

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

QUAD POWERLINE TECHNOLOGIES LLC,	§	
	§	
Plaintiff	§	
	§	Civil Action No. 2:14-cv-01166
v.	§	
	§	
ACTIONTEC ELECTRONICS, INC.,	§	JURY TRIAL DEMANDED
	§	
Defendant.	§	

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff, Quad Powerline Technologies LLC (hereinafter, “QPT” or “Plaintiff”), by and through its undersigned counsel, files this Original Complaint against Defendant, Actiontec Electronics, Inc. (hereinafter, “Actiontec” or “Defendant”), as follows:

NATURE OF THE ACTION

1. This is a patent infringement action to stop Defendant’s infringement of United States Patent No. 8,157,581 (the “581 Patent or the “Patent-in-Suit”).

PARTIES

2. Plaintiff Quad Powerline Technologies LLC is a limited liability company organized and existing under the laws of the State of Texas.

3. Upon information and belief, Defendant Actiontec Electronics, Inc. is a corporation organized and existing under the laws of the state of California, with its principal place of business located at 760 N. Mary Avenue, Sunnvale, California 94085.

JURISDICTION AND VENUE

4. This action arises under the Patent Laws of the United States, 35 U.S.C. § 1 et seq., including 35 U.S.C. §§ 271, 281, 283, 284, and 285. This Court has subject matter jurisdiction

over this case for patent infringement under 28 U.S.C. §§ 1331 and 1338(a).

5. The Court has personal jurisdiction over Defendant, including because Defendant has minimum contacts within the State of Texas; Defendant has purposefully availed itself of the privileges of conducting business in the State of Texas; Defendant has sought protection and benefit from the laws of the State of Texas; Defendant regularly conducts business within the State of Texas; and Plaintiff's cause of action arises directly from Defendant's business contacts and other activities in the State of Texas.

6. More specifically, Defendant, directly and/or through intermediaries, makes, distributes, imports, offers for sale, sells, advertises, and/or uses, thermal management methods and devices, including the accused products identified herein in the State of Texas. Defendant has committed patent infringement in the State of Texas, and/or has induced others to commit and/or has contributed to patent infringement in the State of Texas. Defendant solicits customers in the State of Texas. Defendant has paying customers who are residents of the State of Texas and who purchase and/or use Defendant's infringing products and services in the State of Texas.

7. Venue is proper in the Eastern District of Texas pursuant to 28 U.S.C. §§ 1391 and 1400(b), including because Defendant has purposefully availed itself of the privileges of conducting business in the Eastern District of Texas; Defendant regularly conducts business within the Eastern District of Texas; and Plaintiff's cause of action arises directly from Defendant's business contacts and other activities in the Eastern District of Texas.

8. More specifically, Defendant, directly and/or through intermediaries, makes, distributes, imports, offers for sale, sells, advertises, and/or uses, thermal management methods and devices, including the accused products identified herein in the Eastern District of Texas. Defendant has committed patent infringement in the Eastern District of Texas, has induced others to commit

infringement in the Eastern District of Texas, and/or has contributed to patent infringement in the Eastern District of Texas. Defendant solicits customers in the Eastern District of Texas. Defendant has paying customers who are residents of Eastern District of Texas and who purchase and/or use the Defendant's products and services in the Eastern District of Texas.

COUNT I – INFRINGEMENT OF U.S. PATENT NO. 8,157,581

9. QPT refers to and incorporates herein the allegations of Paragraphs 1-8 above.

10. The '581 Patent, entitled "Thermal Management Method and Device for Powerline Communications," was duly and legally issued by the United States Patent and Trademark Office ("USPTO") on April 17, 2012 after full and fair reissue examination. Plaintiff is the owner of the '581 Patent and it has all substantial rights to the '581 Patent, including the right and standing to sue and recover damages for past, present and future infringement of the patent.

11. Upon information and belief, Defendant makes, distributes, imports, offers for sale, sells, advertises, and/or uses, without limitation, thermal management methods and devices, namely products comprising, *inter alia*, a removable housing member, a first prong, a second prong, a communication port coupled to the first and second prongs, a spatial volume, an electronic module, a first set of air inlets and air outlets, and a second set of air inlets and air outlets. Plaintiff is informed and believes that Defendant infringes the '581 Patent by and through at least its manufacture, distribution, importation, offer to sell, sale, advertising, and/or use of the products comprising at least the following Actiontec Models and/or Products: PWR511K01; PWR514K01; WPB3000; PWR500; and PWR504.

