

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
TYLER DIVISION**

UNILOC USA, INC. and UNILOC LUXEMBOURG S.A.,	§	
	§	
Plaintiffs,	§	CIVIL ACTION NO. 6:13-cv-629
	§	
	§	<b>JURY TRIAL DEMANDED</b>
v.	§	
	§	
VALVE CORPORATION,	§	
	§	
Defendant.	§	
	§	

**PLAINTIFFS’ ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiffs Uniloc USA, Inc. (“Uniloc USA”) and Uniloc Luxembourg S.A. (“Uniloc Luxembourg”) (collectively, “Uniloc”) file this Original Complaint against Valve Corporation for infringement of U.S. Patent No. 5,490,216 (“the ’216 patent”).

**THE PARTIES**

1. Uniloc USA, Inc. (“Uniloc USA”) is a Texas corporation with its principal place of business at Legacy Town Center I, Suite 380, 7160 Dallas Parkway, Plano, Texas 75024. Uniloc USA also maintains a place of business at 102 N. College, Ste. 806, Tyler, Texas 75702.

2. Uniloc Luxembourg S.A. (“Uniloc Luxembourg”) is a Luxembourg public limited liability company, with its principal place of business at 75, Boulevard Grande Duchesse Charlotte, L-1331, Luxembourg.

3. Uniloc researches, develops, manufactures and licenses information security technology solutions, platforms and frameworks, including solutions for securing software applications and digital content. Uniloc’s patented technologies enable software and content

publishers to securely distribute and sell their high-value technology assets with minimum burden to their legitimate end users. Uniloc's technology is used in several markets, including software and game security, identity management, intellectual property rights management, and critical infrastructure security.

4. Valve Corporation ("Valve" or "Defendant") is a Washington corporation with its principal place of business in Bellevue, Washington. Valve may be served with process through its registered agent Corpserve, Inc., 1001 4<sup>th</sup> Ave., Suite 4500, Seattle, Washington 98154. Upon information and belief, Valve does business in the State of Texas and in the Eastern District of Texas.

#### **JURISDICTION AND VENUE**

5. Uniloc brings this action for patent infringement under the patent laws of the United States, namely 35 U.S.C. §§ 271, 281, and 284-285, among others. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1338(a), and 1367.

6. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(c) and 1400(b). On information and belief, Defendant is deemed to reside in this judicial district, has committed acts of infringement in this judicial district, has purposely transacted business involving its accused products in this judicial district and/or, has regular and established places of business in this judicial district.

7. Defendant is subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute, due at least to its substantial business in this State and judicial district, including: (A) at least part of its infringing activities alleged herein; and (B) regularly doing or soliciting business, engaging in other persistent conduct, and/or deriving substantial revenue from goods sold and services provided to Texas residents.

**COUNT I**  
**(INFRINGEMENT OF U.S. PATENT NO. 5,490,216)**

8. Uniloc incorporates paragraphs 1 through 7 herein by reference.

9. Uniloc Luxembourg is the owner, by assignment, of the '216 patent, entitled "SYSTEM FOR SOFTWARE REGISTRATION." A true and correct copy of the '216 patent is attached as Exhibit A.

10. Uniloc USA is the exclusive licensee of the '216 patent with ownership of all substantial rights, including the right to grant sublicenses, exclude others and to enforce, sue and recover damages for past and future infringements.

11. The '216 patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.

12. Defendant is directly infringing one or more claims of the '216 patent in this judicial district and elsewhere in Texas, including at least claim 19, without the consent or authorization of Uniloc, by or through making, using, offering for sale, selling and/or importing a system, device and/or method for reducing software piracy, reducing casual copying and/or reducing the unauthorized use of software, including without limitation Defendant's product activation system and process (namely, its Steam online platform) that permits customers to activate and/or register software, including but not limited to Defendant's Counter-Strike: Global Offensive and Defendant's Portal 2.

13. Additionally, Defendant has been, and is, inducing direct infringement of one or more claims of the '216 patent in this judicial district and elsewhere in Texas, including but not necessarily limited to claim 19, without the consent or authorization of Uniloc, by permitting software publishers to make, use, offer for sale, sell, and/or import software products that implement and utilize Defendant's Steam online platform, which requires product registration

and activation to reduce software piracy, reduce casual copying and/or reduce the unauthorized use of software. In this scenario, software publishers such as, but not limited to, Sega of America, Inc. (e.g., Total War Shogun 2), 2K Games, Inc. (e.g., Civilization V), and Bethesda Softworks LLC (e.g., The Elder Scrolls V: Skyrim) are the direct infringers who make, use, offer for sale, sell, and/or import software products that implement and utilize Defendant's Steam online platform.

