

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

CAPITAL SECURITY
SYSTEMS, INC.

Plaintiff,

v.

NCR CORPORATION, SUNTRUST
BANKS, INC. AND ITS
SUBSIDIARY, SUNTRUST BANK,

Defendants.

CIVIL ACTION NO. _____

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

This is an action for patent infringement in which Plaintiff, Capital Security Systems, Inc. (“Capital Security”), makes the following allegations against Defendants NCR Corporation (“NCR”), and SunTrust Banks, Inc. and its subsidiary SunTrust Bank (together, “SunTrust”):

The Parties

1. Plaintiff Capital Security is an Illinois corporation having its principal place of business in San Diego, California.
2. On information and belief, Defendant NCR is a Maryland corporation having a principal place of business in Duluth, Georgia. NCR may be served by

service upon its registered agent, CT Corporation System, at 1201 Peachtree Street NE, Atlanta, GA 30361.

3. On information and belief, Defendant SunTrust Bank, Inc. is a Georgia corporation having a principal place of business in Atlanta, Georgia, and it operates its retail banking business through its subsidiary SunTrust Bank. SunTrust Banks, Inc. and SunTrust Bank may be served by service upon their registered agent Raymond D. Fortin, 303 Peachtree Street NE, Suite 3600, Atlanta, GA 30308.

4. SunTrust and NCR conduct business in this judicial district and elsewhere throughout the United States.

Nature of the Action

5. This is a civil action for the infringement of United States Patent Nos. 5,897,625 (the “625 patent”), 7,653,600 (the “600 patent”), 7,991,696 (the “696 patent”), 8,121,948 (the “948 patent”) (attached as Exhibits A-D, respectively) under the Patent Laws of the United States 35 U.S.C. § 1 et seq.

Jurisdiction and Venue

6. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because this action arises under the patent laws of the United States, including 35 U.S.C. § 271 et seq.

7. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 and 1400(b). Defendants have transacted business in this District. On information and belief, the Defendants have committed acts of patent infringement in this District.

8. On information and belief, Defendants are subject to this Court's specific and general personal jurisdiction pursuant to due process, due at least to the location of their principal places of business in this judicial district, their substantial business in this forum, including (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Georgia and in this judicial district.

Background of Use and Sale

9. NCR operates in four segments including financial services, with a focus on retail banking. NCR provides financial institutions, among other things, with automatic teller machines ("ATMs") and other financial product solutions designed to quickly and reliably process consumer transactions and incorporate advanced features such as automated check cashing/deposit, automated cash deposit, web enablement and bill payment. NCR ATMs help retail bank customers to reduce costs, generate new revenue streams and enhance customer loyalty.

10. NCR ATMs utilize what it refers to as Scalable Deposit Module (“SDM”) technology. This technology simplifies the automated deposit process, helping retail bank customers to complete the envelope free deposit portion of a transaction in half the time of other ATMs. This technology, among other things, facilitates check truncation and bill validation. Upon information and belief, NCR has sold over 10,000 ATMs utilizing SDM technology.

11. As of July 2012, upon information and belief, SunTrust had entered into an exclusive contract to deploy NCR ATMs containing the SDM technology to SunTrust’s 1,600 locations. SunTrust had, at that time, deployed more than 1,200 of the NCR ATMs. Upon information and belief, SunTrust continued with its deployment of NCR ATMs. Upon information and belief, SunTrust’s deployment of NCR ATMs has contributed to significant expense reduction including reduction in the number of retail branches.

12. SunTrust has transacted business with NCR in this District relating to its ATM network. Upon information and belief, SunTrust has purchased NCR Multi-function and Intelligent Deposit ATMs in this district, including, among others, NCR SelfServ 31, NCR SelfServ 32, NCR SelfServ 34, NCR SelfServ 34 Drive-up, NCR SelfServ 36, and NCR SelfServ 38 Drive-up machines (“the NCR Smart ATMS”). SunTrust makes these machines available to its account owners in the

ordinary course of its business, each machine allowing an account owner to pay bills, or to deposit cash or checks without an envelope, and generating a snapshot image of any deposited checks.