12. Additionally, or in the alternative, upon information and belief, Plaintiff is informed and believes that Defendant has induced infringement of the '581 Patent in this judicial district, the State of Texas, and elsewhere in the United States, by actions comprising intentionally inducing

infringement of the '581 Patent in this judicial district, the State of Texas, and elsewhere in the United States, including by aiding or abetting at least customers and other end users to use said products. Upon information and belief, such induced infringement has occurred at least since Defendant became aware of the '581 Patent and Defendant's inducement of infringement involves Defendant's knowledge that the induced acts constitute patent infringement.

13. Additionally, or in the alternative, upon information and belief, Plaintiff is informed and believes that Defendant has contributed to infringement of the '581 Patent in this judicial district, the State of Texas, and elsewhere in the United States, by actions comprising contributing to at least the use of said products by customers and/or other end users in this judicial district, the State of Texas, and elsewhere in the United States, and such contributory infringement necessarily involves knowledge that such systems and apparatuses are especially made or especially adapted for use in an infringement of the '581 Patent, and not a staple article or commodity of commerce suitable for substantial non-infringing use.

14. Each of Defendant's aforesaid activities has been without authority and/or license from Plaintiff. Such activities constitute Defendant's infringement, and willful infringement, of the '581 patent by Defendant's making, distributing, importing, offering for sale, selling, advertising, and/or using, thermal management methods and devices, including the Actiontec Products and/or Models described herein, that infringe, either directly or indirectly, the patented invention, and Defendant will continue to do so unless enjoined by the Court.

15. Plaintiff is entitled to recover from Defendant the damages sustained by Plaintiff as a result of Defendant's wrongful acts in an amount subject to proof at trial, 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.

16. Defendant's infringement of Plaintiff's exclusive rights under the '581 Patent will continue to damage Plaintiff, causing irreparable harm for which there is no adequate remedy at law, unless enjoined by this Court.

JURY DEMAND

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

PRAYER FOR RELIEF

18. Plaintiff respectfully requests that the Court find in its favor and against Defendant, and that the Court grant Plaintiff the following relief:

- A. An adjudication that one or more claims of the Patent-in-Suit has been directly and/or indirectly infringed, either literally and/or under the doctrine of equivalents, by Defendant;
- B. An award to Plaintiff of damages adequate to compensate Plaintiff for Defendant's acts of infringement, together with pre-judgment and post-judgment interest;
- C. A grant of permanent injunction pursuant to 35 U.S.C. § 283, enjoining Defendant and all persons acting in concert therewith from further acts of infringement with respect to the claims of the Patents-in-Suit;
- D. That this Court declare that Defendant's infringement is willful, including that Defendant is acting to infringe the Patents-in-Suit despite an objectively high likelihood that its actions constitute infringement of a valid patent and, accordingly, award enhanced damages, including treble damages, pursuant to 35 U.S.C. § 284;
- E. That this Court declare this to be an exceptional case and award Plaintiff reasonable attorneys' fees and costs in accordance with 35 U.S.C. § 285; and
- F. Any further relief that this Court deem just and proper.

December 30, 2014

Respectfully submitted,

/s/ John J. Edmonds

John J. Edmonds – Lead Attorney

Texas Bar No. 789758

Stephen F. Schlather, Esq.

Texas Bar No. 24007993

Shea Palavan, Esq.

Texas Bar No. 24083636

COLLINS, EDMONDS, POGORZELSKI,

SCHLATHER & TOWER, PLLC

1616 S. Voss Road, Suite 125

Houston, Texas 77057

Telephone: (281) 501-3425

Facsimile: (832) 415-2535

Email: jedmonds@cepiplaw.com

sschlather@cepiplaw.com

spalavan@cepiplaw.com

Andrew Spangler, Esq.

Texas Bar No. 24041960

SPANGLER LAW P.C.

208 N. Green Street, Suite 300

Longview, Texas 75601

Telephone: (903) 753-9300

Facsimile: (903) 553-0403

Attorneys for Plaintiff

Quad Powerline Technologies LLC