

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS

DALLAS DIVISION

PLACEMARK INVESTMENTS, INC.

Plaintiff

v.

PRUDENTIAL INVESTMENTS, INC.

Defendant

CIVIL ACTION NO. 3:13-cv-1719

COMPLAINT FOR PATENT INFRINGEMENT AND JURY DEMAND

Plaintiff Placemark Investments, Inc. (“Placemark”) brings this action against Defendant Prudential Investments, Inc., through its Wealth Management Solutions Division (“Prudential”), alleging as follows:

NATURE OF THIS ACTION

1. This is a patent infringement action brought by Placemark against Prudential, based on Prudential’s ongoing infringement of Placemark’s valid and enforceable patent, U.S. Patent No. 7,668,773 (entitled “Portfolio Management System”) (the “’773 Patent”).
2. A true and correct copy of the ’773 Patent is attached as Exhibit 1.
3. Placemark seeks monetary damages and injunctive relief.

THE PARTIES

4. Placemark is a corporation with its headquarters located at 16633 Dallas Parkway, Suite 700, Addison, Texas 75001.

5. On information and belief, Prudential is a wholly owned subsidiary of Prudential Financial, Inc., a New Jersey corporation with headquarters located at 751 Broad Street, Newark, New Jersey 07102.

JURISDICTION AND VENUE

6. This action arises under the patent laws of the United States, 35 U.S.C. § 1 *et seq.*

7. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1332, 1338 and 2201.

8. Venue is proper in this federal district pursuant to 28 U.S.C. §§1391(b)-(c) and 1400(b) in that defendant resides in this district, a substantial part of the events giving rise to the claims occurred in this district, and/or defendant has a regular and established practice of business in this district and has committed acts of infringement in this district.

9. This Court has general and specific personal jurisdiction over defendant, because defendant has substantial contacts with the forum as a result of conducting significant business in the State of Texas and within this district. On information and belief, defendant regularly does and solicits business in the State of Texas and this district; derives revenue from products and/or services provided to individuals residing in the State of Texas and this district; conducts business utilizing the claimed systems and methods with and for customers residing in the State of Texas and this district; and provides and/or markets products and services directly to consumers in the State of Texas and this district. On information and belief, Defendant Prudential Investments conducts business in this district via an office located at 3616 Rosedale Avenue, Dallas, Texas 75205. On information and belief, Prudential Financial, Inc. and its subsidiaries conduct business in this district via multiple offices, at least at: 2200 Ross Avenue, Dallas, Texas 75201; 9304 Forest Lane, Dallas, Texas 75243; and 4100 Alpha Road #400, Dallas, Texas 75244.

BACKGROUND

10. Placemark patented a system and method for the optimized management of investment portfolios.

11. Placemark's system simultaneously operates across numerous financial portfolios and analyzes a large assortment of financial information to deliver tax-optimized, tailored financial portfolios to its clients. The financial data processed by Placemark's system includes investment style, asset class, risk, return, historical transactions, transaction costs, and tax-related costs, such as short and long term capital gains as well as short and long term capital losses.

12. On February 23, 2010, the United States Patent and Trademark Office duly issued the '773 Patent, which protects Placemark's portfolio optimization system, and which is valid and enforceable. Placemark is the owner by assignment of all rights, title, and interest in and to the '773 Patent.

13. Despite Placemark's duly-issued intellectual property right, and on information and belief, Prudential wrongfully and without authorization incorporated Placemark's patented technology into its own investment management system, offering its infringing services to the public via its website.

14. On information and belief, Prudential is practicing the '773 Patent, infringing Placemark's intellectual property.

COUNT I

INFRINGEMENT OF THE '773 PATENT

15. The allegations of paragraphs 1 through 14 are incorporated by reference into this Count I as though fully set forth herein.

16. On information and belief, Prudential has infringed and continues to infringe one or more claims of the '773 Patent.

17. On information and belief, Prudential, without authority, makes, uses, offers to sell, sells within the United States, and/or imports into the United States, products, methods and/or systems—including but not limited to Prudential's "Overlay Portfolio Management and Portfolio Optimization" product—infringing claims of the '773 Patent under 35 U.S.C. § 271.

18. On information and belief, Prudential's investment management products, including its self-described "Overlay Portfolio Management and Portfolio Optimization" product, practice each and every limitation of at least Claim 19 of '773 Patent, as detailed in Prudential's publicly-available marketing materials, including but not limited to Prudential's "White Paper" for the above-referenced product.

19. On information and belief, Prudential has infringed the '773 Patent in a manner that permits damages under 35 U.S.C. § 284.

20. At minimum, by filing this complaint, Placemark has given notice to Prudential of its infringement.

21. Placemark has been, and is being, irreparably harmed and has incurred, and will continue to incur, damages as a result of Prudential's infringement of the '773 Patent.

PRAYER FOR RELIEF

WHEREFORE, Placemark prays for judgment against Prudential as follows:

- (a) Declaring that Prudential has infringed, and continues to infringe, the '773 Patent;
- (b) Declaring that the '773 Patent is exempted from the marking requirements of 35 U.S.C. § 287, because: (i) the patented invention has no tangible items to mark by which notice of the asserted claim(s) can be given, making such marking impractical and/or impossible; and (ii) marking is not required as to the method claims of the '773 Patent;
- (c) Entering an order preliminarily and permanently enjoining Prudential, its officers, agents, servants, employees, attorneys, and all persons acting in concert or participation with it from infringing the '773 Patent;
- (d) Awarding Placemark its damages resulting from Prudential's patent infringement pursuant to 35 U.S.C. § 284;
- (e) Finding this to be an exceptional case and award Placemark its attorneys' fees and costs, pursuant to 35 U.S.C. § 285;
- (f) Awarding Placemark prejudgment and post judgment interest on its damages;
- (g) Awarding Placemark such other relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

Placemark demands a trial by jury on all issues so triable.

Dated: May 6, 2013

Respectfully Submitted,

/s/ Mark D. Strachan

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