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

| | § | |
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| | § | |
| CELLULAR COMMUNICATIONS | § | |
| EQUIPMENT LLC, | § | |
| | 8 | |
| Plaintiff, | § | |
| , | 8 | CHILL A CONTONING CAR TOO |
| V. | § | CIVIL ACTION NO. 6:13-cv-738 |
| | 8 | HIDY TOTAL DEMANDED |
| | 8 | JURY TRIAL DEMANDED |
| MICROSOFT CORPORATION, | 8 | |
| , | 8 | |
| Defendant. | 8 | |
| 2 41411411111 | 8 | |
| | 8 | |
| | v | |

PLAINTIFF'S FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Cellular Communications Equipment LLC files this First Amended Complaint against Microsoft Corporation for infringement of U.S. Patent No. 7,218,923 ("the '8923 patent"); U.S. Patent No. 6,819,923 ("the '9923 patent"), U.S. Patent No. 7,215,962 ("the '962 patent"), U.S. Patent No. 7,941,174 ("the '174 patent"), U.S. Patent No. 8,055,820 ("the '820 patent"), and U.S. Patent No. 6,810,019 ("the '019 patent").

THE PARTIES

- 1. Cellular Communications Equipment LLC ("CCE") is a Texas limited liability company with its principal place of business in Plano, Texas.
- 2. Microsoft Corporation ("Microsoft") is a Washington corporation with its principal place of business in Redmond, Washington. Microsoft does business in the state of Texas and in the Eastern District of Texas. This Defendant has been served with process and has appeared.

JURISDICTION AND VENUE

- 3. This action arises under the patent laws of the United States, namely 35 U.S.C. §§ 271, 281, and 284, among others.
- 4. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a), and 1367.
- 5. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b) and (c), and 1400(b). On information and belief, Microsoft is deemed to reside in this judicial district, has committed acts of infringement in this judicial district, has purposely transacted business in this judicial district, and/or has regular and established places of business in this judicial district.
- 6. On information and belief, Microsoft 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. 7,218,923)

- 7. CCE incorporates paragraphs 1 through 6 herein by reference.
- 8. CCE is the assignee of the '8923 patent, entitled "Control of Terminal Applications in a Network Environment," with ownership of all substantial rights in the '8923 patent, including the right to exclude others and to enforce, sue and recover damages for past and future infringements. A true and correct copy of the '8923 patent is attached as Exhibit A.
- 9. The '8923 patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.

- 10. Microsoft has directly infringed and continues to directly infringe one or more claims of the '8923 patent in this judicial district and elsewhere in Texas and the United States, including at least apparatus claims 24 and 26, by, among other things, making, using, offering for sale, selling and/or importing Microsoft mobile devices, including, for example, the Surface RT and Surface Pro.
- 11. CCE has been damaged as a result of Microsoft's infringing conduct described in this Count. Microsoft is, thus, liable to CCE in an amount that adequately compensates CCE for Microsoft'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.

COUNT II

(INFRINGEMENT OF U.S. PATENT NO. 6,819,923)

- 12. CCE incorporates paragraphs 1 through 6 herein by reference.
- 13. CCE is the assignee of the '9923 patent, entitled "Method for Communication of Neighbor Cell Information," with ownership of all substantial rights in the '9923 patent, including the right to exclude others and to enforce, sue and recover damages for past and future infringements. A true and correct copy of the '9923 patent is attached as Exhibit B.
- 14. The '9923 patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.
- 15. Microsoft has and continues to directly infringe one or more claims of the '9923 patent in this judicial district and elsewhere in Texas and the United States, including at least claim 11, by, among other things, making, using, offering for sale, selling and/or importing Microsoft mobile devices, including, for example, the Surface 2 LTE. These devices are collectively referred to as the "'9923 Microsoft Devices."

