

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

MARKETS-ALERT PTY. LTD.,

Plaintiff,

v.

THE CHARLES SCHWAB  
CORPORATION,  
CHARLES SCHWAB & CO., INC.,  
LIGHTSPEED FINANCIAL, INC.,  
LIGHTSPEED TRADING, LLC,  
OPTIONSXPRESS HOLDINGS INC.,  
OPTIONSXPRESS, INC.,  
RECOGNIA (U.S.) INC.,  
RECOGNIA, INC.,  
SCHWAB HOLDINGS, INC.,  
TRADEKING GROUP, INC.,  
TRADEKING HOLDINGS, LLC, and  
TRADEKING, LLC,

Defendants.

Civil Action No.: \_\_\_\_\_

JURY TRIAL DEMANDED

**COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff Markets-Alert Pty. Ltd. (“Markets-Alert” or “Plaintiff”) hereby alleges patent infringement against Defendants The Charles Schwab Corporation (“Schwab Corp”), Schwab Holdings, Inc. (“Schwab Holdings”), and Charles Schwab & Co., Inc. (“Schwab & Co”) (individually and collectively, “Schwab”), LightSpeed Financial, Inc. (“LightSpeed Financial”) and LightSpeed Trading, LLC (“LightSpeed Trading”) (individually and collectively, “LightSpeed”), OptionsXpress Holdings Inc. (“OXH”) and OptionsXpress, Inc. (“OXI”) (individually and collectively, “OptionsXpress”), Recognia, Inc. (“Recognia Inc”) and Recognia (U.S.) Inc. (“Recognia US”) (individually and collectively, “Recognia”), and Tradeking Group, Inc. (“Tradeking Group”), Tradeking Holdings, LLC (“Tradeking Holdings”), and Tradeking,

LLC (“Tradeking LLC”) (individually and collectively, “Tradeking”), on personal knowledge and information and belief, as follows:

### **THE PARTIES**

1. Plaintiff is an Australian corporation with a principal location at 7-9 Cross Street, Bankstown NSW 2200, Australia.
2. On information and belief, Defendant Schwab Corp is a Delaware corporation with a principal place of business at 211 Main Street, San Francisco, California 94105.
3. On information and belief, Defendant Schwab Holdings is a Delaware corporation with a principal place of business at 101 Montgomery Street # 2350, San Francisco, California 94104, and is a subsidiary of Schwab Corp.
4. On information and belief, Defendant Schwab & Co is a California corporation with a principal place of business at 101 Montgomery Street # 2350, San Francisco, California 94104, and is a subsidiary of Schwab Holdings and/or Schwab Corp.
5. On information and belief, Defendant LightSpeed Financial, is a Delaware corporation with a principal place of business at 148 Madison Avenue, Floor 9, New York, New York 10016.
6. On information and belief, Defendant LightSpeed Trading, is a New York limited liability company with a principal place of business at 148 Madison Avenue, Floor 9, New York, New York 10016 and is a subsidiary of LightSpeed Financial.
7. On information and belief, Defendant OXH is Delaware corporation with a principal place of business at 311 W. Monroe Street, Suite 1000, Chicago, Illinois 60606, and is a subsidiary of Schwab Corp, Schwab Holdings, and/or Schwab & Co.
8. On information and belief, Defendant OXI is Delaware corporation with a principal place of business at 311 W. Monroe Street, Suite 1000, Chicago, Illinois 60606, and is a subsidiary of OXH.
9. On information and belief, Defendant Recognia Inc is a Canadian corporation

with a principal place of business at 200-301 Moodie Drive, Ottawa, ON, Canada K2H 9C4.

10. On information and belief, Defendant Recognia US is a Delaware corporation with a principal place of business at 44 Wall Street, 12th Floor, New York, New York 10005, and is a subsidiary of Recognia Inc.

11. On information and belief, Defendant Tradeking Group is a Delaware corporation with principal place of business at 13024 Ballantyne Corporate Place, Suite 500, Charlotte, NC 28277.

12. On information and belief, Defendant Tradeking LLC is a Delaware limited liability company with principal place of business at 13024 Ballantyne Corporate Place, Suite 500, Charlotte, NC 28277, and is a subsidiary of Tradeking Group.

13. On information and belief, Defendant Tradeking Holdings, is a Delaware limited liability company with principal place of business at 13024 Ballantyne Corporate Place, Suite 500, Charlotte, NC 28277, and is affiliated with Tradeking Group.

