

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

OBD SENSOR SOLUTIONS LLC,

Plaintiff,

v.

LEMONADE, INC. and METROMILE, INC.,

Defendants.

CIVIL ACTION NO. 1:24-cv-7557

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff OBD Sensor Solutions LLC (“OBD Sensor Solutions” or “Plaintiff”) files this complaint against Lemonade, Inc. and Metromile, Inc. (collectively hereafter, “Defendants”) alleging, based on its own knowledge as to itself and its own actions, and based on information and belief as to all other matters, as follows:

NATURE OF THE ACTION

1. This is a patent infringement action to stop Defendants’ infringement of the following United States Patent (the “Asserted Patent”):

U.S. Patent No.	Title	Available at
7,146,346	Fuzzy-Logic On Board Device For Monitoring And Processing Motor Vehicle Operating Data	USPTO.GOV, https://patentcenter.uspto.gov/applications/10172145 , https://imageppubs.uspto.gov/dirsearch-public/print/downloadPdf/7146346 .

2. OBD Sensor Solutions seeks monetary damages.

PARTIES

3. OBD Sensor Solutions is a limited liability company organized under the laws of the State of Texas, with a place of business at 815 Brazos Street, Suite 500, Austin, Texas 78701-2509 (Travis County).

4. Based on public information and belief, Defendant Lemonade, Inc. (“Lemonade”) is a domestic corporation organized under the laws of Delaware with its headquarters and principal place of business located at 5 Crosby Street, 3rd Floor, New York, New York 10013.

5. Based on public information and belief, Defendant Metromile, Inc. (“Metromile”) is a domestic limited liability company organized under the laws of Delaware with its corporate office located at 425 Market Street, San Francisco, CA 94105.

6. Based on public information and belief, Lemonade may be served through its registered agent for service, MWE Corporate Services, LLC, which is located at 1000 North West Street, Suite 1400, New Castle, DE 19801 (Wilmington), or at its principal place of business located at 5 Crosby Street, 3rd Floor, New York, New York 10013.

7. Based on public information and belief, Metromile may be served through its registered agent for service, The Corporation Trust Company, which is located at Corporation Trust Center 1209 Orange St, New Castle, DE 19801 (Wilmington).

8. Based on public information, Lemonade acquired Metromile, and the acquisition was completed on July 28, 2022. *See* Lemonade Completes Acquisition of Metromile, *News*, LEMONADE, <https://investor.lemonade.com/news-and-events/news/news-details/2022/Lemonade-Completes-Acquisition-of-Metromile/default.aspx>.

JURISDICTION AND VENUE

9. OBD Sensor Solutions repeats and re-alleges the allegations in the Paragraphs above as though fully set forth in their entirety.

10. This is an action for infringement of a United States patent arising under 35 U.S.C. §§ 271, 281, and 284–85, among others. This Court has subject matter jurisdiction of the action under 28 U.S.C. § 1331 and § 1338(a).

11. Venue is proper against Defendants in this District pursuant to 28 U.S.C. § 1400(b)

because they have maintained an established and regular places of business in this District and have committed acts of patent infringement in this District. *See In re: Cray Inc.*, 871 F.3d 1355, 1362-1363 (Fed. Cir. 2017).

12. Defendants are subject to this Court's specific and general personal jurisdiction under due process and/or the New York Long Arm Statute due at least to Defendants' substantial business in this judicial district, including: (i) at least a portion of the infringement alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct, or deriving substantial revenue from goods and services provided to individuals in New York and in this District.

13. Specifically, Defendants intend to do and do business in, have committed acts of infringement in this District directly, through intermediaries, by contributing to and through their inducement of third parties (including their parents, subsidiaries, partners, affiliates, and end-users), and offer their products or services, including those accused of infringement here, to customers and potential customers located in New York, including in this District.

14. Defendants maintain regular and established places of business in this District.

15. Based upon public information and belief, Defendants own, operate, manage, conduct business, direct and control the operations of, and have employees that work from and out of, facilities at locations in this District.

