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Attorneys for Plaintiff
AUTOALERT, INC.

IN THE UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

AUTOALERT, INC.,
Plaintiff,
v.
DEALERSOCKET, INC.,
Defendant.

Case No. SACV 13-00657 SJO (JPRx)

**FIRST AMENDED COMPLAINT
FOR PATENT INFRINGEMENT**

DEMAND FOR JURY TRIAL

1 Plaintiff AutoAlert, Inc., for its First Amended Complaint against
2 Defendant DealerSocket, Inc. alleges as follows:

3 **JURISDICTION AND VENUE**

4 1. This action arises under the Patent Laws of the United States, 35
5 U.S.C. §§ 100, *et seq.*

6 2. This Court has subject matter jurisdiction pursuant to 28 U.S.C.
7 §§ 1331 and 1338(a).

8 3. Venue is proper in this Judicial District pursuant to 28 U.S.C.
9 § 1391(b), (c) and 1400(b).

10 **PARTIES**

11 4. Plaintiff AutoAlert, Inc. (“AutoAlert”) is a corporation incorporated
12 under the laws of the State of Nevada, and has its principal place of business at
13 9050 Irvine Center Drive, Irvine, California 92618.

14 5. Upon information and belief, Defendant DealerSocket, Inc.
15 (“DealerSocket”) is a corporation organized and existing under the laws of the
16 State of Delaware, and has its principal place of business at 1000 Calle Amanecer,
17 San Clemente, CA 92673.

18 6. Upon information and belief, DealerSocket conducts business
19 throughout the United States, including in this Judicial District, and has
20 committed the acts complained of in this Judicial District and elsewhere.

21 7. Upon information and belief, DealerSocket provides automotive
22 Customer Relationship Management (“CRM”) services and dealership training
23 services to over 3,000 auto dealers throughout the United States, Canada and
24 Australia.

25 8. Upon information and belief, DealerSocket offers numerous product
26 and service enhancements to its core CRM products and services. One such
27 enhancement is a lead generation subscription service commercially marketed
28 nationwide under the name “RevenueRadar.”

1 9. On June 15, 2012, counsel for AutoAlert sent a letter to DealerSocket
2 regarding DealerSocket's RevenueRadar product. The letter discussed
3 AutoAlert's U.S. Patent Nos. 7,827,099, 8,005,752, 8,086,529, and 8,095,461,
4 and the RevenueRadar product, and enclosed copies of the four patents for
5 DealerSocket to review.

6 10. On March 12, 2013, the date of issuance of U.S. Patent No.
7 8,396,791, counsel for AutoAlert sent a letter to counsel for DealerSocket
8 providing notice to DealerSocket that the new patent had issued. The letter
9 discussed the new patent and enclosed a copy of the new patent for DealerSocket
10 to review.

11 **FIRST CLAIM FOR RELIEF**

12 **INFRINGEMENT OF U.S. PATENT NO. 7,827,099**

13 11. Plaintiff incorporates by reference and realleges each of the
14 allegations set forth in Paragraphs 1-10 above.

15 12. On November 2, 2010, the United States Patent and Trademark
16 Office duly and legally issued U.S. Patent No. 7,827,099 ("the '099 patent"),
17 entitled "System And Method For Assessing And Managing Financial
18 Transactions." AutoAlert owns the '099 patent. A true and correct copy of the
19 '099 patent is attached hereto as Exhibit A and is incorporated herein by
20 reference.

21 13. AutoAlert has marked products and services it has sold with the
22 number of the '099 patent in compliance with 35 U.S.C. § 287(a).

23 14. Upon information and belief, DealerSocket makes, uses, sells, and/or
24 offers to sell lead generation systems and/or services for the automotive industry,
25 including at least RevenueRadar, that infringe the '099 patent in violation of 35
26 U.S.C. § 271(a).

