

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

DROPLETS, INC.,

Plaintiff,

v.

FORD MOTOR COMPANY,

Defendant.

Civil Action No. _____

**COMPLAINT FOR PATENT
INFRINGEMENT AND DAMAGES**

JURY TRIAL DEMANDED

**COMPLAINT FOR PATENT INFRINGEMENT AND DAMAGES
AND DEMAND FOR JURY TRIAL**

Plaintiff Droplets, Inc. (“Droplets”) files this Complaint for patent infringement against Defendant Ford Motor Company (“Ford”), and alleges as follows:

NATURE OF THE ACTION

1. Droplets is an innovative software development corporation focused on technology for developing and delivering highly functional and scalable applications over the Internet. As a result of this leading-edge development, Droplets received patents on its platform, which includes deployment of rich internet applications and related technology. Droplets has sold products based on its technology to Global 1000 enterprises, U.S. armed services, independent software vendors, and application service providers.

2. Droplets claims that Ford infringed Droplets’ U.S. Patent No. 6,687,745 (“the ’745 patent” or “the Asserted Patent,” Exhibit 1).

PARTIES

3. Droplets is a corporation organized and existing under the laws of Delaware, with its principal place of business at 16052 FM 3062, Bldg. 2, Malakoff, Texas 75148.

4. On information and belief, Ford is a corporation organized under the laws of Delaware, with its principal place of business at One American Road, Dearborn, Michigan. Ford may be served with process by serving its registered Texas agent, CT Corp System, 1999 Bryan St., Ste. 900, Dallas, TX 75201.

JURISDICTION AND VENUE

5. This is a civil action asserting a claim of patent infringement of the '745 patent. This Court has exclusive subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338(a).

6. This Court has personal jurisdiction over Ford. Ford has continuous and systematic business with the State of Texas and within the Eastern District of Texas. Ford, directly or through subsidiaries or intermediaries (including distributors, retailers, and others), made, used, offered for sale, sold, imported, advertised, made available, and/or marketed products and services within the Eastern District of Texas through which it infringed the patent-in-suit, such as through its www.ford.com website and/or other Ford owned or controlled websites and mobile applications.

7. On information and belief, Ford maintains its U.S. Central Market Area Office at 5700 Granite Parkway, Suite 1000, Plano, Texas 75024, which is located in this District. Ford describes this office as “the principal office of Ford in the State of Texas” where “the decision makers for [Ford] within this state conduct the daily affairs of the organization.” *Ford Motor Co. v. Johnson*, 473 S.W.3d 925, 927 (Tex. App.—Dallas 2015, pet. denied).

8. Ford also maintains regular and established places of business in this District through its authorized dealerships, including Marshall Ford, located at 4200 East End Blvd. S., Marshall, Texas 75672. Ford ratifies and holds these authorized Ford dealers out as the regular and established places of business of Ford in this District by listing each of them in Ford’s sales directories and on Ford’s website(s). Moreover, Ford, through the Ford Website and the Ford Mobile App, directs users to shop for Ford products in this District, including, e.g., as shown below:

Vehicles Shop Support & Service



Locate a Dealer

Search By: Location Name

Marshall, TX

[Advanced Search](#)

1. Marshall Ford

4.8 ★★★★★ 699 Ratings

2.75 mi

Make My Dealer

4200 East End Blvd S Marshall, TX 75672

(903) 471-0180

[Directions](#) [Chat With Dealer](#)

[Dealer Website](#)

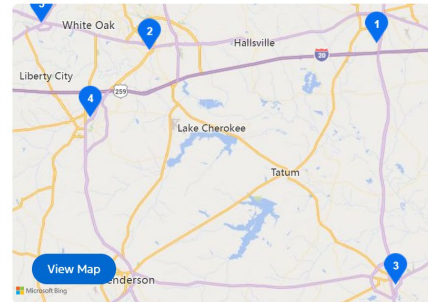


Exhibit 3, <https://www.ford.com/dealerships/?gnav=header-shop-fd#/q/75670/radius/50>.

9. On information and belief, Ford further ratifies and holds these authorized Ford dealers out as the regular and established places of business of Ford in this District by requiring these authorized dealers to feature and use Ford's names, branding, trademarks, and/or trade dress, including in each of these authorized dealers' names, *e.g.*, Marshall Ford, located at 4200 East End Blvd. S., Marshall, Texas 75672; Tyler Ford, located at 2626 S SW Loop 323, Tyler, Texas 75701; and Lufkin Ford, 800 N Medford Dr, Lufkin, Texas 75901.