16. In addition, based upon public information and belief, Lemonade owns, operates, manages, conducts business, directs and controls the operations of, and has employees that work from and out of, facilities at locations in this District, including, but not limited to, at the following address: 5 Crosby Street, 3rd Floor, New York, New York 10013.

17. Based upon public information and belief, Defendants, directly and/or through their

agents and intermediaries, also operate, advertise, and/or control locations throughout this District, through which they and their agents and employees use, advertise, provide, and/or educate third-parties, including but not limited to customers, about the Accused Products.

18. Defendants commit acts of infringement in this District, including, but not limited to, use of the Accused Products.

THE ACCUSED PRODUCTS

19. OBD Sensor Solutions repeats and re-alleges the allegations in the Paragraphs above as though fully set forth in their entirety.

20. Based upon public information, Defendants make, use, sell and/or offer for sale their OBD-II vehicle tracking devices, including but not limited to their “Pulse” devices, and associated software and applications, which monitor and process information and/or data related to the use and functioning of motor vehicles through use of an on-board diagnostic computer and associated inner network connecting vehicle sensors (the “Accused Products”). *See Figures 1 and 2* (below): *see also* LEMONADE, <https://www.lemonade.com/car/pay-per-mile/explained/obd-port-location/>; *see also* METROMILE, <https://www.metromile.com/blog/pulse-device/>; *see also* METROMILE, <https://www.metromile.com/help/Device>.

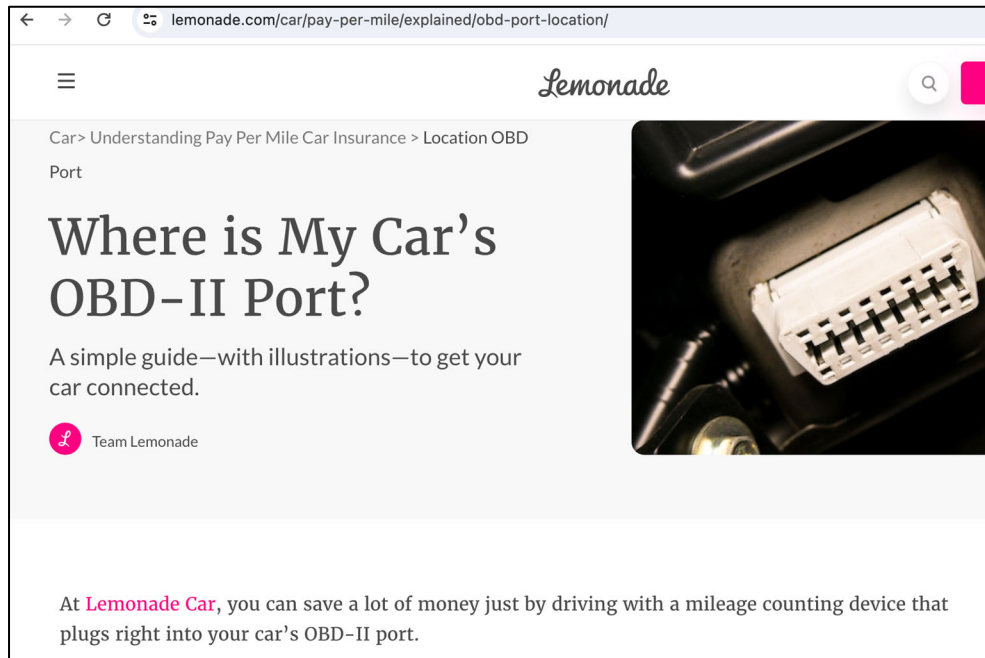


Figure 1 (Source: <https://www.lemonade.com/car/pay-per-mile/explained/obd-port-location/>)

