## IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

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SMALL CELL INNOVATIONS, a Limited Liability Company,	Case No. 15-cv-02860
Plaintiff,	SECOND AMENDED COMPLAINT FOR PATENT INFRINGEMENT
V.	
SPRINT NEXTEL CORPORATION, SPRINT COMMUNICATIONS, INC., SPRINT CORPORATION, and AIRVANA LP.	DEMAND FOR JURY TRIAL  O  O
Defendants.	) ) )

# PLAINTIFF SMALL CELL INNOVATIONS, LLC'S SECOND AMENDED COMPLAINT FOR PATENT INFRINGEMENT AND DEMAND FOR JURY TRIAL

Plaintiff Small Cell Innovations, LLC ("SCI" or "Plaintiff") by and for its Second

Amended Complaint against defendants Sprint Nextel Corporation, Sprint Communications,

Inc., Sprint Corporation (collectively "Sprint") and Airvana LP ("Airvana") (Sprint and Airvana collectively referred to as "Defendants") hereby alleges as follows:

#### NATURE OF THE CASE

1. This is an action for patent infringement arising under the patent laws of the United States. Small Cell Innovations holds the rights in U.S. Patent No. 7,990,912 ("the '912 patent"). The United States patent laws grant the holder of a patent the right to exclude infringers from making, using, selling or importing the invention claimed in a patent, and to recover damages for the infringer's violations of these rights, and to recover treble damages where the infringer willingly infringed the patent. Under 35 U.S.C. § 282(a), the '912 Patent is entitled to a presumption of validity. SCI is suing Defendants for infringing its patent, and doing

so willfully. SCI seeks to recover damages from Defendants, including treble damages for willful infringement.

#### **THE PARTIES**

- 2. Small Cell Innovations, LLC is a limited liability company, organized and existing under the laws of the State of Ohio, with its principal place of business located at 3558 Lee Road, Shaker Heights, Ohio 44122.
- 3. Upon information and belief, defendant Sprint Nextel Corporation, is a corporation organized and existing under the laws of the State of Kansas, with its principal place of business located at 6200 Sprint Parkway, Overland Park, Kansas 66251. Sprint Nextel Corporation may be served with process through its agent, Corporation Service Company at 200 South West 30<sup>th</sup> Street, Topeka, Kansas 66611.
- 4. Upon information and belief, defendant Sprint Communications, Inc., is a corporation organized and existing under the laws of the State of Kansas, with its principal place of business located at 6200 Sprint Parkway, Overland Park, Kansas 66251. Sprint Communications, Inc., may be served with process through its agent, Corporation Service Company at 200 South West 30<sup>th</sup> Street, Topeka, Kansas 66611.
- 5. Upon information and belief, defendant Sprint Corporation, is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business located at 6200 Sprint Parkway, Overland Park, Kansas 66251. Sprint Corporation may be served with process through its agent, Corporation Service Company at 2711 Centerville Road, Suite 400, Wilmington, DE 19808.
- 6. Upon information and belief, defendant Airvana LP, is a limited partnership organized and existing under the laws of the State of Delaware, with its principal place of

business located at 250 Apollo Drive, Chelmsford, MA 01824. Airvana LP may be served with process through its agent, Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

7. Upon information and belief, Defendants have engaged in the design, manufacture, marketing and sale of one or more femtocell systems which infringe the '912 patent, including but not limited to the Sprint  $AIRAVE^{TM}$  Access Point product (versions 2.0, 2.5 and 2.5+)(collectively the "Accused Products").