10. Venue is appropriate in the Eastern District of Texas under 28 U.S.C. §§ 1391, 1400, and 1404. Ford has a regular and established place of business in this District, including its U.S. Central Market Area Office at 5700 Granite Parkway, Suite 1000, Plano, Texas 75024. Ford further maintains regular and established places of business in this District through its authorized dealerships. *E.g.*, Exhibit 3.

11. Upon information and belief, Ford also committed acts of infringement in this District. Ford committed its infringing performance of the claims, as shown below, in this District, at least by, on information and belief, providing the Ford Website and Ford Mobile Apps in this District (to users

in this District), providing content from servers located in this District (including edge servers located in this District), and providing the Ford Website and Ford Mobile Apps from this District.

12. On information and belief, Ford recruits software engineers in this District. *E.g.*, Exhibit 4, <https://fordcareers.dejobs.org/austin-tx/senior-software-development-engineer-android/D0EE02E248D647788B8F0B8A0EFEDE72/job/>.

13. Moreover, on information and belief, Ford's customers and users used the Ford Website and Ford Mobile Apps in this District. Ford performed acts of inducement in this District, including by, on information and belief, encouraging and instructing its customers and users in that direct infringement. Ford performed acts of contributory infringement in this District, including by, on information and belief, providing the webcode for the Ford Website and Ford Mobile Apps in this District (to users in this District), providing webcode from servers located in this District (including edge servers located in this District), and providing the webcode for the Ford Website and Ford Mobile Apps from this District. Ford thus committed acts of patent infringement in this District.

BACKGROUND

14. Plaintiff Droplets is an innovative software company founded in 2000. Droplets invented a fundamentally novel way for webpages to work.

15. When Droplets was first formed, less than half of Americans had access to the Internet, and for those who did, it was through a very slow connection called "dial-up" that sent data over telephone lines. As a result of the limited bandwidth connections, webpages could take a minute or more to load, even though they generally consisted of just text and images. Notably, webpages were static—for any part of a webpage to change, the entire webpage had to be re-loaded.

16. It was in this context that Droplets' patented technology was developed. In the mid-to-late 1990's, the inventors were working at a company called SphereSoft, where they were developing an online tool for stock traders. The goal was for stock traders to be able to access stock

prices and execute trades over the Internet. While this is now commonplace, it was simply not possible at the time. Webpages could display stock prices, but in order to get the current stock price, the entire webpage would have to be refreshed. Due to the slow speed of the Internet, that would take a minute or longer, at which point the stock price was often out of date. For high-stakes stock traders, waiting a minute could be the difference between making or losing millions of dollars. The same was true with webpages designed to execute stock trades—the delays caused by constantly re-loading a webpage meant that stock traders were always behind the stock market, which resulted in lost opportunities. The standard website technology at the time was simply not able to provide a viable online stock tool.

17. The inventors addressed these problems by developing a fundamentally novel way for webpages to work. The basic concept is straightforward: instead of always updating an entire webpage, update just the relevant part of the webpage; rather than having to download an entire webpage to get an updated stock price, download and refresh only the numbers for the updated stock prices. Because this information constitutes a small amount of data, it can be sent to the client every second, even using the slow dial-up connections of the time. This enabled, for the first-time, an Internet webpage that could provide real-time stock price information and allow traders to buy and sell stocks without the webpage ever re-loading.

18. The inventors quickly realized that their invention had much broader applicability than a stock trading application. In 2000, they formed a new company, Droplets, that was focused on providing their novel technology to companies worldwide. Droplets raised millions of dollars in angel/venture capital in the early 2000s for product development and sales efforts. In addition to its stock trading application, Droplets developed online mail and messaging applications, and provided a platform for developing webpages that could provide any type of online application. What Droplets

was selling, in essence, was the ability to develop the dynamic, interactive webpages that we take for granted today.

19. Droplets received multiple patents on its unique software design. The first was awarded in 2004 and several more followed in 2009 and 2013. The first of these patents to be granted, U.S. Patent No. 6,687,745, is at issue in this case.