#### **JURISDICTION AND VENUE**

14. This action arises under the patent laws of the United States, Title 35 of the United States Code. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

15. Personal jurisdiction and venue are proper in this district under 28 U.S.C. §§ 1391(b)-(c), and 1400(b). On information and belief, each Defendant has a regular and established place of business in this district or state, has transacted business in this district or state, and/or has committed, contributed to, and/or induced acts of patent infringement in this district or state.

16. On information and belief, each Defendant is subject to this Court's specific and general personal jurisdiction consistent with the principles of due process and/or the Long Arm Statute, due at least to its substantial business in this forum directly related to the allegations set forth herein, including: (i) a portion of the infringement alleged herein, including making, using,

selling, offering to sell, and/or importing products, methods and/or systems that infringe the patent-in-suit; (ii) the presence of established distribution and/or marketing channels; and (iii) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals and entities in this state and judicial district.

### COUNT I INFRINGEMENT

17. Plaintiff is the exclusive owner of all rights to United States Patent No. 7,941,357, entitled “Trading System” (“‘357 Patent”), including but not limited to the right to sue for damages. The United States Patent and Trademark Office duly issued the ‘357 Patent on May 10, 2011, which has a priority date of at least October 27, 2000. A true and correct copy of the ‘357 Patent is attached to this Complaint as Exhibit A.

18. On information and belief, each of Defendants Recognia Inc and Recognia US has been and now is infringing, inducing others to infringe, and/or contributorily infringing, literally, under the doctrine of equivalents, and/or jointly, one or more claims of the ‘357 Patent in this state, in this judicial district, and elsewhere in the United States by, among other things, making, using, selling, offering to sell, and/or importing systems and methods that implement, utilize or otherwise embody the patented invention, including by way of example certain real-time stock trading platform products and services, such as its “Technical Insight,” “Technical Event Viewer,” “Intraday Trader,” “Strategy Builder,” “Value Analyzer,” “Alertwire,” and “Stock Chart Patterns,” which are described at least in part online at <http://www.recognia.com/products>. Therefore, each of Defendants Recognia Inc and Recognia US is liable for infringement of the ‘357 Patent.

19. On information and belief, each of Defendants Schwab Corp, Schwab Holdings and Schwab & Co has been and now is infringing, inducing others to infringe, and/or contributorily infringing, literally, under the doctrine of equivalents, and/or jointly, one or more claims of the ‘357 Patent in this state, in this judicial district, and elsewhere in the United States

by, among other things, making, using, selling, offering to sell, and/or importing systems and methods that implement, utilize or otherwise embody the patented invention, including by way of example certain real-time stock trading platform products and services, such as its “StreetSmart Edge,” other Web Trading and Mobile Trading Tools, and Defendant Recognia’s “Technical Insight,” “Technical Event Viewer,” “Intraday Trader,” “Strategy Builder,” “Value Analyzer,” “Alertwire,” and “Stock Chart Patterns,” which are described at least in part online at <http://activetrader.schwab.com/trading-tools/software-trading/overview.aspx>, <http://www.recognia.com/products>, and <http://activetrader.schwab.com/trading-tools/software-trading/overview.aspx#>. Therefore, each of Defendants Schwab Corp, Schwab Holdings and Schwab & Co is liable for infringement of the ‘357 Patent.

20. On information and belief, each of Defendants LightSpeed Financial and LightSpeed Trading has been and now is infringing, inducing others to infringe, and/or contributorily infringing, literally, under the doctrine of equivalents, and/or jointly, one or more claims of the ‘357 Patent in this state, in this judicial district, and elsewhere in the United States by, among other things, making, using, selling, offering to sell, and/or importing systems and methods that implement, utilize or otherwise embody the patented invention, including by way of example certain real-time stock trading platform products and services, such as its “LightSpeed Trader Active Trading Platform,” “Stock Scanning,” and “Technical Analysis,” and Defendant Recognia’s “Technical Insight,” “Technical Event Viewer,” “Intraday Trader,” “Strategy Builder,” “Value Analyzer,” “Alertwire,” and “Stock Chart Patterns,” which are described at least in part online at [http://www.lightspeed.com/?page\\_id=5005](http://www.lightspeed.com/?page_id=5005), [http://www.lightspeed.com/?page\\_id=5101](http://www.lightspeed.com/?page_id=5101), [http://www.lightspeed.com/?page\\_id=5109](http://www.lightspeed.com/?page_id=5109), [http://www.lightspeed.com/?page\\_id=10665](http://www.lightspeed.com/?page_id=10665), and <http://www.recognia.com/products>. Therefore, each of Defendants LightSpeed Financial and LightSpeed Trading is liable for infringement of the ‘357 Patent.

21. On information and belief, each of Defendants OXI and OXH has been and now

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