## IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS

CYPALEO LLC	§
	§
Plaintiff,	§
	§
VS.	§
	§
ZTE CORPORATION, ZTE USA, INC.,	§
and ZTE SOLUTIONS, INC.,	§
	§
Defendants.	§

Case No: PATENT CASE

# **COMPLAINT**

Plaintiff Cypaleo LLC ("Plaintiff" or "Cypaleo") files this Complaint against ZTE Corporation, ZTE USA, Inc., and ZTE Solutions, Inc. (collectively, "Defendants") for infringement of United States Patent No. 5,638,427 (hereinafter "the '427 Patent").

## PARTIES AND JURISDICTION

1. This is an action for patent infringement under Title 35 of the United States Code. Plaintiff is seeking injunctive relief as well as damages.

2. Jurisdiction is proper in this Court pursuant to 28 U.S.C. §§ 1331 (Federal Question) and 1338(a) (Patents) because this is a civil action for patent infringement arising under the United States patent statutes.

Plaintiff is a Texas limited liability company with its principal office located at
3415 Custer Rd., Suite 120-D, Plano, Texas 75023.

4. On information and belief, ZTE Corporation is a corporation organized and existing under the laws of the People's Republic of China with its principal place of business in ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, Guangdong Province, P.R. China 518057.

### Case 2:15-cv-01195 Document 1 Filed 06/30/15 Page 2 of 6 PageID #: 2

5. On information and belief, ZTE USA, Inc. is a New Jersey corporation with its principal place of business at 2425 North Central Expressway, Suite 600, Richardson, Texas 75080, and may be served through its registered agent for service of process in Texas: Li Mo, 4385 Spencer Drive, Plano, Texas 75024.

6. On information and belief, ZTE Solutions, Inc. is a Delaware corporation with its principal place of business at 2425 North Central Expressway, Suite 600, Richardson, Texas 75080, and may be served through its registered agent for service of process: Incorp Services, Inc., 815 Brazos Street, Suite 500, Austin, Texas 78701.

7. On information and belief, Defendants' instrumentalities that are alleged herein to infringe were and continue to be used, imported, offered for sale, and/or sold in the Eastern District of Texas.

#### **VENUE**

8. Venue is proper in the Eastern District of Texas pursuant to 28 U.S.C. §§ 1391(c) and 1400(b) because Defendants are deemed to reside in this District. In addition, and in the alternative, and upon information and belief, Defendants have committed acts of infringement in this District.

## <u>COUNT I</u> (INFRINGEMENT OF UNITED STATES PATENT NO. 5,638,427)

9. Plaintiff incorporates paragraphs 1 through 8 herein by reference.

10. This cause of action arises under the patent laws of the United States and, in particular, under 35 U.S.C. §§ 271, *et seq*.

11. Plaintiff is the owner by assignment of the '427 patent with sole rights to enforce the '427 patent and sue infringers.

12. A copy of the '427 Patent, titled "Operator-controlled Interactive

#### Case 2:15-cv-01195 Document 1 Filed 06/30/15 Page 3 of 6 PageID #: 3

Communication Device," is attached hereto as Exhibit A.

13. At the time relevant to the allegations herein, the '427 Patent was valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code.

14. Upon information and belief, Defendants infringed one or more claims, including at least claim 1, of the '427 patent by making, using, importing, selling, and/or offering for sale interactive communication devices, including, for example, the ZTE Engage, covered by one or more claims of the '427 patent. Defendants have infringed the '427 patent either directly or through acts of contributory infringement or inducement in violation of 35 U.S.C. § 271.

15. Upon information and belief, during the period that the '427 Patent was in force, Defendants sold, offered to sell, and/or used interactive communication devices, including, without limitation, the ZTE Engage, and any similar devices, which infringed at least Claim 1 of the '427 Patent. The ZTE Engage, for example, has a display, an input device, a communication transmission interface, a telephone handset connector, a computer connector, and a remote interactive communication connector. The input device and the remote interactive communication connector provide the interactive communication device with the flexibility to be used with a machine (e.g., a smartphone printer) having a remote interactive communication system and a machine without a remote interactive communication system.

16. Upon information and believe 35 U.S.C. § 287 was complied with at all relevant times.

## **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff asks the Court to:

(a) Enter judgment for Plaintiff on this Complaint on all causes of action asserted herein;

(b) Award Plaintiff damages resulting from Defendants' infringement in accordance with 35 U.S.C. § 284;

(c) Award Plaintiff pre-judgment and post-judgment interest and costs; and

(d) Award Plaintiff such further relief to which the Court finds Plaintiff entitled under law or equity.

Dated: June 30, 2015

Respectfully submitted,

/s/Jay Johnson

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# **ATTORNEYS FOR PLAINTIFF**

# EXHIBIT A