20. Droplets' product was gaining traction in the market, selling millions of dollars in products and services to a broad range of customers. However, major technology, retail, and finance companies began using Droplets' technology in their webpages without authorization. Droplets first filed a lawsuit against Adobe in 2006, alleging infringement of the Asserted Patent as well as trade secret misappropriation. Droplets proceeded to file additional cases against major companies for their infringement in 2011. In early 2015, Droplets obtained a favorable jury verdict in the Eastern District of Texas against three companies, the retailers Sears, Overstock, and Kmart. In March 2022, Droplets obtained another favorable jury verdict in the Northern District of California against Yahoo! Inc., in which the jury found that Yahoo! Inc. infringed the '745 Patent and awarded Droplets \$15 million in damages. *See Droplets Inc. v. Yahoo! Inc.*, No. 12-cv-03733-JST, Dkt. 1125 (N.D. Cal. Mar. 29, 2022).

21. On information and belief, Ford was founded in 1903 and is among the world's largest vehicle manufacturers, operating across North America and in over 125 countries around the world, including through an array of websites and applications. Exhibit 5 (<https://corporate.ford.com/operations.html>). On information and belief, Ford had revenue of \$176 billion in fiscal year 2023. *See* Exhibit 6. On information and belief, Ford operates its largest website at www.ford.com.

22. Ford, like other major technology and online retailers that were found to infringe the Asserted Patent, incorporated Droplets' technology into the Ford Website and Mobile Applications without authorization. Droplets seeks damages for Ford's infringement.

THE ASSERTED PATENT

23. United States Patent No. 6,687,745, entitled "System and method for delivering a graphical user interface of remote applications over a thin bandwidth connection," was duly and legally issued by the United States Patent and Trademark Office on February 3, 2004 after full and fair examination. The '745 Patent expired on November 20, 2021.¹

24. Droplets is the assignee of all rights, title, and interest in the '745 Patent, including the right to recover damages for past infringement.

25. The '745 Patent claims technology that allowed users to run much richer and more functional applications on their computers and devices with less bandwidth. In 1999, the time of the invention, the Internet was exploding in popularity, but there were still a number of impediments to the Internet becoming what it is today—a highly interactive and immersive experience. '745 Patent at 2:20-3:65. For example, a user at that time could access a webpage and view its applications and information, but if the user wished to access additional applications or information, the user needed to navigate away from that webpage or open a new window, thereby taking the user away from the original webpage. *Id.* at 3:11-35. Further, once the user navigated to a new interactive webpage, then there was no consistent way for the user to retrieve that webpage in a previous state. *Id.* at 3:47-65. There were attempts to overcome this limitation through the use of applications on webpages, but this approach required the user to download the entire application. *Id.* at 17:52-57. In a time when dial-

¹ This Complaint is only asserting infringement during the pendency of the '745 Patent and is not asserting direct or indirect infringement subsequent to the '745 Patent's expiration.

up connections were still common, this could take substantial time and negatively impact the user experience.

26. The inventors of the '745 patent addressed these problems by not requiring the user to download all of the applications that were displayed on each webpage. Instead, the applications could be executed, at least in part, remotely. This would create a useful experience from the user's point of view if the application could restore previous operating states. This would create the appearance and functionality of a locally downloaded application, without the bandwidth requirements of downloading the entire application for execution on the local computer.

27. An *inter partes* reexamination of the '745 Patent was filed on August 3, 2007. On March 1, 2011, the United States Patent and Trademark Office duly and legally issued an *Inter Partes* Reexamination Certificate No. 6,687,745 C1 confirming the patentability of all claims of the '745 Patent and adding claims 27-104 determined to be patentable.

FORD'S INFRINGING PRODUCTS AND SERVICES

28. Upon information and belief, Ford infringed, directly and indirectly, one or more claims of the Asserted Patent, acting through the Ford Website (including at least www.ford.com, and/or other Ford owned or controlled websites, subdomains thereof and constituent webpages thereof) and the Ford Mobile Apps (the Ford applications for mobile devices running on, for example, iOS and Android devices, including at least the iOS and Android Ford mobile applications) (collectively, "the Accused Products"). Ford provided a number of interactive functionalities on these Accused Products that infringed the '745 patent, including, but not limited to, the Search Suggest, Recent Searches/Search History, Menu, Location Selection, Dealership Selection, Builder, Find Charger, and Sign In features (shown below). On information and belief, Ford's Accused Products used those interactive functionalities, not limited to the Menu, Location Selection, Dealership

Selection, Builder, Find Charger, Search Suggest, Recent Searches/Search History, and Sign In features, to infringe the '745 patent.

