

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

CAPITAL SECURITY SYSTEMS, INC.,

Plaintiff,

V.

**JPMORGAN CHASE BANK, N.A.,
JPMORGAN CHASE & CO., WELLS
FARGO BANK, N.A., WELLS FARGO &
CO., COMPASS BANK, AND BBVA
COMPASS BANCSHARE, INC.,**

Defendants

Civil Action No. 2:12-cv-604

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 JPMorgan Chase Bank, N.A., JPMorgan Chase & Co., Wells Fargo Bank, N.A., Wells Fargo & Co., Compass Bank, and BBVA Compass Bancshares, Inc.:

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, Defendants JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. are Delaware corporations having a principal place of business in New York, New York. On information and belief, JPMorgan Chase Bank, N.A. is a wholly-owned subsidiary of JPMorgan Chase & Co. These two entities are hereinafter referenced in the singular as “Chase.”

3. On information and belief, Chase conducts business in this judicial district and

Complaint

elsewhere throughout the United States. Chase may be served with process through its registered agent CT Corporation System, 350 N. St. Paul St., Ste. 2900, Dallas, TX 75201-4234.

4. On information and belief, Defendants Wells Fargo Bank N.A. and Wells Fargo & Co. are Delaware corporations having a principal place of business in San Francisco, California. On information and belief Wells Fargo Bank N.A. is a wholly-owned subsidiary of Wells Fargo & Co. These two entities are hereinafter referenced in the singular as “Wells Fargo.”

5. On information and belief, Wells Fargo conducts business in this judicial district and elsewhere throughout the United States. Wells Fargo may be served with process through its registered agent Corporation Service Company at 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808.

6. On information and belief, Defendants Compass Bank and BBVA Compass Bancshares, Inc. are Alabama corporations having a principal place of business in Birmingham, Alabama. On information and belief, Compass Bank is a wholly-owned subsidiary of BBVA Compass Bancshares, Inc. These two entities are hereinafter referenced in the singular as “BBVA Compass.” BBVA may be served with process through its registered agent B.S. Clanton, 15 South 20th Street, Birmingham AL 35233.

Nature of the Action

7. 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

8. 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.

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

10. On information and belief, each of the Defendants is subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute, due at least to its 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 Texas and in this District.

Joinder

11. On information and belief, joinder of Chase, Wells Fargo, and BBVA Compass is proper under 35 U.S.C. § 299 due to each defendant using the accused products manufactured by Wincor Nixdorf Inc., and using, selling and/or offering for sale services provided by such accused products.

The Patents-in-Suit

12. 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.

13. 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.

14. 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, 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 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.

16. 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
Infringement of U.S. Patent No. 7,653,625

17. Paragraphs 1-16 are incorporated by reference as if fully restated herein.

18. On information and belief, Chase has directly infringed, and continues to directly infringe, one or more claims of the '625 Patent, literally and/or under the doctrine of equivalents, by using, in this District and elsewhere in the United States, ATMs supplied by Wincor Nixdorf Inc., among others, covered by one or more claims of the '625 Patent, including ATMs that have

a card receiver for receiving a card that identifies a qualified user for the 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, a processor or other means to evaluate the signature on the document and for confirming that the signature is acceptable, and a cash dispenser that dispenses cash automatically to the user when processor or other means evaluating the signature accepts the signature; and/or using, selling, and/or offering for sale those same services provided by such ATMs, in this District and elsewhere in the United States.

19. Capital Security has been and continues to be damaged by Chase's infringement of the '625 Patent.

20. Chase's infringement of the '625 Patent has been and is willful, deliberate, and in disregard of Capital Security's patent rights.

21. Chase has been aware of the '625 Patent since at least December 2010. By way of a letter dated December 22, 2010, Capital Security notified Chase of Chase's infringement of the '625 Patent.

22. Capital Security is therefore entitled to enhanced damages against Chase up to 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.

23. On information and belief, Wells Fargo has directly infringed, and continues to directly infringe, one or more claims of the '625 Patent, literally and/or under the doctrine of equivalents, by using, in this District and elsewhere in the United States, ATMs supplied by Wincor Nixdorf Inc., among others, covered by one or more claims of the '625 Patent, including

ATMs that have a card receiver for receiving a card that identifies a qualified user for the 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, a processor or other means to evaluate the signature on the document and for confirming that the signature is acceptable, and a cash dispenser that dispenses cash automatically to the user when processor or other means evaluating the signature accepts the signature; .

