

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

KEYSOFT, INC.,

Plaintiff,

v.

AMAZON.COM, INC.,

Defendant.

C.A. No. _____

DEMAND FOR JURY TRIAL

**PLAINTIFF KEYSOFT, INC.’S COMPLAINT FOR
PATENT INFRINGEMENT AND JURY DEMAND**

Plaintiff Keysoft, Inc. (“Plaintiff” or “Keysoft”), by and through its undersigned counsel, file this Complaint for Patent Infringement against Amazon.com, Inc. (dba Amazon) (“Defendant” or “Amazon”) and alleges as follows:

NATURE OF THE ACTION

1. This action seeks legal and equitable relief based on Amazon’s unlawful infringement of U.S. Patent No. 8,271,315 (“the ’315 Patent” or “Patent-in-Suit”), which generally relates to Personal Information Utilization Systems and Personal Information Utilization Program for Commodity Based Identification to improve the quality of service for customers by sharing and utilizing personal information on customers amongst a variety of industries.

PARTIES

2. Plaintiff Keysoft is a Japanese corporation with a place of business at 116-1, Kouyama, Matsuda-Machi, Ashigarakami-Gun, Kanagawa, Japan 258-0002.

3. Defendant Amazon is a Delaware corporation with a place of business at 440 Terry Avenue North, Seattle, WA, 98109. Amazon is a publicly traded company that may be

served through its registered agent for service, Corporation Service Company, 251 Little Falls Drive, Wilmington, Delaware 19808.

JURISDICTION AND VENUE

4. This is a civil action that arises under the Patent Laws of the United States, 35 U.S.C. § 1 et seq., including, but not limited to, 35 U.S.C. §§ 271 and 281. The Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338.

5. The Court has both general and specific personal jurisdiction over Amazon because Amazon is a Delaware corporation, and continuously and systematically conducts business in the State of Delaware and in this judicial district. Amazon has also purposefully availed itself of the benefits of this Court; see, e.g., *Amazon.com, Inc. v. WDC Holdings LLC*, Civ. No. 1:2021-mc-00531, (D. Del. 2021); *Amazon.com, Inc. v. Cendant Corp.*, Civ. No. 1:2006-cv-00041, (D. Del. 2006); *Amazon.com, Inc. v. CITI Services Inc.*, Civ. No. 1:1999-cv-00543, (D. Del. 1999). Exercising personal jurisdiction over Amazon in this patent infringement action comports with due process and traditional notions of fair play and substantial justice.

6. Amazon also maintains a regular and established place of business within this judicial district. For example, and without limitation, Amazon has maintained a regular and established place of business with offices and/or other facilities located at 1025 Boxwood Rd., Wilmington, DE 19804. At 3.8 million square feet, it is the largest Amazon fulfilment center in the United States. See <https://www.delawareonline.com/story/money/business/2021/09/21/amazon-opens-megawarehouse-delaware/8347000002/>. Amazon additionally maintains offices in this judicial district including at 560 Merrimac Ave., Middletown, Delaware 19709 and 820 Federal School Lane, New Castle, Delaware 19720.

7. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391 and 1400(b), in that Amazon is a Delaware corporation, is subject to personal jurisdiction in this judicial district, and has further committed acts of infringement in this judicial district.

BACKGROUND

Mr. Yoshimitsu Kagiwada and the Patent-in-Suit

8. The named inventor of the patent-in-suit, the '315 patent, and a CEO of Keysoft, Mr. Yoshimitsu Kagiwada, graduated from Keio University, and has been an innovator in the field of big data marketing for over two decades.

9. Mr. Kagiwada founded Keysoft in November of 1992 in response to his independent research and analysis revealing linkages between apparently unrelated events and purchases.

10. At that time, Mr. Kagiwada was serving as a director of a bedding manufacturer and conducted independent research looking into when and why customers typically purchase bedding. He found that (i) 30% of purchases occurred during marriage, (ii) 30% occurred during home construction, and (iii) 25% during relocation. In fact, when Mr. Kagiwada compared the effectiveness of distributing bedding flyers to newly constructed homes versus other existing residences, the former showed significantly better results.

