry have customers in this District who utilize the Accused Jack Henry Products.

15. Upon information and belief, Lupercal has solicited licenses and/or actually entered into licenses with financial institutions or other businesses who are located within this District and/or who have customers who utilized products in this District which are accused by Lupercal.

COUNT I (DECLARATION OF NON-INFRINGEMENT OF THE '094 PATENT)

16. Jack Henry incorporates the previous allegations by reference as if fully set forth.

17. Lupercal has alleged and contends that the Accused Jack Henry Products infringe one or more claims of the '094 patent.

18. Jack Henry has not and does not make, use, offer to sell, sell, or import any product which infringes any valid claim of the '094 patent either directly or through the doctrine of equivalents.

¹ The agreement has been redacted in accordance with the confidentiality provisions set forth therein.

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19. Jack Henry has not and does not induce or contribute to the alleged infringement of the '094 patent.

20. As a result of Lupercal's allegations that Accused Jack Henry Products infringe the '094 patent , an actual and justiciable controversy exists between Lupercal and Jack Henry regarding Jack Henry's noninfringement of the '094 patent. Absent a declaration of noninfringement, Lupercal will continue to wrongfully assert the '094 patent against Jack Henry and/or Jack Henry's customers and licensees, including Ally, and thereby cause Jack Henry irreparable injury and damages.

21. Therefore, Jack Henry is entitled to a judgment from this Court declaring that the Accused Jack Henry Products do not infringe any valid claim of the '094 patent.

COUNT II (DECLARATION OF INVALIDITY OF THE '094 PATENT)

22. Jack Henry incorporates the previous allegations by reference as if fully set forth.

23. The claims of the '094 patent are invalid because they fail to satisfy the requirements of Title 35 of the United States Code, including but not limited to 35 U.S.C. §§
102, 103, 112, and/or 120, and/or based on other judicially-created bases for invalidation.

24. The claims of the '094 patent are invalid under 35 U.S.C. § 101 because the claimed invention utilizes conventional components in their normal and expected manner to perform the abstract idea of generating a visual representation of an image, associating information with the image, and formatting the image for submission. None of the elements of the '094 patent claims, considered both individually and as ordered combinations, transform the nature of the claims into a patent-eligible invention.

25. Prior to the earliest claimed priority date of the '094 patent, a person performing printing or publishing services could perform a prepress process to generate a printer's proof,

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which is a visual representation of an image; perform typesetting of textual material with the image; preprocess the image based on printer's specifications; and submit the processed image for print or publication.

26. Prior to the earliest claimed priority date of the '094 patent, website creators could perform similar manipulation and processing of digital content for publication on the Internet with a high degree of automation.

27. The '094 patent does not use the term "mobile deposit," "check deposit," or "mobile banking."

28. The named inventors of the '094 patent did not invent "mobile deposit," "check deposit," "mobile banking," image capture, image pre-processing, or transmitting pre-processed images.

29. Prior to the earliest claimed priority date of the '094 patent, generating a visual representation of digital content was known in the art.

30. Prior to the earliest claimed priority date of the '094 patent, retaking an image to replace another image was known in the art.

31. Prior to the earliest claimed priority date of the '094 patent, associating text information with digital content was known in the art.

32. Prior to the earliest claimed priority date of the '094 patent, preprocessing digital content based on processing parameters, including from a third party, was known in the art.

33. Prior to the earliest claimed priority date of the '094 patent, submitting and transmitting digital content, including preprocessed digital content, over the Internet was known in the art.

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34. The claims of the '094 patent are invalid under 35 U.S.C. § 102 as anticipated by the prior art because one or more elements of the claimed invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicants, or patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application.

35. The claims of the '094 patent are invalid under 35 U.S.C. § 103 as obvious in view of the prior art because any differences between the claims and the prior art are such that the claimed subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the relevant art. A person having ordinary skill in the relevant art would have had reason to combine the teachings of the prior art to achieve the claimed inventions and would have had a reasonable expectation of success in doing so.

36. The '094 patent is invalid under 35 U.S.C. § 112 because it does not contain a written description of the claimed invention, and of the manner and process of making and using the invention, in such full, clear, concise and exact terms as to enable a person of ordinary skill in the art to which it pertains, or with which it is most nearly connected, to make and use the invention.