- 16. Microsoft directly infringes the apparatus claims of the '9923 patent by making, offering to sell, selling, and/or importing the '9923 Microsoft Devices. Microsoft is thereby liable for direct infringement.
- 17. On information and belief, Microsoft is a 3GPP member organization, or is affiliated with a 3GPP member organization, and has known of the '9923 patent at least as early as April 2010, when it was disclosed to 3GPP via the European Telecommunications Standards Institute ("ETSI," an organizational member of 3GPP).
- 18. On information and belief, despite having knowledge of the '9923 patent and knowledge that they are directly infringing one or more claims of the '9923 patent, Microsoft has nevertheless continued its infringing conduct and disregarded an objectively high likelihood of infringement; thus Microsoft's infringing activities relative to the '9923 patent have been, and continue to be, willful, wanton and deliberate in disregard of CCE's rights.
- 19. CCE has been damaged as a result of Microsoft's infringing conduct described in this Count. Microsoft is, thus, liable to CCE in an amount that adequately compensates it for their 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.

COUNT III

(INFRINGEMENT OF U.S. PATENT NO. 7,215,962)

- 20. CCE incorporates paragraphs 1 through 6 herein by reference.
- 21. CCE is the assignee of the '962 patent, entitled "Method for an Intersystem Connection Handover," with ownership of all substantial rights in the '962 patent, including the right to exclude others and to enforce, sue and recover damages for past and future infringements. A true and correct copy of the '962 patent is attached as Exhibit C.

- 22. The '962 patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.
- 23. Microsoft has and continues to directly and/or indirectly infringe (by inducing infringement and/or contributing to infringement) one or more claims of the '962 patent in this judicial district and elsewhere in Texas and the United States, including at least claims 1, 2, 11, 12, and 13, by, among other things, making, using, offering for sale, selling and/or importing Microsoft mobile devices, including, for example, the Surface 2 LTE. These devices are collectively referred to as the "'962 Microsoft Devices."
- 24. Microsoft directly infringes the apparatus claims of the '962 patent by making, offering to sell, selling, and/or importing the '962 Microsoft Devices. Microsoft also directly infringes the '962 patent by making, using, selling, offering to sell, and/or importing the '962 Microsoft Devices to practice the claimed methods. Microsoft is thereby liable for direct infringement.
- 25. Additionally, Microsoft is liable for indirect infringement of the '962 patent because it induces and/or contributes to the direct infringement of the patent by its customers and other end users who use the '962 Microsoft Devices to practice the claimed methods.
- 26. On information and belief, Microsoft is a 3GPP member organization, or is affiliated with a 3GPP member organization, and has known of the '962 patent at least as early as December 2010, when it was disclosed to 3GPP via ETSI.
- 27. On information and belief, despite having knowledge of the '962 patent, Microsoft has specifically intended and continues to specifically intend for persons who acquire and use the '962 Microsoft Devices, including Microsoft's customers, to use such devices in a manner that infringes the '962 patent, including at least claims 1, 2, 11, 12, and 13. Microsoft knew or should have known that its actions including instructing customers and end users

Case 6:13-cv-00738-LED Document 47 Filed 03/21/14 Page 6 of 14 PageID #: 744 regarding use of the '962 Microsoft Devices — have and continue to actively induce infringement.

- 28. On information and belief, Microsoft has known and knows that its products accused of infringing (and/or components thereof) are a material part of the inventions of the '962 patent, are especially made and/or adapted for use in infringing the '962 patent, and are not staple articles or commodities of commerce suitable for substantial non-infringing use.
- 29. On information and belief, despite having knowledge of the '962 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '962 patent, Microsoft has nevertheless continued its infringing conduct and disregarded an objectively high likelihood of infringement; thus, Microsoft's infringing activities relative to the '962 patent have been, and continue to be, willful, wanton and deliberate in disregard of CCE's rights.
- 30. CCE has been damaged as a result of Microsoft's infringing conduct described in this Count. Microsoft is, thus, liable to CCE in an amount that adequately compensates it for its 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.

COUNT IV

(INFRINGEMENT OF U.S. PATENT NO. 7,941,174)

- 31. CCE incorporates paragraphs 1 through 6 herein by reference.
- 32. CCE is the assignee of the '174 patent, entitled "Method for Multicode Transmission by a Subscriber Station," with ownership of all substantial rights in the '174 patent, including the right to exclude others and to enforce, sue and recover damages for past and future infringements. A true and correct copy of the '174 patent is attached as Exhibit D.
- 33. The '174 patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.