11. Mr. Kagiwada, thus, discovered that by leveraging data related to events such as new home construction, relocation, and marriage, sales of bedding, furniture, and home appliances could be increased by targeted advertising based upon event and occurrences unrelated to bedding sales in the first instance.

12. Based on this discovery, the patent application that matured into the '315 Patent was filed in May 2001, and was granted in the U.S. and Japan.

13. Mr. Kagiwada, additionally, filed a patent application for crowdfunding in February 2001, and which was granted in Japan in 2011.

14. Mr. Kagiwada is a named inventor of 3 issued U.S. patents, including those in the field of big data marketing as well as over 15 pending and/or published applications in the U.S.,¹ and holds approximately 30 other patents worldwide.

Amazon’s Sponsored Display audiences

15. Amazon offers its Sponsored Display audiences to individuals and companies conducting business on Amazon.²

16. According to Amazon, “Sponsored Display audiences is a display targeting strategy that uses Amazon shopping signals to help advertisers of all sizes grow their businesses and engage shoppers across the purchase journey wherever they spend time. Flexible controls enable advertisers to use self-service display ads to introduce products, engage new customers, and remarket with scale, helping existing Amazon Ads efforts.”

17. Upon information and belief, Amazon began offering Sponsored Display audiences commercially at least as early as 2012.

18. Upon information and belief, Amazon markets, offers, leases, and sells its Sponsored Display audiences nationwide.

19. In operation, Amazon Sponsored Display audiences stores customer information received from users selling products and services on Amazon, checks such customer information against other customer information to identify similarities in customer purchases and interests based upon the “audience(s)” (groups of customers) that are predefined or selected based upon certain criterion identified by a user by checking, and sends advertisement and information relating to the user to the identified potential new customer.

¹ Information regarding Mr. Kagiwada’s U.S. patents and applications may be found at <https://patents.justia.com/inventor/yoshimitsu-kagiwada> (last accessed February 21, 2024).

² Information regarding Amazon’s Sponsored Display audiences was obtained from <https://advertising.amazon.com/library/guides/sponsored-display-audiences> (last accessed February 21, 2024).

20. The customer information includes basic customer information and data as well as past purchases, lifestyle, interests, and life events.

21. According to Amazon, customer information of an audience “reflect a variety of aggregated shopping and viewing behaviors, including shopping on Amazon, browsing on IMDb, streaming on Prime Video, or streaming on Twitch. These behaviors reflect shared preferences and map to lifestyle segments such as “foodies,” “sports enthusiasts,” “tech enthusiasts,” and more.”³

22. Amazon Sponsored Display audiences’ users have access to a predefined “catalog of audience segments” that have “viewed [the user’s] detail page as well as new audiences that have viewed detail pages of similar products or any category on Amazon to help drive consideration and awareness.”⁴

23. Regarding new customers, Amazon Sponsored Display audiences’ “similar advertised product” feature checks stored customer information and identifies potential new customers using Amazon’s “machine learning algorithms to reach viewers of other popular products, helping add scale to campaigns for both new and established products.”⁵

24. Amazon Sponsored Display audiences then sends advertisement(s) and information relating to the seller to the identified customer(s) in the respective audiences.

³ Information regarding Amazon’s Sponsored Display audiences was obtained from <https://advertising.amazon.com/library/guides/sponsored-display-audiences> at “What audiences are available?” (last accessed February 21, 2024).

⁴ Information regarding Amazon’s Sponsored Display audiences was obtained from <https://advertising.amazon.com/library/guides/sponsored-display-audiences> at “Control and flexibility” (last accessed February 21, 2024).

⁵ Information regarding Amazon’s Sponsored Display audiences was obtained from <https://advertising.amazon.com/library/guides/sponsored-display-audiences> at “Custom-built and Amazon audiences” (last accessed February 21, 2024).

25. Upon information and belief, Amazon has received hundreds of millions of dollars in revenues from Amazon's Sponsored Display audiences activities in the United States.

