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

GARNET DIGITAL, LLC,

Plaintiff,

v.

CIVIL ACTION NO.

(1) D&M HOLDINGS U.S. INC.;

(2) DENON ELECTRONICS (USA), LLC; AND

(3) MARANTZ AMERICA, LLC.,

Defendants.

JURY TRIAL DEMANDED

ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Garnet Digital, LLC ("Garnet") files this original complaint against the above-named defendants, alleging, based on its own knowledge as to itself and its own actions, and based on information and belief as to all other matters, as follows:

PARTIES

- Garnet is a limited liability company formed under the laws of the State of Texas, with a principal place of business in Plano, Texas.
- 2. Defendant D&M Holdings U.S. Inc. ("D&M") is a Delaware corporation. D&M is doing business in the state of Texas but has failed to appoint an agent for service of process in Texas. Accordingly, D&M can be served under the Texas Long Arm Statute and/or the Texas Business Organizations Code by serving the Secretary of State. D&M's home, home office, and principal office address is 100 Corporate Drive Mahwah, NJ 07430.

- 3. Defendant Denon Electronics (USA), LLC ("Denon") is a Delaware limited liability company. Denon is doing business in the state of Texas but has failed to appoint an agent for service of process in Texas. Accordingly, Denon can be served under the Texas Long Arm Statute and/or the Texas Business Organizations Code by serving the Secretary of State. Denon's home, home office, and principal office address is 100 Corporate Drive Mahwah, NJ 07430.
- 4. Defendant Marantz America, LLC ("Marantz") is a Delaware limited liability company. Marantz is doing business in the state of Texas but has failed to appoint an agent for service of process in Texas. Accordingly, Marantz can be served under the Texas Long Arm Statute and/or the Texas Business Organizations Code by serving the Secretary of State. Marantz's home, home office, and principal office address is 100 Corporate Drive Mahwah, NJ 07430.

JURISDICTION AND VENUE

- 5. This is an action for infringement of a United States patent arising under 35 U.S.C. §§ 271, 281, and 284–85, among others. This Court has subject matter jurisdiction of the action under 28 U.S.C. § 1331 and § 1338(a).
- 6. Venue is proper in this district under 28 U.S.C. §§ 1391 and 1400(b). Upon information and belief, defendants have transacted business in this district and have committed acts of patent infringement in this district.
- 7. Defendants are subject to this Court's specific and general personal jurisdiction under due process and/or the Texas Long Arm Statute due at least to defendants' substantial business in this forum, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in

other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Texas and in this district.

JOINDER

8. Plaintiff's rights to relief are asserted against all named defendants jointly, severally, or in the alternative, with respect to or arising out of the same transaction, occurrence, or series of transactions or occurrences relating to the making, using, importing into the United States, offering for sale, or selling of the same accused product or process; and questions of fact common to all defendants will arise in this action.

COUNT I INFRINGEMENT OF U.S. PATENT NO. 5,379,421

- 9. On January 3, 1995, United States Patent No. 5,379,421 ("the 421 patent") was duly and legally issued by the United States Patent and Trademark Office for an invention titled "Interactive Terminal For The Access Of Remote Database Information." On October 10, 1995, a certificate of correction of the 421 patent was duly and legally issued by the Patent Office.
- 10. Garnet is the owner of the 421 patent with all substantive rights in and to that patent, including the sole and exclusive right to prosecute this action and enforce the 421 patent against infringers, and to collect damages for all relevant times.
- 11. D&M, Denon, and Marantz, either alone and/or in conjunction with others, including their customers and/or suppliers, made, had made, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems responsive to output signals from a telephone (including at least the following models: Denon AVR1912, Marantz SR7005) that infringed one or more claims of the 421 patent.

12. Garnet has been damaged as a result of the infringing conduct by defendants alleged above. Thus, defendants are liable to Garnet in an amount that adequately compensates Garnet for such 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.

JURY DEMAND

Garnet hereby requests a trial by jury on all issues so triable by right.

PRAYER FOR RELIEF

Garnet requests that the Court find in its favor and against defendants and that the Court grant Garnet the following relief:

- a. Judgment that one or more claims of the 421 patent have been infringed, either literally and/or under the doctrine of equivalents, by defendants;
- Judgment that defendants account for and pay to Garnet all damages to and costs incurred by Garnet because of defendants' infringing activities and other conduct complained of herein;
- c. That Garnet be granted pre-judgment and post-judgment interest on the damages caused by defendants' infringing activities and other conduct complained of herein;
- d. That this Court declare this an exceptional case and award Garnet its reasonable attorneys' fees and costs in accordance with 35 U.S.C. § 285; and
- e. That Garnet be granted such other and further relief as the Court may deem just and proper under the circumstances.

Dated: September 9, 2013

Respectfully submitted,

/s/ Elizabeth L. DeRieux

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