The Patents-in-Suit

13. On April 27, 1999, the '625 Patent, titled "Automated Document Cashing System," was duly and legally issued by the United States Patent and Trademark Office ("USPTO"). The '625 Patent claims systems and methods for, among other things, depositing checks, cashing checks, depositing cash, and/or paying bills with automated banking machines without an envelope.

14. On January 26, 2010, the '600 Patent, titled "Automated Document Cashing System," was duly and legally issued by the USPTO. The '600 Patent claims an automated machine for, among other things, depositing checks without an envelope where the legal amount recognition, the courtesy amount recognition, and the signature lines of the checks are reviewed.

15. On August 2, 2011, the '696 Patent, titled "Automated Document Cashing Machine and Method," was duly and legally issued by the USPTO. The '696 Patent claims apparatus and methods for, among other things, paying bills and depositing checks without an envelope where the legal amount recognition, the courtesy amount recognition, and the signature lines of the checks are reviewed.

16. On February 21, 2012, the '948 Patent, titled "Automated Document Cashing System," was duly and legally issued by the USPTO. The '948 Patent claims an automated machine for, among other things, depositing checks without an envelope where the legal amount recognition, the courtesy amount recognition, and the signature lines of the checks are reviewed.

17. Capital Security is the assignee of all rights, title, and interest in the '625, '600, '696, and '948 Patents ("Patents-in-Suit"), and possesses all rights to sue and recover for any current or past infringement of the Patents-in-Suit.

Count 1

Defendants NCR and SunTrusts' Infringement of U.S. Patent No. 5,897,625

18. Paragraphs 1-17 are incorporated by reference as if fully restated herein.

19. On information and belief, NCR has directly infringed, and continues to directly infringe, one or more claims of the '625 Patent, literally, by manufacturing, selling and offering for sale, in this district and elsewhere in the United States, the NCR Smart ATMs, including NCR Smart ATMs having the SDM technology, as well as any other ATMs which have been converted to incorporate Deposit Image technology, and related check imaging and processing software, where each such ATM allows a user to deposit cash or checks without an envelope or pay a bill, and which generate a snapshot image of any deposited checks, as these ATMs and related check imaging and processing software have a

card receiver for receiving a card that identifies a qualified user for such ATM, a keypad, screen, or other means for entering data including the monetary amount about a document to be processed, a document receiver for receiving the document to be processed, a scanner or other means for generating an image data from the front and back of the document, a processor or other means to read the amount of the document, interconnected with a processor or other means to evaluate the signature on the document and for confirming that the signature is acceptable to support the transaction in question, a cash dispenser that dispenses cash automatically to the user once a processor or other means evaluating the signature has accepted the signature, and a bill reader to read a user's provider's account number and the user's identification in order to transfer funds to a user's provider to pay the bill.

20. On information and belief, SunTrust has directly infringed, and continues to directly infringe, one or more claims of the '625 Patent, literally, by using, in this district and elsewhere in the United States, ATMs supplied by NCR, and including the NCR Smart ATMs, including NCR Smart ATMs having the scalable deposit module (the "SDM module"), as well as any other ATMs which have been converted to incorporate Deposit Image technology, and related check imaging and processing software, where each such ATM allows an account owner to deposit

cash or checks without an envelope or pay a bill, and which generate a snapshot image of any deposited checks, as these ATMs and related check imaging and processing software have a card receiver for receiving a card that identifies a qualified user for such ATM, a keypad, screen, or other means for entering data including the monetary amount about a document to be processed, a document receiver for receiving the document to be processed, a scanner or other means for generating an image data from the front and back of the document, a processor or other means to read the amount of the document, interconnected with a processor or other means to evaluate the signature on the document and for confirming that the signature is acceptable to support the transaction in question, a cash dispenser that dispenses cash automatically to the user once a processor or other means evaluating the signature has accepted the signature, and a bill reader to read an account owner's provider's account number and the account owner's identification in order to transfer funds to the account owner's provider to pay the bill.

