

Telos Gifting asserts patents in dispute with Payouts Network

PITTSBURGH, PENNSYLVANIA, UNITED STATES, September 14, 2021 /EINPresswire.com/ -- [Telos Gifting](#), through its subsidiary [GiftYa](#), recently filed a patent infringement lawsuit against Payouts Network in the United States District Court for the District of Delaware. Telos Gifting has long held a robust patent portfolio centered around inventions related to card-linked gifting and other improved systems and methods for enabling the digital transfer of funds, dating back to 2008. The lawsuit focuses on the unauthorized use by Payouts Network of several important GiftYa patents relating to this technology, including in at least Payouts' Instant Payouts, Point of Purchase Payouts, and Loyalty Point Conversion Payouts products.

In a weird twist, GiftYa is an investor in Payouts Network and had originally licensed Payouts to practice GiftYa's patents. But GiftYa was forced to terminate that license because Payouts had breached the parties' agreements and has now been forced to enforce its patent portfolio against Payouts (even though it owns part of it) based on its continued infringement of GiftYa's patents.

"We invested into Payouts Network in 2017 and granted them a license to our patents, but our license was contingent on Payouts Network powering GiftYa," says Jason Wolfe, founder of GiftYa. "When they were unable to power GiftYa and live up to the terms of our agreements, we



terminated their license and informed them they no longer had a license to our patent rights. It's unfortunate we have to litigate as an owner of Payouts Network ourselves but we had no choice but to defend our IP rights."

Headquartered in Bozeman, Montana, Payouts Network is owned in part by Keith Smith, Mosiak Partners, k5 Ventures, Tech Coast Angels, and the Texas Halo Fund. Payouts is trying to expand its platform to include card linked gifting.

"We take our IP seriously," says John Glicksman, General Counsel for GiftYa. "We are open to license our IP but we will not give it away."

The lawsuit seeks damages and an injunction that prevents Payouts from selling any products or services that infringe GiftYa's patents.

GiftYa is represented by Fish & Richardson. And Payouts Network is represented by King and Spalding.

Case Number: 1:21-cv-00810

Link to lawsuit:

<https://portal.unifiedpatents.com/litigation/Delaware%20District%20Court/case/1:21-cv-00810>

ABOUT GIFTYA

The GiftYa idea came about in 2008, when two people wanted to send an egift to a friend across the country by text, linked to the recipients Visa or Mastercard. Since then, GiftYa and its parent company, Telos Gifting, have grown to over 70 employees and contractors with a mission to provide a more meaningful, purposeful, personalized gift that cannot be frauded and is easily used. In partnership with Visa and Mastercard, GiftYa now offers over 20,000 local and national merchants to buy from across the USA.

Visit <https://www.giftya.com> for more information.

ABOUT TELOS GIFTING

Headquartered in Pittsburgh, Telos Gifting occupies the building at 495 Mansfield Ave in Greentree, Pennsylvania. Telos Gifting, LLC, owns and manages PerfectGift.com, GiftYa.com, and GiftCardGranny. Telos Gifting was formed in 2019 by Wolfe, LLC a fin-tech incubator, to re-enter the gift card market after selling GiftCards.com in 2016.

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