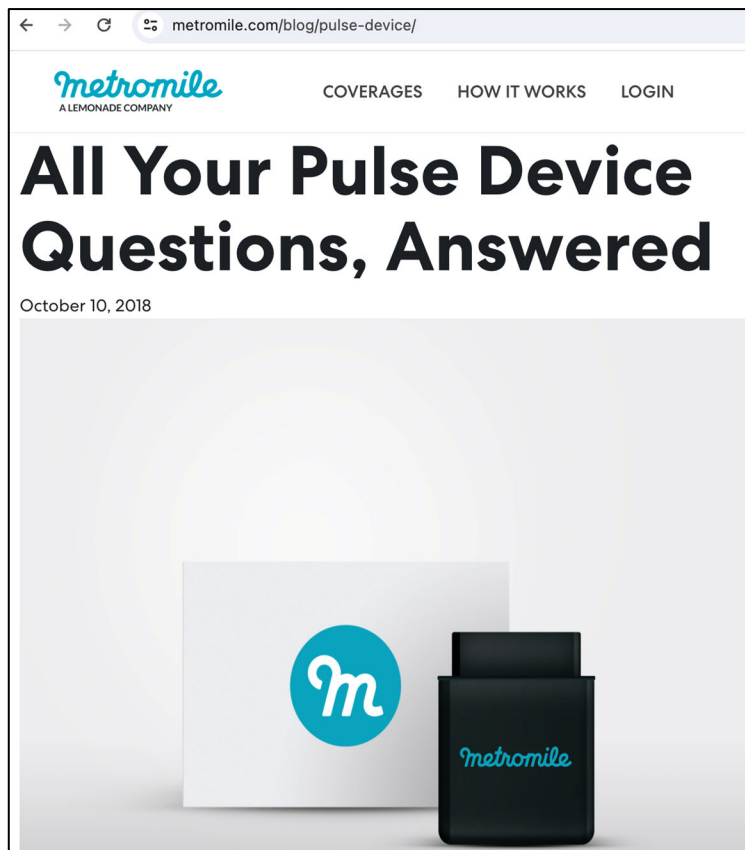


Figure 2 (Source: <https://www.metromile.com/blog/pulse-device/>)

21. Defendants own, operate, advertise, and/or control at least the websites <https://www.lemonade.com/car> and <https://www.metromile.com/> through which they advertise, sell, offer to sell, promote, provide and/or educate customers about their products, including the Accused Products.

22. By a letter dated May 16, 2024 addressed to Mr. Daniel Schreiber, Chief Executive Officer at Lemonade, Inc., and Mr. Dennis Monaghan, General Counsel and Corporate Secretary for Lemonade, Inc, (the “Notice Letter”), Defendants received notice of the Asserted Patent and their infringing activities alleged by OBD Sensor Solutions.

COUNT I: INFRINGEMENT OF U.S. PATENT NO. 7,146,346

23. OBD Sensor Solutions repeats and re-alleges the allegations in the Paragraphs above as though fully set forth in their entirety.

24. The USPTO duly issued U.S. Patent No. 7,146,346 (the “’346 patent”) on December 5, 2006, after full and fair examination of Application No. 10/172,145, which was filed on June 14, 2002. *See* ’346 patent at 1.

25. The ’346 patent is entitled “Fuzzy-Logic On Board Device For Monitoring And Processing Motor Vehicle Operating Data.” *See id.*

26. OBD Sensor Solutions is the exclusive licensee of the ’346 patent, with the sole and exclusive right to prosecute this action and enforce the ’346 patent against infringers, and to collect damages for all relevant times.

27. OBD Sensor Solutions has complied with all requirements set forth in 35 U.S.C. § 287. OBD has not sold in the United States any article or product that practices one or more claims of the ’346 patent. OBD has made reasonable efforts to ensure that any licensees’ articles or products that practice one or more claims of the ’346 patent, to the extent any such licenses or products exist, were marked.

28. The claims of the '346 patent are not directed to an abstract idea and are not limited to well-understood, routine, or conventional activity. Rather, the claimed inventions include inventive components that improve upon the function and operation of electronic built-in on-board devices and methods for monitoring and processing motor vehicle operating data.