21. If and to the extent any Defendant contends that the infringement in question is not literal, Capital Security contends that, at a minimum, said infringement occurs under the doctrine of equivalents.

22. Capital Security has been and continues to be damaged by Defendants' infringement of the '625 Patent. As such, Capital Security is entitled to an award of

money damages from the Defendants, in an amount no less than a reasonable royalty.

Count 2

Defendants NCR and SunTrusts' Infringement of U.S. Patent No. 7,653,600

23. Paragraphs 1-17 are incorporated by reference as if fully restated herein.

24. On information and belief, NCR has directly infringed, and continues to directly infringe, one or more claims of the '600 Patent, literally, by manufacturing, selling and offering for sale, in this District and elsewhere in the United States, the NCR Smart ATMs, including NCR Smart ATMs having the SDM module, as well as any other ATMs which have been converted to incorporate Deposit Image technology, and related check imaging and processing software, where each such ATM allows a user to deposit cash or checks without an envelope, and which generate a snapshot image of any deposited checks, embodying and covered by one or more claims of the '600 Patent, as these ATMs and related check imaging and processing software have a card reader for a card having an intelligence associated therewith for identifying a user as a qualified user, a document scanner for scanning the monetary document, a processor for receiving input from the document scanner and generating an image thereof, a document reader for the monetary document to be deposited, a display device for displaying the image from the scanned monetary document to the user, an

acceptance of deposit indicator to indicate proof of deposit to the user after qualification of the user and validity of the monetary document, wherein a processor reviews images from legal amount recognition and courtesy amount recognition lines and ascertains an apparent signature from the document image to validate the monetary document.

25. On information and belief, SunTrust has directly infringed, and continues to directly infringe, one or more claims of the '600 Patent, literally, by using, in this District and elsewhere in the United States, ATMs supplied by NCR, and including the NCR Smart ATMs, including NCR Smart ATMs having the SDM module, as well as any other ATMs which have been converted to incorporate Deposit Image technology, and related check imaging and processing software, where each such ATM allows an account owner to deposit cash or checks without an envelope, and which generate a snapshot image of any deposited checks, embodying and covered by one or more claims of the '600 Patent, as these ATMs and related check imaging and processing software have a card reader for a card having an intelligence associated therewith for identifying a user as a qualified user, a document scanner for scanning the monetary document, a processor for receiving input from the document scanner and generating an image thereof, a document reader for the monetary document to be deposited, a display device for displaying

the image from the scanned monetary document to the user, an acceptance of deposit indicator to indicate proof of deposit to the user after qualification of the user and validity of the monetary document, wherein a processor reviews images from legal amount recognition and courtesy amount recognition lines and ascertains an apparent signature from the document image to validate the monetary document.

26. If and to the extent any Defendant contends that the infringement in question is not literal, Capital Security contends that, at a minimum, said infringement occurs under the doctrine of equivalents.

27. Capital Security has been and continues to be damaged by Defendants' infringement of the '600 Patent. As such, Capital Security is entitled to an award of money damages from the Defendants, in an amount no less than a reasonable royalty.