27 15. DealerSocket's infringement of the '099 patent is causing irreparable
28 harm to AutoAlert, for which there is no adequate remedy at law. DealerSocket's

1 infringement will continue, and will continue to cause irreparable harm to
2 AutoAlert, unless DealerSocket's infringement is enjoined by this Court.

3 16. Upon information and belief, DealerSocket has derived and received,
4 and will continue to derive and receive (unless enjoined), gains, profits, and
5 advantages from their infringement in an amount that is presently unknown to
6 AutoAlert.

7 17. DealerSocket's acts of patent infringement have caused damage to
8 AutoAlert in an amount to be determined at trial.

9 18. DealerSocket had actual knowledge of the '099 patent prior to the
10 filing of this Complaint, at least as early as June 2012. Upon information and
11 belief, DealerSocket nonetheless continued to make, use, sell, and/or offer to sell
12 the RevenueRadar product, despite an objectively high likelihood that its actions
13 constitute infringement of the '099 patent. Upon information and belief,
14 DealerSocket knows or should know that there is an objectively high likelihood
15 that its actions constitute infringement of the '099 patent. Accordingly, upon
16 information and belief, DealerSocket's infringement of the '099 patent has been
17 and is willful and deliberate.

18 **SECOND CLAIM FOR RELIEF**

19 **INFRINGEMENT OF U.S. PATENT NO. 8,005,752**

20 19. Plaintiff incorporates by reference and realleges each of the
21 allegations set forth in Paragraphs 1-10 above.

22 20. On August 23, 2011, the United States Patent and Trademark Office
23 duly and legally issued U.S. Patent No. 8,005,752 ("the '752 patent"), entitled
24 "System And Method For Assessing And Managing Financial Transactions."
25 AutoAlert owns the '752 patent. A true and correct copy of the '752 patent is
26 attached hereto as Exhibit B and is incorporated herein by reference.

27 21. AutoAlert has marked products and services it has sold with the
28 number of the '752 patent in compliance with 35 U.S.C. § 287(a).

1 22. Upon information and belief, DealerSocket makes, uses, sells, and/or
2 offers to sell lead generation systems and/or services for the automotive industry,
3 including at least RevenueRadar, that infringe the '752 patent in violation of 35
4 U.S.C. § 271(a).

5 23. DealerSocket's infringement of the '752 patent is causing irreparable
6 harm to AutoAlert, for which there is no adequate remedy at law. DealerSocket's
7 infringement will continue, and will continue to cause irreparable harm to
8 AutoAlert, unless DealerSocket's infringement is enjoined by this Court.

9 24. Upon information and belief, DealerSocket has derived and received,
10 and will continue to derive and receive (unless enjoined), gains, profits, and
11 advantages from their infringement in an amount that is presently unknown to
12 AutoAlert.

13 25. DealerSocket's acts of patent infringement have caused damage to
14 AutoAlert in an amount to be determined at trial.

15 26. DealerSocket had actual knowledge of the '752 patent prior to the
16 filing of this Complaint, at least as early as June 2012. Upon information and
17 belief, DealerSocket nonetheless continued to make, use, sell, and/or offer to sell
18 the RevenueRadar product, despite an objectively high likelihood that its actions
19 constitute infringement of the '752 patent. Upon information and belief,
20 DealerSocket knows or should know that there is an objectively high likelihood
21 that its actions constitute infringement of the '752 patent. Accordingly, upon
22 information and belief, DealerSocket's infringement of the '752 patent has been
23 and is willful and deliberate.

24 **THIRD CLAIM FOR RELIEF**
25 **INFRINGEMENT OF U.S. PATENT NO. 8,086,529**

26 27. Plaintiff incorporates by reference and realleges each of the
27 allegations set forth in Paragraphs 1-10 above.

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1 28. On December 27, 2011, the United States Patent and Trademark
2 Office duly and legally issued U.S. Patent No. 8,086,529 (“the ’529 patent”),
3 entitled “System And Method For Assessing And Managing Financial
4 Transactions.” AutoAlert owns the ’529 patent. A true and correct copy of the
5 ’529 patent is attached hereto as Exhibit C and is incorporated herein by
6 reference.