24. Capital Security has been and continues to be damaged by Wells Fargo's infringement of the '625 Patent.

25. Wells Fargo's infringement of the '625 Patent has been and is willful, deliberate, and in disregard of Capital Security's patent rights.

26. Wells Fargo has been aware of the '625 Patent since at least December 2010. By way of a letter dated December 22, 2010, Capital Security notified Wells Fargo of Wells Fargo's infringement of the '625 Patent.

27. Capital Security is therefore entitled to enhanced damages against Wells Fargo up to 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.

28. On information and belief, BBVA Compass has directly infringed, and continues to directly infringe, one or more claims of the '625 Patent, literally and/or under the doctrine of equivalents, by using, in this District and elsewhere in the United States, ATMs supplied by Wincor Nixdorf Inc., among others, covered by one or more claims of the '625 Patent, including ATMs that have a card receiver for receiving a card that identifies a qualified user for the 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, a processor or other means to evaluate the signature on the document and for confirming that the signature is acceptable, and a cash dispenser that dispenses cash automatically to the user when processor or other means evaluating the signature accepts the signature; .

29. Capital Security has been and continues to be damaged by BBVA Compass' infringement of the '625 Patent.

Count 2
Infringement of U.S. Patent No. 7,653,600

30. Paragraphs 1-29 are incorporated by reference as if fully restated herein.

31. On information and belief, Chase has directly infringed, and continues to directly infringe, one or more claims of the '600 Patent, literally and/or under the doctrine of equivalents, by using, in this District and elsewhere in the United States, ATMs supplied by Wincor Nixdorf Inc., among others, covered by one or more claims of the '600 Patent, including ATMs that 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 the process reviews images from legal amount recognition and courtesy amount recognition lines and ascertain an apparent signature from the document image to validate the monetary document.

32. Capital Security has been and continues to be damaged by Chase's infringement of the '600 Patent.

33. Chase's infringement of the '600 Patent has been and is willful, deliberate, and in disregard of Capital Security's patent rights.

34. Chase has been aware of the '600 Patent since at least December 2010. By way of a letter dated December 22, 2010, Capital Security notified Chase of Chase's infringement of the '600 Patent.

35. Capital Security is therefore entitled to enhanced damages against Chase up to 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.

36. On information and belief, Wells Fargo has directly infringed, and continues to directly infringe, one or more claims of the '600 Patent, literally and/or under the doctrine of equivalents, by using, in this District and elsewhere in the United States, ATMs supplied by Wincor Nixdorf Inc., among others, covered by one or more claims of the '600 Patent, including ATMs that 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 the process reviews images from legal amount recognition and courtesy amount recognition lines and ascertain an apparent signature from the document image to validate the monetary document.

37. Capital Security has been and continues to be damaged by Wells Fargo's infringement of the '600 Patent.

38. Wells Fargo's infringement of the '600 Patent has been and is willful, deliberate, and in disregard of Capital Security's patent rights.

39. Wells Fargo has been aware of the '600 Patent since at least December 2010. By way of a letter dated December 22, 2010, Capital Security notified Wells Fargo of Wells Fargo's infringement of the '600 Patent.

40. Capital Security is therefore entitled to enhanced damages against Wells Fargo up to 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.

41. On information and belief, BBVA Compass has directly infringed, and continues to directly infringe, one or more claims of the '600 Patent, literally and/or under the doctrine of equivalents, by using, in this District and elsewhere in the United States, ATMs supplied by Wincor Nixdorf Inc., among others, covered by one or more claims of the '600 Patent, including ATMs that 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 the process reviews images from legal amount recognition and courtesy amount recognition lines and ascertain an apparent signature from the document image to validate the monetary document.