Count 3

Defendants NCR and SunTrust's Infringement of U.S. Patent No. 7,991,696

28. Paragraphs 1-17 are incorporated by reference as if fully restated herein.

29. On information and belief, NCR has directly infringed, and continues to directly infringe, one or more claims of the '696 Patent, literally and/or under the doctrine of equivalents, by manufacturing, selling and offering for sale, in this District and elsewhere in the United States, the NCR Smart ATMs, including NCR

Smart ATMs having the SDM module, as well as any other ATMs which have been converted to incorporate Deposit Image technology, and related check imaging and processing software, where each such ATM allows a user to deposit cash or checks without an envelope or pay a bill, and which generate a snapshot image of any deposited checks, embodying and covered by one or more claims of the '696 Patent, as these ATMs and related check imaging and processing software have a processor and a card receiver configured to receive a card having an intelligence associated therewith and to identify a user as a qualified user, that instructs the user to insert monetary transaction document into the ATM, that scans the inserted monetary document and generates a document image, that instructs the user to enter the amount to be deposited into the ATM, that reviews the images from the legal amount recognition and courtesy amount recognition lines and reviews the amount entered by the user to provide a confidence level, a processor to ascertain if an apparent signature is on the signature line of the document image and to determine if the signature is valid, and to provide an acceptance of the deposit to the user after qualification of the system user and an acceptable confidence level and a bill reader which ascertains a user's provider's account number and the user's identification in order to transfer funds to the user's provider to pay the bill.

30. On information and belief, SunTrust has directly infringed, and continues to directly infringe, one or more claims of the '696 Patent, literally and/or under the doctrine of equivalents, by using, in this District and elsewhere in the United States, ATMs supplied by NCR, and including the NCR Smart ATMs, including NCR Smart ATMs having the SDM module, as well as any other ATMs which have been converted to incorporate Deposit Image technology, and related check imaging and processing software, where each such ATM allows an account owner to deposit cash or checks without an envelope or pay a bill, and which generate a snapshot image of any deposited checks, embodying and covered by one or more claims of the '696 Patent, as these ATMs and related check imaging and processing software have a processor and a card receiver configured to receive a card having an intelligence associated therewith and to identify a user as a qualified user, that instructs the user to insert monetary transaction document into the ATM, that scans the inserted monetary document and generates a document image, that instructs the user to enter the amount to be deposited into the ATM, that reviews the images from the legal amount recognition and courtesy amount recognition lines and reviews the amount entered by the user to provide a confidence level, a processor to ascertain if an apparent signature is on the signature line of the document image and to determine if the signature is valid, and

to provide an acceptance of the deposit to the user after qualification of the system user and an acceptable confidence level and a bill reader which ascertains an account owner's provider's account number and the account owner's identification in order to transfer funds to the account owner's provider to pay the bill.

31. If and to the extent any Defendant contends that the infringement in question is not literal, Capital Security contends that, at a minimum, said infringement occurs under the doctrine of equivalents.

32. Capital Security has been and continues to be damaged by Defendants' infringement of the '696 Patent. As such, Capital Security is entitled to an award of money damages from the Defendants, in an amount no less than a reasonable royalty.

Count 4
Defendant SunTrust's Infringement of U.S. Patent No. 8,121,948

33. Paragraphs 1-17 are incorporated by reference as if fully restated herein.

34. On information and belief, SunTrust has directly infringed, and continues to directly infringe, one or more claims of the '948 Patent, literally and/or under the doctrine of equivalents, by using, in this District and elsewhere in the United States, ATMs supplied by NCR, and including the NCR Smart ATMs, including NCR Smart ATMs having the SDM module, as well as any other ATMs which have been converted to incorporate Deposit Image technology, and related check

imaging and processing software, where each such ATM allows a user to deposit cash or checks without an envelope, and which generate a snapshot image of any deposited checks, embodying and covered by one or more claims of the '948 Patent, as these ATMs and related check imaging and processing software have a card reader configured to accept a card having associated intelligence and to identify a user as a qualified user, a document scanner configured to scan the monetary document, a processor configured to receive input from the document scanner and to generate a document image thereof, a document reader configured to read the monetary document from which a deposit is being made, a display device coupled to the processor and configured to display the document image to the system user, and an acceptance of the deposit indicator configured to be operated by the processor after qualification of the user and validity of the document to indicate proof of deposit to the system user, wherein the processor is configured to review images from legal amount recognition and courtesy amount recognition lines, and to ascertain an apparent signature, from the document image in order to validate the document.

