

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF WESTCHESTER

ALBERT JACOBS LLP,

Plaintiff,

-against-

GERTRUDE NEUMARK ROTHSCHILD,

Defendant.

Index No. _____

COMPLAINT

RECEIVED

AUG 20 2010

TIMOTHY C. BONI
COUNTY CLERK
COUNTY OF WESTCHESTER

Plaintiff Albert Jacobs LLP (“Jacobs” or “Plaintiff”), by its attorneys, Davis & Gilbert LLP, as and for its Complaint against defendant Gertrude Neumark Rothschild (“Rothschild” or “Defendant”) alleges as follows:

NATURE OF ACTION

1. This action seeks damages for breach of contract and unjust enrichment, arising out of Rothschild’s failure to pay Jacobs millions of dollars in legal fees and related expenses. Jacobs earned these fees and incurred these expenses while successfully representing Rothschild in multiple actions and proceedings, both in the United States and abroad, to enforce rights arising out of her ownership of two patents concerning light emitting diode technology.

2. Jacobs’ efforts on Rothschild’s behalf have resulted in millions of dollars in settlements and licensing fees paid to Rothschild, by some of the largest consumer electronics companies in the world. Despite the benefits Rothschild received from Jacobs’ services, Rothschild has failed and refused to pay Jacobs for those services.

PARTIES AND VENUE

3. Jacobs is a New York Limited Liability Partnership, with its principal office address located in New York, New York. At all times relevant herein, Albert Jacobs, Jr. (“Albert”) was the name partner of Jacobs, which is a law firm.

4. Upon information and belief, Rothschild is a resident of the State of New York, County of Westchester, residing in Rye, New York. Rothschild is a professor emerita in the Applied Physics and Applied Mathematics department at Columbia University.

5. Venue is appropriate in Westchester County pursuant to C.P.L.R. § 503 based on Defendant’s residence therein.

FACTS COMMON TO ALL CLAIMS

6. In or about 1993, Rothschild obtained two patents on certain semiconductors (the “Patents”) from the United States Patent and Trademark Office.

7. In October 2007, Albert was a partner at Dreier LLP (“Dreier”), a law firm headquartered in New York, New York. At that time, Rothschild engaged Dreier, and Albert specifically, to represent her before the International Trade Commission (“ITC”) in a proposed proceeding concerning infringement of her Patents by companies importing electronic devices employing certain LEDs into the United States.

8. From about October 2007 through about December 2008, Albert and Dreier rendered legal services to Rothschild related to her Patents, first in the proceeding before the ITC, and then later in connection with a number of additional disputes, both here in the United States and abroad. Albert was successful in obtaining several favorable settlements and agreements to license Rothschild’s Patents, thus Rothschild earned substantial monies thanks to those settlements and license agreements.

9. In or about December 2008, Albert left the Dreier firm, which would eventually file for Bankruptcy, and founded Jacobs. At that time, Rothschild and Albert agreed that Albert would assume representation of Rothschild via the new Jacobs firm, and Rothschild sent Dreier a letter requesting that Dreier release all of her files to Albert.

10. From the time Albert departed the Dreier firm until November 1, 2009, Jacobs continued to represent Rothschild in connection with disputes related to Rothschild's Patents. As he had done at Dreier, Albert continued to obtain favorable settlements and license agreements for Rothschild. In doing so, Jacobs rendered millions of dollars in legal services to Rothschild, and incurred significant related expenses on her behalf.

11. On November 1, 2009, Albert became a member of Troutman Sanders LLP, a law firm headquartered in Atlanta, Georgia with an office located in New York, New York. At or about that time, Rothschild and Troutman Sanders agreed that Troutman Sanders, through Albert, would continue representation of Rothschild going forward. Accordingly, the Jacobs firm itself ceased representing Rothschild, though Albert and his team continued to render legal services to Rothschild and incur expenses on her behalf as a member of Troutman Sanders.

