

# EPICENTERLAW, P.C.

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Re: *USAA Patent License - Remote Deposit Capture Technology*

Dear President,

I represent United Services Automobile Association (USAA, <https://www.usaa.com>). I write in regard to the service you offer your customers that enables them to deposit checks using their smartphones.

Consumer remote check deposit was originally pioneered by USAA and is covered by a number of patents owned by USAA. Our client has asked us to approach institutions using this technology to offer a license on reasonable terms as fair compensation for use of this protected innovation which resulted from USAA's research and development efforts.

I am sure you are aware that USAA is a world class provider of financial services (insurance, banking, consumer credit, etc.) to U.S. military personnel and their families. What you may not know is that because of USAA's focus on a customer base that moves often and is deployed around the world, USAA has become a technology leader in the financial services industry. This has also led to the development of a substantial portfolio of intellectual property protecting its many inventions – over 700 issued U.S. Patents and hundreds more pending.

We write to you today regarding remote mobile deposit technology. In order to provide American servicemen and their families deployed throughout the world with reliable access to their funds, in 2005 USAA's engineers developed Deposit@Home®, the first secure and easy to-use system for customers to deposit checks from anywhere using the customer's own computer. In 2009, USAA followed up by introducing Deposit@Mobile® which allows its customers to deposit checks using their *mobile* devices. This was the first mobile check deposit application.

Since USAA's deployment of Deposit@Mobile®, mobile check deposit technology has become an industry standard. Its adoption by financial institutions like yours makes sense given the incredible cost savings the technology generates – processing a check deposit digitally (i.e.,

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using a mobile device or computer) costs under ten cents compared to the cost of processing one at a branch (- \$4.25), through mail (\$1.10) or at an ATM (\$0.85).<sup>1</sup>

USAA has over 50 patents that cover its Deposit@Home® and Deposit@Mobile® online and mobile check deposit technology. Based upon an evaluation of your advertisements and website, we believe that at least a portion, if not all, of USAA's remote check deposit patent portfolio is relevant to the service you offer to your customers. In providing this technology to your customers, encouraging their adoption, and branding and advertising them under your name, you directly reap the benefits of USAA's inventions and as a consequence, would benefit from obtaining a patent license from USAA. We invite you to respond to this letter in order to begin a discussion regarding the potential terms of such a license.

To be clear about who we are – we are *not* litigation counsel. Epicenter has negotiated hundreds of patent licensing deals on behalf of its clients. In every negotiation we have participated in, we have found that business-centric actual conversations and an open exchange of information have led to the most constructive and productive outcomes. As such, we would greatly appreciate the opportunity to explain USAA's position and engage in a substantive discussion with you. Please feel free to contact me by phone or email.

Sincerely,



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