35. If and to the extent SunTrust contends that the infringement in question is not literal, Capital Security contends that, at a minimum, said infringement occurs under the doctrine of equivalents.

36. Capital Security has been and continues to be damaged by SunTrust's infringement of the '948 Patent.

Count 5

Defendant NCR's Willful Infringement of the '625 and '600 Patents

37. Paragraphs 1-27 are incorporated by reference as if fully restated herein.

38. NCR has been aware of the '625 and '600 Patents since at least 2000. NCR and Capital Security had periodic contacts and discussions between 2000 and 2005 relating to the possible sale or license of the technology of the '625 and '600 Patents as well as other pending patent applications, some of which have now issued and are additional patents-in-suit. By way of a letter dated January 5, 2011, Capital Security notified NCR of its infringement of the '600 and the '625 Patents. Attached as Exhibit E to the Complaint is a true and correct copy of said letter and supporting exhibits.

39. NCR did not respond to the aforementioned letter. However, with knowledge of the Patents and information showing an objectively high risk of infringement, NCR continued with a major sales and marketing initiative directed to the sales of the NCR Smart ATMs, including Smart ATMS having the SDM module. Upon information and belief, NCR's efforts to sell the patent-infringing NCR Smart ATMs to SunTrust spanned 2011 and 2012 when it was announced

that SunTrust had contracted to install at least 1600 of the NCR Smart ATMs having the SDM module.

40. For at least these reasons, NCR's infringement of the '625 and '600 Patents is willful, deliberate, and in disregard of Capital Security's patent rights. NCR acted to make, sell and offer for sale the NCR Smart ATMs, including Smart ATMS having the SDM module, despite an objectively high likelihood that its actions constituted infringement of a valid patent. When Capital Security pointed out the infringement of these Patents in a detailed manner, NCR did not alter or modify its actions. Instead, it continued without pause to make, sell and offer for sale the NCR Smart ATMs, including those with an SDM module. NCR did this with full and actual knowledge of the risk of infringement.

41. Capital Security is therefore entitled to enhanced damages against NCR of three times the amount of actual damages pursuant to 35 U.S.C. § 284 and recovery of attorneys' fees pursuant to 35 U.S.C. § 285.

Prayer for Relief

Wherefore, Plaintiff Capital Security respectfully requests that this Court enter judgment against Defendants as follows:

- a) adjudging that NCR directly infringed and infringes, literally, U.S. Patent Nos. 5,897,625, 7,653,600, and 7,991,696;

- b) adjudging that SunTrust directly infringed and infringes, literally, U.S. Patent Nos. 5,897,625, 7,653,600, 7,991,696, and 8,121,948;
- c) In the event that literal infringement is not found with respect to one or more of the Patents-in-Suit, adjudging that the Defendants directly infringed said patent(s) under the doctrine of equivalents;
- d) awarding Capital Security the damages to which it is entitled under 35 U.S.C. § 284 for Defendants' past infringement and any continuing or future infringement up until the date Defendants are finally and permanently enjoined from further infringement, and ordering a full accounting of same;
- e) awarding Capital Security enhanced damages, up to and including trebling of Capital Security's damages recoverable from NCR pursuant to 35 U.S.C. § 284, for its willful infringement of the '625 and '600 Patents;
- f) declaring this to be an exceptional case, and awarding Capital Security attorneys' fees pursuant to 35 U.S.C. § 285 against the Defendants jointly and severally;
- g) awarding Capital Security pre-judgment and post-judgment interest on its damages; and
- h) awarding Capital Security such other and further relief in law or equity that the Court deems just and proper.

Demand for Jury Trial

Capital Security hereby demands a trial by jury on all claims and issues so triable.

This 19th day of May, 2014.

Respectfully submitted,

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