42. Capital Security has been and continues to be damaged by BBVA Compass' infringement of the '600 Patent.

Count 3
Infringement of U.S. Patent No. 7,991,696

43. Paragraphs 1-42 are incorporated by reference as if fully restated herein.

44. On information and belief, Chase 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 Wincor Nixdorf Inc., among others, covered by one or more claims of the '696 Patent, including ATMs that 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/or using, selling, and/or offering for sale those same services provided by such ATMs, in this District and elsewhere in the United States.

45. Capital Security has been and continues to be damaged by Chase's infringement of the '696 Patent.

46. On information and belief, Wells Fargo 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

Wincor Nixdorf Inc., among others, covered by one or more claims of the '696 Patent, including ATMs that 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/or using, selling, and/or offering for sale those same services provided by such ATMs, in this District and elsewhere in the United States.

47. Capital Security has been and continues to be damaged by Wells Fargo's infringement of the '696 Patent.

48. On information and belief, BBVA Compass 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 Wincor Nixdorf Inc., among others, covered by one or more claims of the '696 Patent, including ATMs that 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/or using, selling, and/or offering for sale those same services provided by such ATMs, in this District and elsewhere in the United States.

49. Capital Security has been and continues to be damaged by BBVA Compass' infringement of the '696 Patent.

Count 4
Infringement of U.S. Patent No. 8,121,948

50. Paragraphs 1-49 are incorporated by reference as if fully restated herein.

51. On information and belief, Chase 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 Wincor Nixdorf Inc., among others, covered by one or more claims of the '948 Patent, including ATMs that 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 a legal amount recognition line and a courtesy amount recognition line, and to ascertain an apparent

signature, from the document image in order to validate the document.

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

53. On information and belief, Wells Fargo 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 Wincor Nixdorf Inc., among others, covered by one or more claims of the '948 Patent, including ATMs that 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 a legal amount recognition line and a courtesy amount recognition line, and to ascertain an apparent signature, from the document image in order to validate the document.

54. Capital Security has been and continues to be damaged by Wells Fargo's infringement of the '948 Patent.

55. On information and belief, BBVA Compass 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 Wincor Nixdorf Inc., among others, covered by one or more claims of the '948 Patent, including

ATMs that 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 a legal amount recognition line and a courtesy amount recognition line, and to ascertain an apparent signature, from the document image in order to validate the document.

56. Capital Security has been and continues to be damaged by BBVA Compass' infringement of the '948 Patent.

Prayer for Relief

Wherefore, Plaintiff Capital Security respectfully requests that this Court enter judgment against Defendants JPMorgan Chase Bank, N.A., JPMorgan Chase & Co., Wells Fargo Bank, N.A., Wells Fargo & Co., Compass Bank, and BBVA Compass Bancshares, Inc. as follows:

- a) adjudging that the Defendants have directly infringed, literally or under the doctrine of equivalents, U.S. Patent Nos. 5,897,625, 7,653,600, 7,991,696, and 8,121,948;
- b) 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;
- c) awarding Capital Security enhanced damages, up to and including trebling of Capital

Security's damages pursuant to 35 U.S.C. § 284, for Defendants' willful infringement of the '625 and '600 Patents;

- d) awarding Capital Security attorneys' fees pursuant to 35 U.S.C. § 285, for Defendants' willful infringement of the '625 and '600 Patents;
- e) awarding Capital Security pre-judgment and post-judgment interest on its damages; and
- f) 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.

Dated: September 18, 2012

Respectfully submitted,

By: /s/ Eric H. Findlay

Eric H. Findlay
Texas Bar No. 00789886
Brian Craft
Texas Bar No. 04972020
FINDLAY & CRAFT LLP
6760 Old Jacksonville Hwy, Ste. 101
Tyler, TX 75703
Email: efindlay@findlaycraft.com
Email: bcraft@findlaycraft.com
Tel: (903)534-1100
Fax: (903)534-1137

Of Counsel:

Peter H. Chang
State Bar No. 24040669
pchang@bchllp.com
Bradford J. Black
State Bar No. 252031 (CA)
bblack@bchllp.com
BLACK CHANG & HAMILL LLP
4 Embarcadero Center, Suite 1400
San Francisco, CA 94111
Telephone: (415) 813-6210

Facsimile: (415) 813-6222

**ATTORNEYS FOR PLAINTIFF
CAPITAL SECURITY SYSTEMS, INC.**