29. The written description of the '346 patent describes in technical detail each limitation of the claims, allowing a skilled artisan to understand the scope of the claims and how the non-conventional and non-generic combination of claim limitations is patently distinct from and improved upon what may have been considered conventional or generic in the art at the priority date. The '346 patent also identifies and circumscribes all information necessary for a skilled artisan to perform each limitation in the claims in light of that which was known in the art at the priority date.

30. Defendants have infringed the '346 patent by making, using, providing, supplying, selling, offering for sale, or distributing the Accused Products.

31. Defendants have directly infringed, either literally or under the doctrine of equivalents, at least claim 1 of the '346 patent, as detailed in Exhibit A to this Complaint (Evidence of Use Regarding Infringement of U.S. Patent No. 7,146,346).

32. For example, as detailed in Ex. A, the Accused Products, when used by Defendants or a customer, provide an electronic device for monitoring and processing information data related to the use and functioning of motor vehicles through an inner network connecting vehicle sensors, said device comprising, a central processing unit; an integrated data storage connected to the central processing unit; and a network connector operatively connected to the central processing unit and configured to be connected to an inner network of a motor vehicle through a connector used by motor vehicle makers for accessing a vehicle on-board electric system with a diagnostic

unit, said device being a stand-alone device cooperating with the vehicle electronic dedicated control units, via said network connector and through said inner network, and processing information data related to use and functioning of the motor vehicle received through said network connector and the inner network from connected vehicle sensors, said data received through said inner network being processed by said central processing unit and performed analysis being stored into said storage; an interface connector providing connection to one of a radio transmitter and a wireless unit; and a front-end device and a bus connecting said network connector to said central processing unit; and a further bus connecting said central processing unit to said storage, wherein said device is coupled, through said on-board network connector, with one of an OBD- and an EOBD connector for interfacing the motor vehicle inner networks with an outside network of said motor vehicle.

33. Defendants have had knowledge of the '346 patent at least as early as Defendants' receipt of the Notice Letter.

34. OBD Sensor Solutions or its predecessors-in-interest have satisfied all statutory obligations required to collect pre-filing damages for the full period allowed by law for infringement of the '346 patent.

35. Plaintiff has been damaged and continues to be damaged as a result of the infringing conduct by Defendants alleged above. Thus, Defendants are liable to OBD Sensor Solutions in an amount that compensates it for such infringement, which by law cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

JURY DEMAND

36. Plaintiff hereby requests a trial by jury on all issues so triable by right.

PRAYER FOR RELIEF

37. WHEREFORE, OBD Sensor Solutions requests that the Court find in its favor and against Defendants, and that the Court grant OBD Sensor Solutions the following relief:

- a. Judgment that one or more claims of the Asserted Patent has been infringed, either literally or under the doctrine of equivalents, by Defendants or all others acting in concert therewith;
- b. An award of a reasonable ongoing royalty for future infringement of the '346 patent by such entities;
- c. Judgment that Defendants account for and pay to OBD Sensor Solutions all damages to and costs incurred by OBD Sensor Solutions because of Defendants' infringing activities and other conduct complained of herein;
- d. Pre-judgment and post-judgment interest on the damages caused by Defendants' infringing activities and other conduct complained of herein;
- e. That this Court declare this an exceptional case and award OBD Sensor Solutions its reasonable attorneys' fees and costs in accordance with 35 U.S.C. § 285; and
- f. All other and further relief as the Court may deem just and proper under the circumstances.

Dated: October 4, 2024

Respectfully submitted,

By: /s/ James F. McDonough, III

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Attorneys for Plaintiff OBD Sensor Solutions LLC

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List Of Exhibits

A. Evidence of Use Regarding Infringement of U.S. Patent No. 7,146,346

List Of Supportive Links

1. LEMONADE, <https://www.lemonade.com/car/pay-per-mile/explained/obd-port-location/>
2. LEMONADE, <https://www.lemonade.com/car>
3. METROMILE, <https://www.metromile.com/blog/pulse-device/>
4. METROMILE, <https://www.metromile.com/>