MUSTANG | BRONCO | CERTIFIED USED | Dealership Locations EN

Ford | SUVS & CROSSOVERS | TRUCKS & VANS | ELECTRIFIED | CARS | ALL VEHICLES | FINANCE | SUPPORT & SERVICE

Hybrid Available

2021 ECOSPORT
Starting at \$20,395¹
[Build & Price](#)
[Search Inventory](#)

2022 ESCAPE
Starting at \$25,555¹
[Build & Price](#)
[Search Inventory](#)

2022 BRONCO™ SPORT
Starting at \$27,265¹
[Build & Price](#)
[Search Inventory](#)

2021 BRONCO
Starting at \$28,500¹
[2022 Build & Price](#)

Hybrid Available

2022 EXPLORER
Starting at \$33,245¹
[Build & Price](#)
[Search Inventory](#)

2022 EDGE
Starting at \$34,905¹
[Build & Price](#)
[Search Inventory](#)

All Electric

2022 MUSTANG MACH-E
[Order Now](#)
[Search Inventory](#)

2021 EXPEDITION
Starting at \$50,595¹
[Build & Price](#)
[Search Inventory](#)

Explore All Vehicles | See Special Offers | Certified Used | Explore Fuel Choices

https://www.ford.com (showing Menu) (accessed November 18, 2021)

<https://shop.ford.com/configure/escape/?gnav=header-suvs-bp%3Dshow-bp> (showing Location Selection) (accessed November 18, 2021)

The screenshot shows the Ford website's search interface. At the top, there are navigation links for 'MUSTANG', 'BRONCO', and 'CERTIFIED USED'. On the right, there are links for 'Dealership Locations' and 'EN'. Below this is the Ford logo and a menu with 'SUVS & CROSSOVERS', 'TRUCKS & VANS', 'ELECTRIFIED', 'CARS', and 'ALL VEHICLES'. To the right of the menu are links for 'FINANCE' and 'SUPPORT & SERVICE'. The main search area has a dark background with 'Search By: Location (selected) Name'. A search input field contains '37135' and has a close button. Below the search bar is a link for 'Advanced Search'. The search results show '1. Two Rivers Ford Inc' with a 4.8 star rating, 1683 ratings, and a distance of 17.42 miles. It includes a 'Make My Dealer' button, the address '76 Belinda Parkway, Mount Juliet, TN 37122', phone number '(833) 859-5852', and a 'Directions' button. A 'Dealer Website' button is highlighted with a mouse cursor. A 'View Map' button is also visible.

DISCLOSURES ▾

<https://www.ford.com/dealerships/?gnav=header-finddealer> (showing Dealership Selection)
(accessed November 18, 2021)

The screenshot shows the Ford website's vehicle configuration page for a 2022 Escape SE. The top navigation bar includes 'MODEL', 'PAINT' (selected), 'PACKAGES', 'EXTERIOR', 'INTERIOR', 'POWERTRAINS', 'SUMMARY', and a financing option of '\$371 Per Month for 84 months Finance'. The main content area features a large image of a dark-colored 2022 Escape SE. To the right of the image is a 'PAINT' section with a 'COLOR' dropdown menu. The selected color is 'Agate Black Metallic'. Below the dropdown are several color swatches, with the first one (Agate Black Metallic) selected. A 'COPY' icon is visible in the bottom left corner of the image area.

<https://shop.ford.com/configure/escape/config/paint> (showing Builder) (accessed November 18, 2021)

MODEL PAINT **PACKAGES** EXTERIOR INTERIOR POWERTRAINS SUMMARY **\$391** Per Month for 84 months Finance

Intelligent Access with Push Button Start
View All Features

PACKAGES ⁵⁴

Ford Co-Pilot360™ Assist+

\$895

Remove

SE Sport Appearance Package

\$1,295

Add

Cold Weather Package

\$645

Add

Convenience and Cold Weather Discount Package

Add

Convenience Package

\$945

Add

<https://shop.ford.com/configure/escape/config/paint> (showing Builder) (accessed November 18, 2021)

SEE HOW FAR F-150 LIGHTNING CAN TAKE YOU

FIND CHARGERS

ALONG A ROUTE

NEAR A LOCATION

Explore where you can go and discover charging stations along your route

san

- San Antonio Bexar, Texas
- San Diego California
- San Francisco California
- Sandwich Factory 116 Chaffin Pl, Murfreesboro, TN 37129
- Santi and Associates 1902 York Ct, Murfreesboro, TN 37129

<https://www.ford.com/trucks/f150/f150-lightning/2022/?intcmp=bev-bb-reveal-f150-lightning>
(showing Find Charger) (accessed November 18, 2021)



Vehicles Shop Finance Owner



FORD CREDIT

Credit Application

Applying for credit online is convenient and secure. The process usually takes around 10-15 minutes and you can expect to receive a response right away.

