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17 **UNITED STATES DISTRICT COURT**
 18 **CENTRAL DISTRICT OF CALIFORNIA**
 19 **SOUTHERN DIVISION**

22 **Steve Morsa**, an individual,

23 Plaintiff,

24 v.

25 **Facebook, Inc.**, a Delaware
 corporation,

26 Defendant.

Case No. 8:14-CV-00161

**COMPLAINT FOR PATENT
 INFRINGEMENT**

DEMAND FOR JURY TRIAL

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1 Plaintiff Steve Morsa (“Plaintiff” or “Morsa”) hereby alleges for his Original
2 Complaint of patent infringement against Defendant Facebook, Inc. (“Defendant” or
3 “Facebook”), as follows:

4 **JURISDICTION AND VENUE**

5 1. This action arises under the Patent Laws of the United States, 35 U.S.C.
6 § 1, *et seq.*, including 35 U.S.C. §§ 271, 281, 283, 284, and 285. This Court has
7 subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

8 2. As further detailed herein, this Court has personal jurisdiction over
9 Facebook. Facebook is amenable to service of summons for this action.
10 Furthermore, personal jurisdiction over Facebook in this action comports with due
11 process. Facebook has conducted and regularly conducts business within the United
12 States and this judicial district. Facebook has continuous and systematic contacts
13 with California and this judicial district. Furthermore, Facebook has purposefully
14 availed itself of the privileges of conducting business in the United States and this
15 judicial district. Facebook has sought protection and benefit from the laws of the
16 State of California by maintaining offices in California and this judicial district, by
17 selling advertisements with the expectation and/or knowledge that they will be
18 purchased by consumers in this judicial district, and/or by offering advertisements
19 targeted at consumers in this judicial district, and/or by having partners and
20 customers in this judicial district. In California and in this judicial district,
21 Facebook regularly does or solicits business and engages in other persistent courses
22 of conduct. Facebook derives substantial revenue from services provided to
23 individuals in California and in this judicial district. Plaintiff’s causes of action
24 arise directly from Facebook’s business contacts and other activities in this judicial
25 district. For example, on information and belief, one of Facebook’s largest
26 advertising partners and customers is Experian, which has its North American
27 headquarters in Costa Mesa, California.

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1 requested that Facebook cease and desist practicing his inventions. Mr. Morsa
2 received no response to his communication to Facebook.

3 10. At other times relevant to this lawsuit, Mr. Morsa communicated with
4 Facebook concerning his intellectual property rights, including identifying his start-
5 up business and its intellectual property. Mr. Morsa received no response from
6 Facebook.

7 11. Facebook was also aware of Mr. Morsa's intellectual property rights in
8 other respects. For example, United States Patent No. 8,499,040 ("the '040 patent"),
9 which lists Facebook as the original and current assignee, titled "Sponsored-Stories-
10 Unit Creation From Organic Activity Stream" refers to, and cites to, United States
11 Patent Application No. 20060085408 A1, titled "Match Engine Marketing: System
12 and Method For Influencing Positions on Product/service/benefit Result Lists
13 Generated by a Computer Network Match Engine," which lists Steve Morsa as the
14 inventor and is the patent application for the '337 patent asserted herein. Indeed,
15 Facebook's '040 patent cited Mr. Morsa's reference 20060085408 A1 on May 3,
16 2013, which is over two years after the '337 patent was formally issued by the
17 United States Patent and Trademark Office. Moreover, another Facebook patent
18 application, application number 12/193,702 similarly references United States
19 Patent Application No. 20060085408 A1, titled "Match Engine Marketing: System
20 and Method For Influencing Positions on Product/service/benefit Result Lists
21 Generated by a Computer Network Match Engine," which lists Steve Morsa as the
22 inventor and is the patent application for the '337 patent asserted herein. Notably,
23 the 12/193,702 application lists Mark Zuckerberg as one of the inventors.¹

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26 ¹ While the Original Complaint is not currently asserting claims against Facebook
27 for indirect infringement and willful infringement, Mr. Morsa specifically reserves
28 his rights to amend his pleadings consistent with the Federal Rules of Civil
Procedure and the Local Rules of the Central District of California.

