# IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA NORFOLK DIVISION

CIVIL ACTION NO. 2:14-cv-217
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# PLAINTIFF'S FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Pursuant to Rule 15(a)(1), as a matter of course, Plaintiff Virginia Innovation Sciences, Inc. files this First Amended Complaint against Samsung Electronics Co., Ltd and Samsung Telecommunications America LLC (collectively, "Defendants") for infringement of U.S. Patent No. 8,712,471 (the "'471 patent").

# **THE PARTIES**

1. Virginia Innovation Sciences, Inc. ("Virginia Innovation Sciences" or "VIS") is a Virginia corporation with a principal place of business in this judicial district, at 6301 Edsall Road #517, Alexandria, Virginia 22312. While its principal place of business is located in Alexandria, Virginia, Virginia Innovation Sciences also conducts business out of Chicago, Illinois at 355 E. Ohio Street, Chicago, Illinois 60611.

- 2. Samsung Electronics Co., Ltd. is a corporation organized under the laws of South Korea with its principal place of business located at Samsung Main Building, 250, Taepyeongno 2-ga, Jung-gu, Seoul 100-742, Republic of Korea.
- 3. Samsung Telecommunications America LLC is a Delaware corporation and a subsidiary of Samsung Electronics Co., Ltd. This Defendant's principal place of business is located at 1301 E. Lookout Drive, Richardson, Texas 75082. It may be served with process through its registered agent in the Commonwealth of Virginia, Corporation Service Company, 11 S. 12th St., PO Box 1463, Richmond, Virginia 23218.

#### **JURISDICTION AND VENUE**

- 4. Virginia Innovation Sciences 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.
- 5. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(c) and 1400(b). On information and belief, each Defendant is deemed to reside in this judicial district, has committed acts of infringement in this judicial district, has purposely transacted business involving their accused products in this judicial district, and/or has regular and established places of business in this judicial district.
- 6. Each Defendant is subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Virginia 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 Virginia residents.

# COUNT I (INFRINGEMENT OF U.S. PATENT NO. 8,712,471)

- 7. Virginia Innovation Sciences incorporates paragraphs 1 through 6 herein by reference.
- 8. This cause of action arises under the patent laws of the United States, and in particular, 35 U.S.C. §§ 271, et seq.
- 9. Virginia Innovation Sciences is the owner of the '471 patent, entitled "Methods, Systems and Apparatus for Displaying the Multimedia Information From Wireless Communication Networks," with ownership of all substantial rights in the '471 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringement. A true and correct copy of the '471 patent is attached as Exhibit A.
- 10. The '471 patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.

# **DIRECT INFRINGEMENT (35 U.S.C. § 271(a))**

- 11. Defendants have directly infringed, and continue to directly infringe, one or more claims of the '471 patent in this judicial district and elsewhere in Virginia and the United States.
- 12. In particular, Defendants are infringing at least claims 6, 15, 29, and 34, by, among other things, making, using, offering for sale, selling, and/or importing smartphones that support video output using MHL (the "Samsung MHL-Enabled Phones"). The Samsung MHL-Enabled Phones include, but are not limited to, the Galaxy S5, Galaxy S4, S4 Active, S4 Zoom, Galaxy Note 3, Galaxy Note 2, and Galaxy S3.
- 13. Defendants are liable for these direct infringements of the '471 patent pursuant to 35 U.S.C. § 271.

## INDIRECT INFRINGEMENT (INDUCEMENT - 35 U.S.C. § 271(b))

- 14. Based on the information presently available to Virginia Innovation Sciences, absent discovery, and in the alternative to direct infringement, Defendants have indirectly infringed, and continue to indirectly infringe, one or more claims of the '471 patent by inducing direct infringement by users who use the Samsung MHL-Enabled Phones to transmit video content from their smartphone to an alternative display.
- 15. Defendants have had knowledge of the '471 patent and the infringing nature of their activities at least since the filing of this Complaint. Moreover, Defendants have had knowledge of the '471 patent and the infringing nature of their activities at least since receiving Virginia Innovation Science's Original Complaint (D.I. 1). Moreover, on information and belief, Defendants were aware of the '471 patent when it issued. Moreover, on information and belief, prior to the issuance of the '471 patent, Defendants were aware that the United States Patent and Trademark Office had issued a notice of allowance for the claims of the '471 patent and were aware of the allowed claims. Further, as a result of their prior litigations with VIS, Defendants were aware of the infringing nature of their activities.
- 16. On information and belief, despite having knowledge of the '471 patent, Defendants have specifically intended for persons who acquire and use the Samsung MHL-Enabled Phones, to use such devices in such a way that infringes the '471 patent, including at least claims 6, 15, 29, and 34. Defendants knew or should have known that their actions were inducing infringement.
- 17. Defendants instruct users to use the Samsung MHL-Enabled Phones in a manner that infringes the '471 patent by providing instructions. These instructions include, but are not limited to, the instructions provided by the MHL Consortium. On information and belief, the

MHL Consortium is an agent of Samsung Electronics Co., Ltd. On information and belief, the MHL Consortium is an agent of Samsung Telecommunications America LLC.