- 34. Microsoft has and continues to directly and/or indirectly infringe (by inducing infringement and/or contributing to infringement) one or more claims of the '174 patent in this judicial district and elsewhere in Texas and the United States, including at least claims 1, 6, 9, 14, 18, and 19, by, among other things, making, using, offering for sale, selling and/or importing Microsoft mobile devices, including, for example, the Surface 2 LTE. These devices are collectively referred to as the "'174 Microsoft Devices."
- 35. Microsoft directly infringes the apparatus claims of the '174 patent by making, offering to sell, selling, and/or importing the '174 Microsoft Devices. Microsoft also directly infringes the '174 patent by making, using, selling, offering to sell, and/or importing the '174 Microsoft Devices to practice the claimed methods. Microsoft is thereby liable for direct infringement.
- 36. Additionally, Microsoft is liable for indirect infringement of the '174 patent because it induces and/or contributes to the direct infringement of the patent by its customers and other end users who use the '174 Microsoft Devices to practice the claimed methods.
- 37. On information and belief, Microsoft is a 3GPP member organization, or is affiliated with a 3GPP member organization, and has known of the '174 patent at least as early as August 2010, when it was disclosed to 3GPP via ETSI.
- 38. On information and belief, despite having knowledge of the '174 patent, Microsoft has and continues to specifically intend for persons who acquire and use such devices, including Microsoft's customers, to use such devices in a manner that infringes the '174 patent, including at least claims 1, 6, 9, 14, 18, and 19. Microsoft knew or should have known that its actions including instructing customers and end users regarding use of the '174 Microsoft Devices have and continue to actively induce infringement.

- 39. On information and belief, Microsoft has known and knows that its products accused of infringing (and/or components thereof) are a material part of the inventions of the '174 patent, are especially made and/or adapted for use in infringing the '174 patent, and are not staple articles or commodities of commerce suitable for substantial non-infringing use.
- 40. On information and belief, despite having knowledge of the '174 patent and knowledge that they are directly and/or indirectly infringing one or more claims of the '174 patent, Microsoft has nevertheless continued its infringing conduct and disregarded an objectively high likelihood of infringement; thus, Microsoft's infringing activities relative to the '174 patent have been, and continue to be, willful, wanton and deliberate in disregard of CCE's rights.
- 41. CCE has been damaged as a result of Microsoft's infringing conduct described in this Count. Microsoft is, thus, liable to CCE in an amount that adequately compensates it for its 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.

COUNT V

(INFRINGEMENT OF U.S. PATENT NO. 8,055,820)

- 42. CCE incorporates paragraphs 1 through 6 herein by reference.
- 43. CCE is the assignee of the '820 patent, entitled "Apparatus, System, and Method for Designating a Buffer Status Reporting Format Based on Detected Pre-Selected Buffer Conditions," with ownership of all substantial rights in the '820 patent, including the right to exclude others and to enforce, sue and recover damages for past and future infringements. A true and correct copy of the '820 patent is attached as Exhibit E.
- 44. The '820 patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.

- 45. Microsoft has and continues to directly and/or indirectly infringe (by inducing infringement and/or contributing to infringement) one or more claims of the '820 patent in this judicial district and elsewhere in Texas and the United States, including at least claims 1, 4, 6, 7, 8, 9, 10, 12, 15, 17, 18, 19, 20, and 21, by, among other things, making, using, offering for sale, selling and/or importing Microsoft mobile devices, including, for example, the Surface 2 LTE. These devices are collectively referred to as the "820 Microsoft Devices."
- 46. Microsoft directly infringes the apparatus claims of the '820 patent by making, offering to sell, selling, and/or importing the '820 Microsoft Devices. Microsoft also directly infringes the '820 patent by making, using, selling, offering to sell, and/or importing the '820 Microsoft Devices to practice the claimed methods. Microsoft is thereby liable for direct infringement.
- 47. Additionally, Microsoft is liable for indirect infringement of the '820 patent because it induces and/or contributes to the direct infringement of the patent by its customers and other end users who use the '820 Microsoft Devices to practice the claimed methods.
- 48. On information and belief, Microsoft is a 3GPP member organization, or is affiliated with a 3GPP member organization, and has known of the '820 patent at least as early as June 2009, when it was disclosed to 3GPP via ETSI.
- 49. On information and belief, despite having knowledge of the '820 patent, Microsoft has specifically intended and continues to specifically intend for persons who acquire and use the '820 Microsoft Devices, including Microsoft's customers, to use such devices in a manner that infringes the '820 patent, including at least claims 1, 4, 6, 7, 8, 9, 10, 12, 15, 17, 18, 19, 20, and 21. Microsoft knew or should have known that its actions including instructing customers and end users regarding use of the '820 Microsoft Devices have and continue to actively induce infringement.