Amazon had actual knowledge of the '315 Patent no later than 2018

26. In 2018, Mr. Kagiwada (the named inventor of the '315 Patent) visited Amazon's Japanese Headquarters in Tokyo met with two Amazon representatives.

27. During the meeting, Mr. Kagiwada advised the Amazon representatives that he possessed the fundamental patents for collecting, storing, and comparing customer information to assist merchants in targeting advertisements (product marketing materials) to customers based upon their prior purchases, transactions, and other personal information. Mr. Kagiwada also provided the Amazon representatives with printed copies of the '315 Patent and Japanese patent.

28. The representatives suggested a meeting with Mr. Jeff Bezos in California, but that meeting was never scheduled, and Keysoft has not received further communications from Amazon.

Patent-In-Suit

29. On September 18, 2012, U.S. Patent No. 8,271,315 ("the '315 Patent"), entitled "Personal Information Utilization Systems And Personal Information Utilization Program For Commodity Based Identification," was duly and legally issued by the U.S. Patent and Trademark Office to Mr. Yoshimitsu Kagiwada. A true and correct copy of the '315 Patent is attached hereto as Exhibit 1.

30. Keysoft is the assignee of the '315 Patent and has all substantial rights to sue for infringement and collect damages for past infringement.

31. The '315 Patent claims priority to PCT No. PCT/JP02/11502 filed on November 5, 2002, and the '315 Patent published as U.S Patent Application Publication U.S.

2006/0155646 on July 13, 2006.

32. Claim 1 of the '315 Patent recites:

1.	A personal information utilization system comprising:
	a personal information storage means;
	a communication means; and
	a processor configured for controlling operation of the personal information storage means and the communication means, said personal information storage means storing personal information of a plurality of information disclosing persons and storing first commodity provision information pertaining to a first commodity provided to at least one of the plurality of information disclosing persons by a first commodity provider, and the processor further configured for:
a)	receiving second commodity provision information from a second commodity provider that is different than the first commodity provider, the second commodity provision information received from an information search side terminal via said communication means, the second commodity provision information including at least one of an attribute of the first commodity or information pertinent to providing the first commodity;
b)	checking said received second commodity provision information against the first commodity provision information;
c)	identifying, as a result of said checking, at least one specific information disclosing person from the plurality of information disclosing persons, the at least one specifically identified information disclosing person associated with said first commodity provision information, said identifying by using the second commodity provision information as a key such that the second

	commodity provision information at least partially coincides with the first commodity provision information;
d)	reading out at least a portion of the personal information of said at least one specifically identified information disclosing person from said personal information storage means; and
e)	transmitting said read out at least a portion of the personal information to said information search side terminal via the communication means.

33. Claim 2 of the '315 Patent recites:

2.	A non-transitory computer-readable medium having stored thereon a personal information utilization program that, when executed by an information processing means, performs a method comprising:
a)	receiving second commodity provision information from a second commodity provider;
b)	checking the second commodity provision information against first commodity provision information pertaining to a first commodity provided to at least one of a plurality of information disclosing persons by a first commodity provider, the first commodity provider different than the second commodity provider;
c)	identifying, as a result of the checking, at least one specific information disclosing person of the plurality of information disclosing persons, the at least one specific information disclosing person associated with said first commodity provision information, said identifying by using at least a portion of the second commodity provision information as a key such that the second commodity provision information partially coincides with the first

	commodity provision information;
d)	reading out personal information of the at least one specific information disclosing person from a personal information storage means that stores respective personal information of each of the plurality of information disclosing persons; and
e)	transmitting at least a portion of said read out personal information to said second commodity provider via a communication means.

COUNT I – PATENT INFRINGEMENT

34. Plaintiff Keysoft incorporates by reference and realleges Paragraphs 1-[33] of its Complaint, and further incorporates by reference the Preliminary Infringement Claim Chart U.S. Patent 8,271,315; Claims 1 and 2 (attached as Exhibit 2), as though both are fully set forth herein.