You'll be asked to provide the following basic personal information:

- Social Security Number
- Date of Birth
- Employment status and/or annual income
- Address and whether you own or rent
- Monthly mortgage or rent
- Email address

You'll also be asked to answer a few questions about your preferred vehicle and financing options (i.e. financing type: purchase or lease, and application type: individual or joint). Your final vehicle and financing options will be selected at your local dealer.

Start Credit Application

<https://www.ford.com/finance/apply/?gnav=header-finance> (showing search features) (accessed November 18, 2021)

COUNT I

(INFRINGEMENT OF THE '745 PATENT)

29. Droplets incorporates by reference each allegation stated in paragraphs 1 through 28 above as if fully stated here.

30. Ford infringed one or more of claims 1-16 of the '745 patent prior to its expiration, literally or under the doctrine of equivalents, under 35 U.S.C. § 271(a), by making, using, selling, or offering for sale the Accused Products in the United States to perform the claimed methods, including as shown in Exhibit 2. Exhibit 2 provides details regarding only examples of Ford's infringement, and Droplets reserves its right to provide greater detail and scope via its Infringement Contentions at the time required under this Court's scheduling order.

31. Ford has known of the '745 patent and its past infringement at least since the filing date of this Complaint. Additionally, on information and belief, Ford has known, or should have known, of the '745 patent and its infringement since Droplets' previous litigations and verdicts, discussed above, given the prominence and related nature of the defendants in those litigations and of the litigations themselves.

32. Ford also indirectly infringed one or more claims of the '745 patent through the Ford Website and the Ford mobile applications. On information and belief, in certain circumstances, client devices and software (e.g., computers, devices, and software used by end users and customers of Ford's Website and Mobile Apps) directly infringed the '745 patent through the use of the website and mobile applications, in a way shown in Exhibit 2.

33. On information and belief, Ford actively induced infringement of one or more claims of the '745 patent, under 35 U.S.C. § 271(b), by actively encouraging and instructing its customers and users to perform, as described above, the methods of the '745 Patent through use of the Accused Products.

34. On information and belief, despite knowledge of the infringement of the '745 patent, Ford intended to contribute to patent infringement by third parties by selling, offering to sell, and/or supplying components, materials, or apparatuses for use in performing the patented methods of the '745 patent by end users and consumers, including by providing especially made and/or especially adopted code (including the webcode discussed in Exhibit 2) for use in infringing the '745 patent, wherein that code is not a staple article or commodity of commerce suitable for substantial non-infringing use, and Ford received valuable consideration in exchange.

35. On information and belief, to the extent Ford was not aware that it was encouraging its customers and end users to infringe the '745 patent, or contributing to such infringement, its lack

of knowledge was based on being willfully blind to the possibility that its acts would cause infringement.

36. Droplets was damaged by the infringement of the '745 patent by Ford. Droplets is entitled to recover from Ford the damages sustained by Droplets as a result of Ford's wrongful acts.

37. The infringement by Ford of the '745 patent was deliberate and willful, entitling Droplets to increased damages under 35 U.S.C. § 284 and to attorneys' fees and costs incurred in prosecuting this action under 35 U.S.C. § 285.

DEMAND FOR JURY TRIAL

38. Droplets hereby demands a jury trial on its claims for patent infringement.

PRAYER FOR RELIEF

WHEREFORE, Droplets respectfully requests that this Court enter judgment in its favor and grant the following relief:

- A. Enter judgment that Ford infringed, directly and/or indirectly, the '745 patent;
- B. Find that such infringement was willful;
- C. Award Droplets damages in an amount adequate to compensate Droplets for Ford's infringement of the '745 patent, but in no event less than a reasonable royalty under 35 U.S.C. § 284;
- D. Award enhanced damages pursuant to 35 U.S.C. § 284;
- E. Find that this case is exceptional and award Droplets its reasonable attorneys' fees under 35 U.S.C. § 285;
- F. Order Ford to pay pre-judgment and post-judgment interest to the full extent allowed under the law; and
- G. Grant such other and further relief as the Court may deem just and proper.

Dated: November 22, 2024

Respectfully submitted,

/s/ Courtland L. Reichman

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