- 50. On information and belief, Microsoft has known and knows that its products accused of infringing (and/or components thereof) are a material part of the inventions of the '820 patent, are especially made and/or adapted for use in infringing the '820 patent, and are not staple articles or commodities of commerce suitable for substantial non-infringing use.
- 51. On information and belief, despite having knowledge of the '820 patent and knowledge that they are directly and/or indirectly infringing one or more claims of the '820 patent, Microsoft has nevertheless continued its infringing conduct and disregarded an objectively high likelihood of infringement; thus, Microsoft's infringing activities relative to the '820 patent have been, and continue to be, willful, wanton and deliberate in disregard of CCE's rights.
- 52. CCE has been damaged as a result of Microsoft's infringing conduct described in this Count. Microsoft is, thus, liable to CCE in an amount that adequately compensates it for their 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.

COUNT VI

(INFRINGEMENT OF U.S. PATENT NO. 6,810,019)

- 53. CCE incorporates paragraphs 1 through 6 herein by reference.
- 54. CCE is the assignee of the '019 patent, entitled "Reducing Interference in Inter-Frequency Measurement," with ownership of all substantial rights in the '019 patent, including the right to exclude others and to enforce, sue and recover damages for past and future infringements. A true and correct copy of the '019 patent is attached as Exhibit F.
- 55. The '019 patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.

- 56. Microsoft has and continues to directly infringe one or more claims of the '019 patent in this judicial district and elsewhere in Texas and the United States, including at least claims 11, 12, and 13, by, among other things, making, using, offering for sale, selling and/or importing Microsoft devices, including, for example, the Surface 2 LTE. These devices are collectively referred to as the "'019 Microsoft Devices."
- 57. Microsoft directly infringes the apparatus claims of the '019 patent by making, offering to sell, selling, and/or importing the '019 Microsoft Devices. Defendant is thereby liable for direct infringement.
- 58. On information and belief, Microsoft is a 3GPP member organization, or is affiliated with a 3GPP member organization, and has known of the '019 patent at least as early as May 2009, when it was disclosed to 3GPP via ETSI.
- 59. On information and belief, despite having knowledge of the '019 patent and knowledge that they are directly infringing one or more claims of the '019 patent, Microsoft ahs nevertheless continued their infringing conduct and disregarded an objectively high likelihood of infringement; thus, Microsoft's infringing activities relative to the '019 patent have been, and continue to be, willful, wanton and deliberate in disregard of CCE's rights.
- 60. CCE has been damaged as a result of Microsoft's infringing conduct described in this Count. Microsoft is, thus, liable to CCE in an amount that adequately compensates it for their 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

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

PRAYER FOR RELIEF

CCE requests that the Court find in its favor and against Microsoft, and that the Court grant CCE the following relief:

- a. Judgment that one or more claims of the '8923, '9923, '962, '174, '820, and '019 patents have been infringed, either literally and/or under the doctrine of equivalents, by Microsoft;
- b. Judgment that Microsoft account for and pay to CCE all damages to and costs incurred by CCE because of Microsoft's infringing activities and other conduct complained of herein;
- c. Judgment that Microsoft account for and pay to CCE a reasonable, ongoing, postjudgment royalty because of Microsoft's infringing activities and other conduct complained of herein;
- d. That Microsoft's infringements relative to the '9923, '962, '174, '820, and/or '019 patents be found willful from as early as October 1, 2013, and that the Court award treble damages for the period of such willful infringement pursuant to 35 U.S.C. § 284;
- e. That CCE be granted pre-judgment and post-judgment interest on the damages caused by Microsoft's infringing activities and other conduct complained of herein; and
- f. That CCE be granted such other and further relief as the Court may deem just and proper under the circumstances.

Dated: March 21, 2014 Respectfully submitted,

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ATTORNEYS FOR PLAINTIFF CELLULAR COMMUNICATIONS EQUIPMENT LLC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) this 21st day of March, 2014.

/s/ Edward R. Nelson, III