7 29. AutoAlert has marked products and services it has sold with the
8 number of the ’529 patent in compliance with 35 U.S.C. § 287(a).

9 30. Upon information and belief, DealerSocket makes, uses, sells, and/or
10 offers to sell lead generation systems and/or services for the automotive industry,
11 including at least RevenueRadar, that infringe the ’529 patent in violation of 35
12 U.S.C. § 271(a).

13 31. DealerSocket’s infringement of the ’529 patent is causing irreparable
14 harm to AutoAlert, for which there is no adequate remedy at law. DealerSocket’s
15 infringement will continue, and will continue to cause irreparable harm to
16 AutoAlert, unless DealerSocket’s infringement is enjoined by this Court.

17 32. Upon information and belief, DealerSocket has derived and received,
18 and will continue to derive and receive (unless enjoined), gains, profits, and
19 advantages from their infringement in an amount that is presently unknown to
20 AutoAlert.

21 33. DealerSocket’s acts of patent infringement have caused damage to
22 AutoAlert in an amount to be determined at trial.

23 34. DealerSocket had actual knowledge of the ’529 patent prior to the
24 filing of this Complaint, at least as early as June 2012. Upon information and
25 belief, DealerSocket nonetheless continued to make, use, sell, and/or offer to sell
26 the RevenueRadar product, despite an objectively high likelihood that its actions
27 constitute infringement of the ’529 patent. Upon information and belief,
28 DealerSocket knows or should know that there is an objectively high likelihood

1 that its actions constitute infringement of the '529 patent. Accordingly, upon
2 information and belief, DealerSocket's infringement of the '529 patent has been
3 and is willful and deliberate.

4 **FOURTH CLAIM FOR RELIEF**
5 **INFRINGEMENT OF U.S. PATENT NO. 8,095,461**

6 35. Plaintiff incorporates by reference and realleges each of the
7 allegations set forth in Paragraphs 1-10 above.

8 36. On January 10, 2012, the United States Patent and Trademark Office
9 duly and legally issued U.S. Patent No. 8,095,461 ("the '461 patent"), entitled
10 "System And Method For Assessing And Managing Financial Transactions."
11 AutoAlert owns the '461 patent. A true and correct copy of the '461 patent is
12 attached hereto as Exhibit D and is incorporated herein by reference.

13 37. AutoAlert has marked products and services it has sold with the
14 number of the '461 patent in compliance with 35 U.S.C. § 287(a).

15 38. Upon information and belief, DealerSocket makes, uses, sells, and/or
16 offers to sell lead generation systems and/or services for the automotive industry,
17 including at least RevenueRadar, that infringe the '461 patent in violation of 35
18 U.S.C. § 271(a).

19 39. DealerSocket's infringement of the '461 patent is causing irreparable
20 harm to AutoAlert, for which there is no adequate remedy at law. DealerSocket's
21 infringement will continue, and will continue to cause irreparable harm to
22 AutoAlert, unless DealerSocket's infringement is enjoined by this Court.

23 40. Upon information and belief, DealerSocket has derived and received,
24 and will continue to derive and receive (unless enjoined), gains, profits, and
25 advantages from their infringement in an amount that is presently unknown to
26 AutoAlert.

27 41. DealerSocket's acts of patent infringement have caused damage to
28 AutoAlert in an amount to be determined at trial.

1 42. DealerSocket had actual knowledge of the '461 patent prior to the
2 filing of this Complaint, at least as early as June 2012. Upon information and
3 belief, DealerSocket nonetheless continued to make, use, sell, and/or offer to sell
4 the RevenueRadar product, despite an objectively high likelihood that its actions
5 constitute infringement of the '461 patent. Upon information and belief,
6 DealerSocket knows or should know that there is an objectively high likelihood
7 that its actions constitute infringement of the '461 patent. Accordingly, upon
8 information and belief, DealerSocket's infringement of the '461 patent has been
9 and is willful and deliberate.