12. Prior to Albert joining Troutman Sanders, Jacobs regularly invoiced Rothschild for legal services rendered, and related expenses incurred, in connection with Rothschild's Patents and consulted her about legal strategy as well as settlement and licensing amounts. As of November 1, 2009, Albert had obtained about \$14 million in settlement and licensing fees for Rothschild.

13. Rothschild paid certain of Jacobs' invoices in whole or in part, but has failed and refused to pay Jacobs' other invoices.

14. Rothschild never expressed any dissatisfaction with the legal services rendered by Jacobs while Jacobs represented her. On the contrary, she commended Jacobs' efforts which resulted in the large and lucrative settlements and agreements with tens of large consumer electronics companies to license Rothschild's Patents, and Rothschild expressed her satisfaction with Jacobs' services on many occasions throughout the course of its representation.

15. Nonetheless, as of the date hereof, Rothschild has failed to pay certain of Jacobs' invoices, totaling \$1,981,694.09.

16. Jacobs has demanded that Rothschild pay her outstanding balance, but Rothschild has refused.

FIRST CAUSE OF ACTION
(Breach of Contract)

17. Plaintiff re-alleges and incorporates by reference the allegations set forth in paragraphs 1 through 16 above.

18. Rothschild and Jacobs had an agreement, pursuant to which Jacobs would render legal services to Rothschild in connection with her Patents, and would incur related expenses on her behalf, and Rothschild would pay Jacobs for those services and reimburse Jacobs for the related expenses.

19. Jacobs performed all of its obligations under the parties' agreement, rendering legal services to Rothschild and incurring related expenses on her behalf.

20. Rothschild has breached her agreement with Jacobs, and has failed to pay for certain legal services Jacobs rendered, and has also failed to reimburse Jacobs for certain related expenses incurred.

21. By virtue of the foregoing, Jacobs has been damaged in the amount of \$1,981,694.09, reflecting the total unpaid amounts of fees for services and related expenses incurred due to Jacobs pursuant to the parties' agreement.

SECOND CAUSE OF ACTION
(Quantum Meruit/Unjust Enrichment)
(In the Alternative to the First Cause of Action)

22. Plaintiff re-alleges and incorporates by reference the allegations set forth in paragraphs 1 through 21 above.

23. As set forth above, from the end of 2008 through October 2009, Jacobs rendered legal services to Rothschild in good faith, and incurred related expenses on her behalf.

24. Jacobs performed these services and incurred these expenses with the reasonable expectation that Rothschild would pay Jacobs for those services and reimburse those expenses.

25. Rothschild was aware of Jacobs' expectation of payment and reimbursement.

26. Rothschild accepted the benefit of Jacobs' legal services rendered and expenses incurred.

27. Rothschild has failed and refused to pay Jacobs for legal services, and to reimburse Jacobs for expenses, together reasonably worth \$1,981,694.09.

28. As a result of the foregoing, Rothschild has been unjustly enriched at Jacobs' expense in the amount of \$1,981,694.09, which amount Jacobs has demanded but Rothschild has refused to pay.

WHEREFORE, Plaintiff Albert Jacobs LLP requests judgment against Defendant Gertrude Neumark Rothschild as follows:

A. On the First Cause of Action, awarding Plaintiff damages in the amount of \$1,981,694.09;

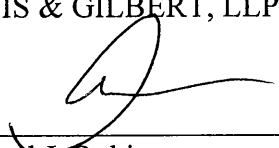
B. Alternatively, on the Second Cause of Action, awarding Plaintiff damages in the amount of \$1,981,694.09; and

B. Granting such other and further relief as the Court deems just and proper, together with interest, attorneys' fees, costs and disbursements of this action.

Dated: New York, New York
August 20, 2010

DAVIS & GILBERT, LLP

By: _____


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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF WESTCHESTER

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ALBERT JACOBS LLP,

PLAINTIFF

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GERTRUDE NEUMARK ROTHSCHILD
DEFENDANT

X

SUMMONS AND COMPLAINT

X

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