#### **JURISDICTION**

- 8. This is an action for patent infringement arising under the patent laws of the United States of America, more specifically under 35 U.S.C. § 100, *et seq*. Subject matter jurisdiction is proper in this Court pursuant to 28 U.S.C. §§ 1331 and 1338.
- 9. The Court has personal jurisdiction over Defendants because Defendants, among other things, conduct business in, and avail themselves of the laws of, the State of New York. In addition, upon information and belief, Defendants through their own acts and/or through the acts of their affiliated companies (acting as their agents or alter egos) make, use, offer to sell, sell (directly or through intermediaries), import, license and/or supply, in this District and elsewhere in the United States, products, through regular distribution channels, knowing such products would be used, offered for sale and/or sold in this District. Plaintiff's cause of action arises directly from Defendants' business contacts and other activities in the State of New York and in this District.
- 10. Upon information and belief, Defendants directly or through their subsidiaries or intermediaries, make, use, offer for sale, sell, import, advertise, make available and/or market and, at all relevant time have made, used, offered for sale, sold, imported, advertised and made

available and/or marketed products within the Southern District of New York, through their website: www.sprint.com website, thereby infringing the '912 patent.

#### VENUE

- 11. Venue properly lies within this judicial district and division, pursuant to 28 U.S.C. §§ 1391(b), (c), and (d), and 1400(b).
- 12. Upon information and belief, Defendants resides in this District for the purposes of venue, insofar as they are subject to the personal jurisdiction in this District, have committed acts of direct and/or indirect infringement in this District, purposely solicit business in this District, and conduct other business in this District.

#### INFRINGEMENT OF U.S. PATENT NO. 7,990,912

- 13. SCI incorporates by reference the allegations set forth in the preceding paragraphs.
- 14. On August 2, 2011, the '912 patent, entitled "VoIP Enabled Femtocell With a USB Transceiver Station," was duly and lawfully issued based upon an application filed by the inventors, John A. Nix, Jr., Andrew Kwong, and John Wakeman. A true and correct copy of the '912 Patent is attached hereto as Exhibit 1.
- 15. SCI is the assignee and the owner of all right, title and interest in and to the '912 patent, and has the right to sue and recover damages for the past and future infringement thereof.

#### **Direct Infringement**

16. Upon information and belief, Sprint has been and continues to be engaged in making, using, importing, selling and/or offering for sale infringing products, including, but not

limited to, the Accused Products in the United States generally, and in the Southern District of New York specifically. The Accused Products are available to be purchased at <a href="https://www.sprint.com">www.sprint.com</a>.

- 17. Upon information and belief, by acts including, but not limited to making, using, offering for sale, selling, importing, and/or marketing of products that fall within the scope of one or more claims of the '912 patent, including at least claim 1, Sprint, at a minimum, has directly infringed literally and/or upon information and belief, equivalently, and is continuing to infringe the '912 patent and is thus liable to SCI pursuant to 35 U.S.C. § 271(a).
- 18. Upon information and belief, Airvana has been and continues to be engaged in making, using, importing, selling and/or offering for sale infringing products, including, but not limited to, the Accused Products in the United States generally, and in the Southern District of New York specifically. The Accused Products are available to be purchased at www.sprint.com.
- 19. Upon information and belief, by acts including, but not limited to making, using, offering for sale, selling, importing, and/or marketing of products that fall within the scope of one or more claims of the '912 patent, including at least claim 1, Airvana, at a minimum, has directly infringed literally and/or upon information and belief, equivalently, and is continuing to infringe the '912 patent and is thus liable to SCI pursuant to 35 U.S.C. § 271(a).
- 20. Defendants' infringement of the '912 patent is without consent of, authority of, or license from SCI.
- 21. Upon information and belief, Defendants' infringement of the '912 patent is willful. This action, therefore, is "exceptional" within the meaning of 35 U.S.C. § 285 entitling SCI to its attorneys' fees and expenses.
- 22. Upon information and belief, Defendants actively and knowingly have infringed and are continuing to infringe the '912 patent with prior knowledge of SCI's patent rights and

without reasonable basis for believing that Defendants' conduct is lawful. Defendants have been on notice of SCI's patent rights at least as early as May 5, 2014 through a letter sent from John Nix, the named inventor of the '912 patent to Michael McFarland, Sr. Director of Product Management and Marketing at Airvana, the manufacturer of the Accused Product.

23. As a result of Defendants' acts of infringement, SCI has suffered and will continue to suffer damages in an amount to be proven at trial.