18. Furthermore, Defendants have not implemented a design around or otherwise taken any remedial action with respect to the '471 patent. In accordance with FED. R. CIV. P. 11(b)(3), Virginia Innovation Sciences will likely have additional evidentiary support after a reasonable opportunity for discovery on this issue.

### INDIRECT INFRINGEMENT (CONTRIBUTORY - 35 U.S.C. § 271(c))

- 19. Based on the information presently available to Virginia Innovation Sciences, absent discovery, and in the alternative to direct infringement, Defendants have indirectly infringed, and continue to indirectly infringe, one or more claims of the '471 patent by contributing to the direct infringement by users who use the Samsung MHL-Enabled Phones to transmit video content from their smartphone to an alternative display.
- 20. Defendants have had knowledge of the '471 patent and the infringing nature of their activities at least since the filing of this Complaint. Moreover, Defendants have had knowledge of the '471 patent and the infringing nature of their activities at least since receiving Virginia Innovation Science's Original Complaint (Dkt. 1). Moreover, on information and belief, Defendants were aware of the '471 patent when it issued. Moreover, on information and belief, prior to the issuance of the '471 patent, Defendants were aware that the United States Patent and Trademark Office had issued a notice of allowance for the claims of the '471 patent and were aware of the allowed claims. Further, as a result of their prior litigations with VIS, Defendants were aware of the infringing nature of their activities.
- 21. Despite this knowledge, Defendants have knowingly sold and continue to offer for sale smartphones with an MHL transmitter even though such devices have no substantial

Case 2:14-cv-00217-MSD-LRL Document 43 Filed 07/30/14 Page 6 of 9 PageID# 107 noninfringing use. Such devices infringe the '471 patent, including at least claims 6, 15, 29, and 34.

22. Virginia Innovation Sciences has been damaged as a result of Defendants' infringing conduct described in this Count. Defendants are, thus, liable to Virginia Innovation Sciences in an amount that adequately compensates Virginia Innovation Sciences 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 II (WILLFUL INFRINGEMENT)

- 23. Virginia Innovation Sciences incorporates paragraphs 1 through 22 herein by reference.
  - 24. Defendants' infringement of the '471 patent is willful.
- 25. Defendants' made, used, offered for sale, sold, and/or imported the Samsung MHL-Enabled Phones despite an objectively high likelihood that such actions infringed the '471 patent. Further Defendants' ongoing actions of making, using, offering for sale, selling, and/or importing the Samsung MHL-Enabled Phones are being done despite an objectively high likelihood that such actions infringed the '471 patent.
- 26. Upon information and belief, prior to the filing of this action, Defendants were aware that the claims of the '471 patent covered the Samsung MHL-Enabled Phones. Further, Defendants were aware of the claims of the '471 patent prior to the patent's issuance. In December 2013, Defendants requested Virginia Innovation Sciences produce documentation relating to U.S. Patent Application No. 13/845,171 (the "'171 Application"), this documentation included the pending claims of the '171 Application. In January 2014 Virginia Innovation Sciences produced the pending claims of the '171 Application to Samsung. On January 31,

2014, the United States Patent and Trademark Office (the "USPTO") issued a notice of allowance for the pending claims of the '171 Application. Subsequently, on April 9, 2014, the USPTO issued an issue notification for the '171 Application, which stated that on April 29, 2014, the '171 Application would issue as the '471 patent. Prior to April 29, 2014, Defendants were aware that the '471 patent would issue on April 29, 2014 and that the Samsung MHL-Enabled Phones infringed the claims of the '471 patent. Thus, when the '471 patent issued, Defendants' actions constituted willful infringement.

#### **JURY DEMAND**

Virginia Innovation Sciences requests a trial by jury pursuant to Rule 38 of the Federal Rules of Civil Procedure.

#### PRAYER FOR RELIEF

Virginia Innovation Sciences asks that the Court find in its favor and against Defendants, and that the Court grant Virginia Innovation Sciences the following relief:

- a. Judgment that one or more claims of the '471 patent have been infringed, either literally and/or under the doctrine of equivalents, by one or more Defendants;
- b. Judgment that one or more claims of the '471 patent have been willfully infringed, either literally and/or under the doctrine of equivalents, by one or more Defendants;
- c. Judgment that Defendants account for and pay to Virginia Innovation Sciences all damages and costs incurred by Virginia Innovation Sciences because of Defendants' infringing activities and other conduct complained of herein;
- d. Judgment that Defendants account for and pay to Virginia Innovation Sciences a reasonable, on-going, post judgment royalty because of Defendants' infringing activities and other conduct complained of herein;
- e. That Virginia Innovation Sciences be granted pre-judgment and post judgment interest on the damages caused by Defendants' infringing activities and other conduct complained of herein; and
- f. That Virginia Innovation Sciences be granted such other and further relief as the Court may deem just and proper under the circumstances.

**Dated: July 30, 2014** Respectfully submitted,

#### /s/ W. Ryan Snow

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## **CERTIFICATE OF SERVICE**

I hereby certify that on July 30, 2014, I electronically filed the foregoing document with the clerk of the court for the U.S. District Court, Eastern District of Virginia, Norfolk Division, using the electronic case filing system of the court. The electronic case filing system sent a "Notice of Electronic Filing" to the attorneys of record who have consented in writing to accept this Notice as service of this document by electronic means.

/s/ W. Ryan Snow

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