



FOR IMMEDIATE RELEASE

*Ameranth, Inc. Completes Its Victory Over
Defendants' Attempts To Invalidate Its
'21st Century Data Synchronization' Patents
In The USPTO*

'#38 patent claims from Ameranth's #4 patents were confirmed valid'

March 24, 2015 San Diego, CA — Ameranth, Inc. announced today that the U.S. Patent and Trademark Office (USPTO) has concluded its #18 month review process of Ameranth's #4 'data synchronization' patents (U.S. Patents #6,384,850, #6,871,325, #6,982,733, and #8,146,077) under the Covered Business Method (CBM) review process, initiated by the #35 infringing Defendants on October 15, 2013. Infringing defendants include Starbucks, Apple, Grubhub, Hilton, Papa John's, Pizza Hut, Micros, Domino's, Starwood, Expedia, Eventbrite, Opentable, Marriott, Kayak and many others. Ameranth will seek more than **\$100M each** in damages from several defendants for their ever growing infringements - with some facing a **tripling** of these damages for their willful/intentional infringement. These infringements and damages will only increase further -- as each month passes and with the imminent release of Apple's **i-Watch** and those mobile/web hospitality applications synchronized with it.

All #4 Ameranth patents and #38 patent claims remain valid. The surviving patent claims are actually greatly strengthened now, subsequent to this very arduous and challenging USPTO CBM review process, which is highly favorable to the infringing defendants and highly unfavorable to the patent owners, as explained below. Ameranth's patent infringement litigation in the United States District Court for the Southern District of California has been 'stayed' or in other words, effectively has been 'on ice,' for the last #18 months, but today Ameranth requested the Court to 'lift the stay' and enable Ameranth to promptly move the cases forward to thus bring the infringing companies to trial in San Diego as soon as possible.

There are three main reasons that few patents, (especially software based patents) survive the CBM review process (in fact Ameranth's '077 patent was the very first patent to survive entirely unscathed through the complete CBM process). First in the CBM process and within the USPTO forum only, patents are not entitled to their **statutory presumption of validity**. Second, again within the USPTO forum only, patents can be invalidated merely on a 'preponderance of the evidence' standard (i.e. ~ 51%), while in the District Court, to which the case now returns, a much higher standard applies to invalidate patent claims, i.e., '**clear and convincing evidence**'. Third, the 'claim construction' standard - again within the USPTO only, is the 'Broadest Reasonable Interpretation' or **BRI** standard, as compared to the more detailed, more precise standard that will

now be applied to the #38 claims within the District Court proceedings in San Diego. This 'broad' claim construction standard enables the USPTO Administrative Law Judges (ALJ's) who decide the CBM cases to often look past the inventors detailed definitions and explanations and broadly interpret the meaning of the claims, in ways never envisioned by the actual inventors. Consequently, these CBM reviews have been called 'patent death squads' by even the former Chief Judge of the Federal Circuit Court of Appeals which hears appeals from CBM rulings. Thus, those patents that survive the high bar of CBM reviews are clearly the most valid and strongest patents.

"It is very gratifying that all of #4 of our patents and the majority of our claims --- including our best claims-- survived the arduous CBM reviews by the U.S. Patent Office and that all of the Defendants' infringing products infringe those claims. In other words, the Defendants' CBM's failed. We are now stronger than ever and fully committed to move forward to trial, while continuing to offer our fair and reasonable licenses to those that wish to respect our inventions, without being compelled to do so in the courtroom. I am very excited for Ameranth's future going forward into 2015/2016," stated Vern Yates, Ameranth's Chairman and Chief Executive Officer.

As stated above, Ameranth today requested the Court to promptly lift the stay of litigation, and it is optimistic that this will soon occur. The 'net-net' result of the entire #18 month CBM process is that 100% of the infringement modes of 100% of all infringing products of 100% of all the #35 Defendants **remain infringing** and exposed to Ameranth's #38 confirmed claims; thus the Defendants' CBM efforts clearly failed. Further, even the Defendants apparently recognize this, as is evidenced by, e.g., Grubhub's admission on page #23 of its recent annual report:

*"The CBM proceedings resulted in a March 26, 2014 ruling **denying** defendants' petitions on **the claims most relevant** to GrubHub Holdings Inc. and Seamless North America LLC."* (Emphasis added.)

Showing their increasing desperation after their CBM loss, the Defendants have recently filed even more frivolous CBM petitions, in an attempt to abuse the USPTO process and the entire legislative intention of that process as a streamlining forum, not intended to merely harass patent owners. These new CBM petitions too will fail. Indicative of the frivolousness of their new CBM's is, e.g., that Starbucks claimed in the petitions that Ameranth 'invented nothing' in 1998/1999, while just last year declaring Ameranth's mobile/web ordering inventive ideas as Starbucks' own '**holy grail**.'

Following the pivotal, milestone 2014 patent license with Taco Bell and its #6000+ locations in 2014 --which have now rolled out nationwide-- Ameranth's direct 'data synchronization' licenses (with industry powerhouses such as Xpient, Cardfree, Tillster/EMN8, Monkeymedia, SplickIt, PAR/Brink, RRT, Chownow, Cognizant and others) now number #36 (with dozens of 'sub-licensees'), representing/including more than #25 nationally recognized restaurant chains, totaling more than #50,000 deployed locations, which are in various stages of mobile/web roll-outs. Two more of the largest restaurant chains in the world will be rolling out mobile ordering later this year, with licenses for Ameranth's patents. More and more chains/companies are ethically recognizing and respecting the value and validity of Ameranth's multiple award winning, intellectual property. Further, the trends for greater usage of smart phones/web (for ordering, reservations, waitlists, ticketing and mobile payments) will only continue to grow, with corresponding licensing revenue increases for Ameranth based upon its 'transaction based' recurring revenue patent licensing model.

The adoption of Ameranth's technology by so many industry leaders/chains and the wide acclaim received by Ameranth for its technological innovations are just some of the many confirmations of the breakthrough aspects of Ameranth's inventions. Ameranth has received twelve different technology awards (three with "end customer" partners) and has been widely recognized as a hospitality wireless/internet technology leader by almost all major national and hospitality print publications, *e.g.*, The Wall Street Journal, The New York Times, USA Today, Harvard Business Review and many others. Ameranth was personally nominated by Bill Gates, the Founder of Microsoft, for the prestigious Computerworld Honors Award that Ameranth received in 2001 for its breakthrough synchronized reservations/ticketing system with the Improv Comedy Theatres. In his nomination, Mr. Gates described Ameranth as "***one of the leading pioneers of information technology for the betterment of mankind.***"

About Ameranth, Inc.:

Ameranth, Inc. (<http://www.ameranth.com>) is a recognized leader in the hospitality technology market, having been featured in the *Wall Street Journal*, *New York Times*, *Chicago Sun Times*, *USA Today*, *Business Week*, *Fortune*, *US News & World Report*, *Nation's Restaurant News*, *Hospitality Technology*, *TIME*, *CNNfn*, *San Diego Union Tribune*, and numerous other prestigious publications. Ameranth has also been awarded or participated in twelve technology/"best product" awards.

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