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COUNT 1

INFRINGEMENT OF U.S. PATENT NO. 7,904,337 BY FACEBOOK

12. Mr. Morsa incorporates paragraphs 1 through 11 as if set forth herein.

13. Facebook has been and is directly infringing under 35 U.S.C. § 271(a), either literally or under the doctrine of equivalents, the '337 patent in the State of California, in this judicial district, and/or elsewhere in the United States by, making, using, selling, and/or importing, without license, infringing advertising platform(s), systems, and methods, including without limitation, the Facebook website and advertising platforms, including, but not limited to, Facebook Ads, Mobile Ads, and related advertising platforms, products, systems, and services related thereto.

14. At the latest, Facebook has been on notice of its infringement of the '337 patent since the filing of this complaint.

15. As a result of Facebook's infringement of the '337 patent, Mr. Morsa has suffered monetary damages in an amount not yet determined, and will continue to suffer damages in the future unless Facebook's infringing activities are enjoined by this Court.

16. Unless a permanent injunction is issued enjoining Facebook and its agents, servants, employees, attorneys, representatives, affiliates, and all others acting on their behalf from infringing the '337 patent, Mr. Morsa will be irreparably harmed.

COUNT 2

INFRINGEMENT OF U.S. PATENT NO. 8,341,020 BY FACEBOOK

17. Mr. Morsa incorporates paragraphs 1 through 16 as if set forth herein.

18. Facebook has been and is directly infringing under 35 U.S.C. § 271(a), either literally or under the doctrine of equivalents the '020 patent in the State of California, in this judicial district, and/or elsewhere in the United States by making, using, and/or importing, without license, infringing advertising platform(s), systems, and methods, including without limitation, the Facebook website and advertising

1 platforms, including, but not limited to, Facebook Ads, Mobile Ads, and related
2 advertising platforms, products, systems, and services related thereto.

3 19. At the latest, Facebook has been on notice of its infringement of the
4 '020 patent since the filing of this complaint.

5 20. As a result of Facebook's infringement of the '020 patent, Mr. Morsa
6 has suffered monetary damages in an amount not yet determined, and will continue
7 to suffer damages in the future unless Facebook's infringing activities are enjoined
8 by this Court.

9 21. Unless a permanent injunction is issued enjoining Facebook and its
10 agents, servants, employees, attorneys, representatives, affiliates, and all others
11 acting on their behalf from infringing the '020 patent, Mr. Morsa will be irreparably
12 harmed.

13 **PRAYER**

14 WHEREFORE, Mr. Morsa incorporates each of the allegations in paragraphs
15 1 through 21 above and respectfully requests that this Court enter:

16 A. A judgment in favor of Mr. Morsa that Facebook has directly infringed
17 the '337 and '020 patents;

18 B. A permanent injunction enjoining Facebook and its officers, directors,
19 agents, servants, affiliates, employees, divisions, branches, subsidiaries, parents, and
20 all others acting in concert or privity, with any of them, from infringing, directly
21 and/or under the doctrine of equivalents; the '337 and '020 patents;

22 C. A judgment and order requiring Facebook to pay Mr. Morsa his
23 damages, costs (including all disbursements), expenses, attorneys' fees, and
24 prejudgment and post-judgment interest for Facebook's infringement of the '337
25 and '020 patents as provided under 35 U.S.C. § 284;

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1 D. Any and all other relief to which Mr. Morsa may be entitled and that
2 the Court deems just and equitable.

3 Respectfully submitted,

4 Dated: February 4, 2014

THE ECLIPSE GROUP LLP

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6 By: /s/ Stephen M. Lobbin
Attorneys for Plaintiff **Steve Morsa**

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DEMAND FOR JURY TRIAL

Pursuant to Fed. R. Civ. P. 38(b)(1) and (c), and L.R. 38-1, Plaintiff hereby demands trial by jury on all issues triable to a jury.

Respectfully submitted,

Dated: February 4, 2014

THE ECLIPSE GROUP LLP

By: /s/ Stephen M. Lobbin
Attorneys for Plaintiff **Steve Morsa**