

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

AMERICAN AIRLINES, INC.,

Plaintiff,

v.

ADVANCED TRANSACTIONS, LLC,

Defendant.

Civil Action No. 4:23-cv-576

JURY TRIAL

ORIGINAL COMPLAINT

Plaintiff American Airlines, Inc. (“American” or “Plaintiff”) files this Original Complaint against Defendant Advanced Transactions, LLC (“Advanced Transactions” or “Defendant”) and hereby alleges as follows:

NATURE OF THE ACTION

1. American files this declaratory judgment action for non-infringement of U.S. Patent Nos. 7,065,555 (the “555 Patent”), 7,386,594 (the “594 Patent”), 7,693,950 (the “950 Patent”), 7,979,057 (the “057 Patent”), 8,150,736 (the “736 Patent”), 8,175,519 (the “519 Patent”), 9,747,608 (the “608 Patent”), and 10,783,529 (the “529 Patent”) (collectively, the “Patents”) (attached as exhibits 1–8, respectively) under the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, and the patent laws of the United States, 35 U.S.C. § 1 et seq., and for other relief the Court deems just and proper.

2. On information and belief, Advanced Transactions is a patent “monetization” entity. Ex. 9 at 2. Advanced Transactions claims its Patents “broadly relate to online marketing and e-commerce systems.” *Id.* at 2. On information and belief, Advanced Transactions pursues a

monetization strategy that minimizes the risk of subjecting its Patents to a substantial challenge. That is why Advanced Transactions has assiduously avoided asserting its Patents against the tech industry—the very industry that develops the kinds of products and services that relate to the Patents—and has, instead, targeted the tech industry’s customers. On information and belief, Advanced Transactions further insulates its Patents from challenge by offering to license them for well below the cost to defend a patent infringement suit, which encourages quick settlement.

3. This strategy has been on full display in recent cases Advanced Transactions has filed. For example, Advanced Transactions sued Fiesta Mart, LLC (a grocer) for infringement, but voluntarily dismissed its case about three months after filing. *Advanced Transactions, LLC v. Fiesta Mart, LLC et al.*, No. 6:22-cv-563 (W.D. Tex. Sept. 2, 2022) (Dkt. 21). Advanced Transactions did the same in a suit against Regis Corporation (a beauty salon company), again dismissing about three months after filing. *Advanced Transactions, LLC v. Regis Corporation et al.*, No. 6:22-cv-926 (W.D. Tex. Dec. 22, 2022) (Dkt. 16). And Advanced Transaction’s suit against Marco’s Pizza (a pizza restaurant) was no different, again dismissing about three months after filing. *Advanced Transactions, LLC v. Marco’s Pizza Holdings, LLC et al.*, No. 2:22-cv-441 (E.D. Va. Jan. 6, 2023) (Dkt. 17). All in all, Advanced Transactions has filed at least seven lawsuits (six in a Texas federal court) asserting these Patents:

- *Advanced Transactions, LLC v. Belk, Inc. et al.*, No. 6:22-cv-176 (W.D. Tex. Feb. 18, 2022)
- *Advanced Transactions, LLC v. Fiesta Mart, LLC et al.*, No. 6:22-cv-563 (W.D. Tex. June 1, 2022)
- *Advanced Transactions, LLC v. Advanced Auto Parts, Inc. et al.*, No. 6:22-cv-775 (W.D. Tex. Jul. 12, 2022)

- *Advanced Transactions, LLC v. Regis Corporation et al.*, No. 6:22-cv-926 (W.D. Tex. Sep. 8, 2022)
- *Advanced Transactions, LLC v. Marcos Holdings, LLC et al.*, No. 1:22-cv-1197 (E.D. Va. Oct. 21, 2022)
- *Advanced Transactions, LLC v. The Gap, Inc.*, No. 6:23-cv-163 (W.D. Tex. Mar. 3, 2023)
- *Advanced Transactions, LLC v. AutoZone, Inc.*, No. 6:22-cv-270 (W.D. Tex. Apr. 12, 2023)

4. On April 26, 2023, Advanced Transactions formally served American, through its registered agent, with a letter (the “Letter,” attached as exhibit 9). The Letter accuses American’s “marketing products and service offerings [of] infring[ing] one or more claims of the [Patents].” Ex. 9 at 2. The Letter further demands that American “enter into a licensing negotiation” no later than May 12, 2023, or face “a lawsuit.” *Id.* Indeed, the Letter included a draft complaint accusing various American products and services of infringing at least one method claim of each of the Patents (the “Draft Complaint”). *See generally id.*

PARTIES

5. American is a Delaware corporation with its principal place of business at 1 Skyview Drive, Fort Worth, Texas 76155.

6. On information and belief, Advanced Transactions is a Georgia limited liability company with at least some of its members, officers, employees, and/or agents located at the Day Building, Suite 230, 4725 Peachtree Corners Circle, Peachtree Corners, GA 30092.