10 **FIFTH CLAIM FOR RELIEF**

11 **INFRINGEMENT OF U.S. PATENT NO. 8,396,791**

12 43. Plaintiff incorporates by reference and realleges each of the
13 allegations set forth in Paragraphs 1-10 above.

14 44. On March 12, 2013, the United States Patent and Trademark Office
15 duly and legally issued U.S. Patent No. 8,396,791 ("the '791 patent"), entitled
16 "System and Method for Assessing and Managing Financial Transactions."
17 AutoAlert owns the '791 patent. A true and correct copy of the '791 patent is
18 attached hereto as Exhibit E and is incorporated herein by reference.

19 45. Upon information and belief, DealerSocket makes, uses, sells, and/or
20 offers to sell lead generation systems and/or services for the automotive industry,
21 including at least RevenueRadar, that infringe the '791 patent in violation of 35
22 U.S.C. § 271(a).

23 46. DealerSocket's infringement of the '791 patent is causing irreparable
24 harm to AutoAlert, for which there is no adequate remedy at law. DealerSocket's
25 infringement will continue, and will continue to cause irreparable harm to
26 AutoAlert, unless DealerSocket's infringement is enjoined by this Court.

27 47. Upon information and belief, DealerSocket has derived and received,
28 and will continue to derive and receive (unless enjoined), gains, profits, and

1 advantages from their infringement in an amount that is presently unknown to
2 AutoAlert.

3 48. DealerSocket's acts of patent infringement have caused damage to
4 AutoAlert in an amount to be determined at trial.

5 DealerSocket had actual knowledge of the '791 patent prior to the filing of this
6 Complaint, at least as early as March 2013. Upon information and belief,
7 DealerSocket nonetheless continued to make, use, sell, and/or offer to sell the
8 RevenueRadar product, despite an objectively high likelihood that its actions
9 constitute infringement of the '791 patent. Upon information and belief,
10 DealerSocket knows or should know that there is an objectively high likelihood
11 that its actions constitute infringement of the '791 patent. Accordingly, upon
12 information and belief, DealerSocket's infringement of the '791 patent has been
13 and is willful and deliberate.

14 **PRAYER FOR JUDGMENT AND RELIEF**

15 WHEREFORE, AutoAlert requests judgment and relief in its favor as
16 follows:

17 A. A judgment that DealerSocket has directly infringed U.S. Patent Nos.
18 7,827,099, 8,005,752, 8,086,529, 8,095,461, and 8,396,791;

19 B. Preliminary and permanent injunctions against further infringement
20 of U.S. Patent Nos. 7,827,099, 8,005,752, 8,086,529, 8,095,461, and 8,396,791 by
21 DealerSocket;

22 C. An award of damages from the infringement by DealerSocket;

23 D. A declaration that DealerSocket's infringement was and is willful,
24 and that this is an exceptional case under 35 U.S.C. § 285;

25 E. A trebling of the award of damages under 35 U.S.C. § 284, or such
26 other enhancement of the award of damages that the Court deems appropriate;

27 F. An award of attorneys' fees and non-taxable costs under 35 U.S.C.
28 § 285 on account of DealerSocket's willful infringement;

1 G. An award of taxable costs; and

2 H. Such other relief as this Court may deem just and proper.

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4 KNOBBE, MARTENS, OLSON & BEAR, LLP

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6 Dated: November 21, 2013 By: /s/ Cheryl T. Burgess

7 Craig S. Summers
8 David G. Jankowski
9 Cheryl T. Burgess

10 Attorneys for Plaintiff,
11 AUTOALERT, INC.
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JURY DEMAND

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiff demands a trial by jury of all issues raised by the pleadings which are triable by jury.

KNOBBE, MARTENS, OLSON & BEAR, LLP

Dated: November 21, 2013 By: /s/ Cheryl T. Burgess

Craig S. Summers
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