35. The allegations provided below are exemplary and without prejudice to Keysoft's infringement contentions. In providing these allegations, Keysoft does not convey or imply any particular claim constructions or the precise scope of the claims. Keysoft's claim construction contentions regarding the meaning and scope of the claim terms will be provided under the Court's scheduling order and local rules.

36. The '315 Patent is presumed valid pursuant to 35 U.S.C. § 282.

37. Upon information and belief, all of the infringing activities are controlled by Amazon entities located within the United States and occur within the United States.

38. Amazon had actual notice of the '315 Patent no later than 2018.

39. Amazon is not licensed or authorized to make, use, sell, offer to sell, or import any product or service that is covered by the claims of the '315 Patent.

40. Upon information and belief, Amazon has directly infringed and will continue

to directly infringe, either literally or under the doctrine of equivalents, one or more claims of the '315 Patent in violation of 35 U.S.C. § 271(a), including but not limited to Claims 1 and 2, every time Amazon makes, uses, offers to sell, or sells a Sponsored Display audiences. See, e.g., Preliminary Infringement Claim Chart U.S. Patent 8,271,315; Claims 1 and 2 (attached as Exhibit 2).

41. Upon information and belief, Amazon has actual knowledge that their activities constitute direct, indirect, or joint infringement of the '315 Patent, or have willfully blinded themselves to the infringing nature of their activities, and yet continue their infringing activities.

42. Upon information and belief, Amazon is actively inducing individual and companies selling products on Amazon to directly infringe one or more claims of the '315 Patent and/or are contributing to others' infringement of one or more claims of the '315 Patent.

43. Upon information and belief, Amazon's ongoing infringement of the '315 Patent is and will be willful, deliberate, and intentional.

44. Amazon's infringing activities are damaging Plaintiff Keysoft in an amount to be determined at trial. Additionally, the willful and deliberate nature of Amazon's infringing activities entitles Plaintiff to recover trebled actual damages and to recover their attorneys' fees and costs incurred in this action.

JURY DEMAND

45. Plaintiff demands a trial by jury on all issues presented in this Complaint so triable.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs ask this Court to enter judgment against Amazon, Amazon's subsidiaries, affiliates, agents, servants, employees, and all persons in active concert or participation with Amazon, and grant the following relief:

- (A) A finding that Amazon has directly and indirectly infringed one or more claims of the '315 Patent;
- (B) An award of damages adequate to compensate Plaintiff for Amazon's infringement of the '315 Patent under 35 U.S.C. § 284;
- (C) A determination that Amazon infringement of the '315 Patent has been willful and deliberate;
- (D) A determination that this action is "exceptional" under 35 U.S.C. § 285, thereby entitling Keysoft to an award of its reasonable attorneys' fees and costs incurred in prosecuting this action;
- (E) An award of enhanced damages under 35 U.S.C. § 284 of treble damages based on the willful and deliberate nature of Amazon's infringement;
- (F) An award of pre-judgment and post-judgment interest on all damages computed;
- (G) An award of court costs and attorneys' fees as allowed by applicable law; and
- (H) Such other relief as this Court deems fair, just, and appropriate.

Date: February 26, 2024

YOUNG CONAWAY STARGATT
& TAYLOR, LLP

OF COUNSEL:

P. Branko Pejic (*pro hac vice forthcoming*)
Michael J. Fink (*pro hac vice forthcoming*)
Jill M. Browning (*pro hac vice forthcoming*)
GREENBLUM & BERNSTEIN, P.L.C.
1950 Roland Clarke Place
Reston, Virginia 20191
(703) 716-1191
bpejic@gbpatent.com
mfink@gbpatent.com
jbrowning@gbpatent.com

/s/Adam W. Poff

Adam W. Poff (No. 3990)
Daniel G. Mackrides (No. 7230)
Rodney Square
1000 North King Street
Wilmington, DE 19801
(302) 571-6600
apoff@ycst.com
dmackrides@ycst.com

Counsel for Plaintiff Keysoft, Inc.