14. Based on the information presently available to Uniloc, Defendant has known of the '216 patent via requests for indemnification from defendants (e.g., Activision Blizzard, Inc.) in related lawsuits. *See, e.g., Uniloc USA, Inc. et al. v. Activision Blizzard, Inc. (Consolidated Lead Case)*, Case No. 6:13-cv-00259 (E.D. Tex.). And, at a minimum, Defendant has knowledge of the '216 patent via the filing of this Complaint. *See Patent Harbor, LLC v. DreamWorks Animation SKG, Inc.*, No. 6:11-cv-229, 2012 U.S. Dist. LEXIS 114199, at \*16-17 (E.D. Tex. July 27, 2012) ("...the Complaint clearly alleges that the 'Defendants have actual notice of the '514 patent at least as early as the filing of this Original Complaint.' ...To the extent Defendants' arguments relate to Patent Harbor's failure to allege pre-suit knowledge, these arguments are unpersuasive."); *Symantec Corp. v. Veeam Software Corp.*, No. C 12-00700 SI, 2012 U.S. Dist. LEXIS 75729, at \*12-13 (N.D. Cal. May 31, 2012) (finding that the defendant had knowledge of the patent at least as of the time of filing a complaint, but not earlier).

15. Based on the information presently available to Uniloc, despite having knowledge of the '216 patent, Defendant has specifically intended for software publishers who make, use, offer for sale, sell, and/or import software products that implement and utilize Defendant's Steam online platform, to implement and utilize the platform in such a way that infringes the '216 patent, including at least claim 19, and Defendant knew or should have known that its actions were inducing infringement.

16. Defendant's conduct amounts to active inducement of infringement of the '216 patent in violation of 35 U.S.C. § 271(b).

17. Further, Defendant has been, and is, contributing to the direct infringement of one or more claims of the '216 patent in this judicial district and elsewhere in Texas, including but not necessarily limited to claim 19, without the consent or authorization of Uniloc, by permitting software publishers to make, use, offer for sale, sell, and/or import software products that implement and utilize Defendant's Steam online platform, which requires product registration and activation to reduce software piracy, reduce casual copying and/or reduce the unauthorized use of software. The software code contained in activation/registration portions of the Steam online platform are not staple articles or commodities suitable for substantial non-infringing use.

18. Based on the information presently available to Uniloc, Defendant has known of the '216 patent via requests for indemnification from defendants (e.g., Activision Blizzard, Inc.) in related lawsuits. *See, e.g., Uniloc USA, Inc. et al. v. Activision Blizzard, Inc. (Consolidated Lead Case)*, Case No. 6:13-cv-00259 (E.D. Tex.). And, at a minimum, Defendant has knowledge of the '216 patent via the filing of this Complaint. *See Patent Harbor, LLC v. DreamWorks Animation SKG, Inc.*, No. 6:11-cv-229, 2012 U.S. Dist. LEXIS 114199, at \*16-17 (E.D. Tex. July 27, 2012) ("...the Complaint clearly alleges that the 'Defendants have actual notice of the '514 patent at least as early as the filing of this Original Complaint.' ...To the extent Defendants' arguments relate to Patent Harbor's failure to allege pre-suit knowledge, these arguments are unpersuasive."); *Symantec Corp. v. Veeam Software Corp.*, No. C 12-00700 SI, 2012 U.S. Dist. LEXIS 75729, at \*12-13 (N.D. Cal. May 31, 2012) (finding that the defendant had knowledge of the patent at least as of the time of filing a complaint, but not earlier).

19. Defendant's conduct amounts to contributory infringement of the '216 patent in violation of 35 U.S.C. § 271(c).

20. Defendant may also be infringing, directly or indirectly, through other product activation systems and processes that permit customers to activate and/or register software not presently known to Uniloc. Uniloc reserves the right to discover and pursue relief against all infringing instrumentalities.

21. Uniloc has been damaged as a result of Defendant's infringing conduct described in this Count. Defendant is, thus, liable to Uniloc in an amount that adequately compensates it for Defendant's infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

22. Any allegation of infringement against any defendant herein was not made on the basis of its use, sale, offer for sale, making or importing of any product, software, system, method or service provided by Flexera Software LLC or Rovi Solutions Corporation or any of their present or former affiliates or predecessors (including Flexera Software, Inc., Acrecco Software Inc., Installshield Software Corporation, Flexco Holding Company, Inc., Installshield Co Inc., Globetrotter Software, Inc., C-Dilla Limited and Macrovision Corporation) (each a "Licensee Product"), including any product, software, system, method or service incorporating or using the activation, licensing, or registration functionality provided by such Licensee Product.

### **JURY DEMAND**

Uniloc hereby requests a trial by jury pursuant to Rule 38 of the Federal Rules of Civil Procedure.

**PRAYER FOR RELIEF**

Uniloc requests that the Court find in its favor and against Defendant, and that the Court grant Uniloc the following relief:

- a. Judgment that one or more claims of the '216 patent has been infringed, either literally and/or under the doctrine of equivalents, by Defendant;
- b. Judgment that Defendant account for and pay to Uniloc all damages to and costs incurred by Uniloc because of Defendant's infringing activities and other conduct complained of herein;
- c. Judgment that Defendant account for and pay to Uniloc a reasonable, on-going, post-judgment royalty because of Defendant's infringing activities and other conduct complained of herein;
- d. That Uniloc be granted pre-judgment and post-judgment interest on the damages caused by Defendant's infringing activities and other conduct complained of herein; and
- e. That Uniloc be granted such other and further relief as the Court may deem just and proper under the circumstances.

**Dated: September 6, 2013**

Respectfully submitted,

/s/ Edward R. Nelson, III by permission  
Wesley Hill

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