37. The '094 patent is invalid under 35 U.S.C. § 112 because it does not contain a written description of the claimed invention, and of the manner and process of making and using the invention, in such full, clear, concise, and exact terms as to demonstrate to a person of ordinary skill in the art that the alleged inventors were in possession of the full scope of the subject matter of the claims contained therein.

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38. The '094 patent is invalid under 35 U.S.C. § 112 because one or more claims of the '094 patent do not particularly point out and distinctly claim the subject matter the inventors regarded as the invention.

39. All claims of the '094 patent are not patentably distinct from its parent U.S. Patent Nos. 7,765,482 and 8,612,515.

40. Many of the claims in U.S. Patent Nos. 7,765,482 and 8,612,515 were found to be unpatentable by the United States Patent and Trademark Office Patent Trial and Appeal Board in *Google Inc. v. Summit 6 LLC*, IPR2015-00807; *Samsung Electronics Co., Ltd. v. Summit 6 LLC*, IPR2016-00029; and *Google Inc. v. Summit 6 LLC*, IPR2015-00806.

41. Upon information and belief, all claims of the '094 patent are invalid under 35 U.S.C. § 102 and/or § 103 based on prior art disclosed in *Google Inc. v. Summit 6 LLC*, IPR2015- 00807; *Samsung Electronics Co., Ltd. v. Summit 6 LLC*, IPR2016-00029; and *Google Inc. v. Summit 6 LLC*, IPR2015-00806.

42. Upon information and belief, PictureWorks provided an Internet software technology called NetCard that was capable of combining text, images, video, and sound for publication over email. Upon information and belief, NetCard was described, in public use, on sale, or otherwise available to the public in the United States prior to the earliest claimed priority date of the '094 patent. Upon information and belief, NetCard either anticipates all of the claims of the '094 patent or renders these claims obvious either alone or in combination with other prior art.

43. Upon information and belief, PictureWorks provided an imaging software application called PhotoEnhancer for use on a phone. Upon information and belief, PhotoEnhancer included a one-step image processing tool that could automatically edit and

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improve pictures from digital cameras. Upon information and belief, PhotoEnhancer was described, in public use, on sale, or otherwise available to the public in the United States prior to the earliest claimed priority date of the '094 patent. Upon information and belief, PhotoEnhancer either anticipates all of the asserted claims of the '094 patent or renders these claims obvious either alone or in combination with other prior art.

44. Upon information and belief, PictureWorks provided an Internet software technology called Real Estate Internet Marketing Toolkit that enabled a user to create digital content and post it to the Internet. Upon information and belief, Real Estate Internet Marketing Toolkit was described, in public use, on sale, or otherwise available to the public in the United States prior to the earliest claimed priority date of the '094 patent. Upon information and belief, Real Estate Internet Marketing Toolkit either anticipates all of the asserted claims of the '094 patent or renders these claims obvious either alone or in combination with other prior art.

45. Upon information and belief, further prior art search efforts are likely to reveal additional invalidating prior art disclosures.

46. As a result, and in view of Lupercal's allegations that Accused Jack Henry Products infringe the '094 patent, an actual and justiciable controversy exists between Lupercal and Jack Henry regarding the validity of the '094 patent. Absent a declaration of invalidity, Lupercal will continue to wrongfully assert the '094 patent against Jack Henry, Jack Henry products, and/or Jack Henry's customers and licensees, and thereby cause Jack Henry injury and damages.

47. Therefore, Jack Henry is entitled to a judgment from this Court declaring the '094 patent is invalid.

JURY DEMAND

Pursuant to Federal Rule of Civil Procedure 38, Jack Henry demands a trial by jury on all issues so triable.

PRAYER FOR RELIEF

Wherefore, Jack Henry prays as follows:

a. for a declaratory judgment that the Accused Jack Henry Products have not

and do not infringe any valid claim of the '094 patent;

b. for a declaratory judgment that the '094 patent is invalid and/or

unenforceable;

c. for a determination that this is an exceptional case pursuant to 35 U.S.C. §

285;

d. for an order and judgment awarding costs and attorneys' fees to Jack

Henry; and

e. for all other relief to which it may be entitled.

Dated: April 7, 2022.

Respectfully submitted,

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