

## Engineering prof sues Square over origin story (Update)

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A Washington University electrical engineering professor is suing credit card processor Square Inc. in the latest legal dispute over the company's mobile plug-in technology.

Robert E. Morley Jr. sued Square and company founders Jack Dorsey and James McKelvey Jr. Thursday in the U.S. District Court for the Eastern District of Missouri. The patent infringement suit calls the Square origin story a "fabrication" and says the two men squeezed Morley out of the San Francisco-based company.

Dorsey, a St. Louis native, is chairman at Twitter, the company he co-founded before becoming Square's CEO. McKelvey is a Washington University graduate who still lives in the St. Louis area and whose father was dean of engineering at the university.

Square and its co-founders sued Morley in 2010 in a related patent dispute that's still pending. A company spokesman said Square plans to aggressively challenge the professor's claims.

"It's not surprising that Morley would file another desperate, baseless patent lawsuit given how poorly his initial claims have been received by the patent authorities," said Square spokesman Aaron Zamost. "We will fight it vigorously."

In the complaint, Morley says he contributed the "technological expertise" and credit card industry connections to help launch the

company. He claims that McKelvey, whom he mentored, first approached him to discuss an idea for an open source automobile. After balking at that project, Morley claims he told McKelvey to abandon his initial plans to take photos of credit cards for virtual transactions and instead allow cellphones to read the cards' magnetic stripe—a process the professor said he's been working on with industry for the past two decades and for which he holds several patents

Morley is seeking an unspecified amount of damages from a company now worth an estimated \$5 billion.

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