JURISDICTION AND VENUE

7. American files this Complaint against Advanced Transactions pursuant to the patent laws of the United States, Title 35 of the United States Code, with a specific remedy sought based upon the laws authorizing actions for declaratory judgment in the federal courts of the United States, 28 U.S.C. §§ 2201 and 2202, and under the patent laws of the United States, 35 U.S.C. §§ 1–390.

8. As evident by the facts alleged in this Complaint, this Court has subject matter jurisdiction over this action, which arises under the United States’ patent laws, pursuant to 28 U.S.C. §§ 1331, 1338(a), and 2201(a).

9. As evident by the facts alleged in this Complaint, this Court has both general and specific personal jurisdiction over Advanced Transactions.

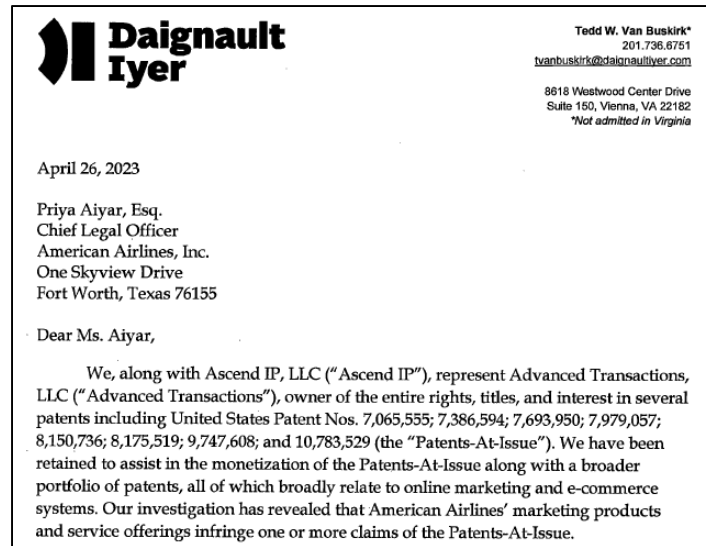
10. As evident by the facts alleged in this Complaint, this District is the proper venue under 29 U.S.C. § 1391(b).

11. On information in belief, Advanced Transactions’ exclusive business is licensing patents, and it continuously and systematically does so within Texas to such a degree that it is at home in this State. Of the seven-patent infringement suits Advanced Transactions has filed, six have been filed in a Texas federal court. Advanced Transactions has not filed one in a Georgia federal court.

12. On information and belief, Advanced Transaction’s members, officers, employees, and/or agents regularly send communications into and/or travel to Texas to advance its licensing business and it generates revenue from its licensing activities in Texas and in this District.

13. On information and belief, Advanced Transactions (a) regularly solicits business from companies located in Texas and in this District, and (b) purposefully directs its patent enforcement activities at companies located in Texas and in this District. As mentioned above,

Advanced Transactions asserted the Patents against Fiesta Mart, LLC in a Texas federal court. Fiesta Mart, LLC has its principal place of business in Houston, Texas. *See Contact Us*, FIESTA, <https://www.fiestamart.com/contact-us> (last visited May 11, 2023). Further, Advanced Transactions purposefully directed the Letter into this District by addressing it to American's Chief Legal Officer, Priya Aiyar, who is located at American's headquarters in Fort Worth, Texas:



Ex. 9 at 2.

14. On information and belief, Advanced Transactions regularly consents to litigate patent infringement suits in Texas. As explained above, at least some of its members, officers, employees, and/or agents are located in Georgia, yet it has repeatedly chosen a federal court in Texas to file complaints asserting the Patents. On information and belief, Advanced Transactions similarly intends to litigate in Texas its accusations that American infringes the Patents. The Draft Complaint is captioned in the Western District of Texas:

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