#### **Indirect Infringement - Inducement**

- 24. Based on the information presently available to SCI, absent discovery, Sprint has indirectly infringed and continues to infringe one or more claims of the '912 patent, including at least claim 1, by inducement under 35 U.S.C. 271(b). Sprint has induced and continues to induce users of the accused products to directly infringe one or more claims of the '912 patent, including at least claim 1, by among other things, taking active steps to encourage and facilitate its customers to purchase and use the Accused Products.
- 25. Upon information and belief, Sprint knowingly induced customers to use its Accused Products, including, for example, by promoting the Accused Products online (e.g., www.sprint.com) and/or providing customers with instructions and/or manuals for using the Accused Products. Sprint's customers who purchase systems and components thereof and operate such systems and components in accordance with Sprint's instructions directly infringe one or more claims of the '912 patent in violation of 35 U.S.C. 271(b).
- 26. Based on the information presently available to SCI, absent discovery, Airvana has indirectly infringed and continues to infringe one or more claims of the '912 patent, including at least claim 1, by inducement under 35 U.S.C. 271(b). Airvana has induced and continues to induce customers of the accused products to directly infringe one or more claims of

the '912 patent, including at least claim 1, by among other things, making, selling, testing, importing and/or advertising the capabilities of the Accused Products.

- 27. Upon information and belief, Airvana knowingly induced customers to purchase and/or use its Accused Products by providing customers with instructions and/or manuals for using the Accused Products. Sprint and/or Airvana's end users who purchase systems and components thereof and operate such systems and components in accordance with Airvana's instructions directly infringe one or more claims of the '912 patent in violation of 35 U.S.C. 271(b). Likewise, Airvana knowingly induced retailers to market and sell the Accused Products.
- 28. Upon information and belief, Defendants actively and knowingly have infringed and are continuing to infringe the '912 patent with prior knowledge of SCI's patent rights and without reasonable basis for believing that Defendants' conduct is lawful. Defendants have been on notice of SCI's patent rights at least as early as May 5, 2014 through a letter sent from the John Nix, the named inventor of the '912 patent to Michael McFarland, Sr. Director of Product Management and Marketing at Airvana, the manufacturer of the Accused Product. In accordance with Fed. R. Civ. P. 11(b)(3), SCI will likely have additional evidentiary support after a reasonable opportunity for further investigation or discovery on this issue.
- 29. Upon information and belief, since Defendants have been on notice of the '912 patent, Defendants have been knowingly inducing infringement of one or more claims of the '912 patent, and possessing specific intent to encourage others' infringement.
- 30. Defendants' infringement of the '912 patent is without consent of, authority of, or license from SCI.

- 31. Upon information and belief, Defendants' infringement of the '912 patent is willful. This action, therefore, is "exceptional" within the meaning of 35 U.S.C. § 285 entitling SCI to its attorneys' fees and expenses.
- 32. As a result of Defendants' acts of infringement, SCI has suffered and will continue to suffer damages in an amount to be proven at trial.

#### PRAYER FOR RELIEF

WHEREFORE, SCI requests this Court enter judgment as follows:

- A. That the '912 patent is valid and enforceable;
- B. That Defendants have directly and indirectly infringed one or more claims of the '912 patent, including at least claim 1;
  - C. That such infringement is willful;
- D. That Defendants account for and pay to SCI all damages pursuant to 35 U.S.C. § 284 to adequately compensate SCI for Defendants' infringement of the '912 patent, but in no event less than a reasonable royalty;
- E. That SCI receives enhanced damages, in the form of treble damages, pursuant to 35 U.S.C. § 284;
  - F. That this is an exceptional case under 35 U.S.C. § 285;
- G. That Defendants pays SCI all of SCI's reasonable attorneys' fees and expenses pursuant to 35 U.S.C. § 285;
- H. That SCI be granted pre-judgment and post-judgment interest in accordance with 35 U.S.C. § 284 on the damages caused to it by reason of Defendants' infringement of the '912 patent, including pre-judgment and post-judgment interest on any enhanced damages or attorneys' fees award;

- I. That costs be awarded in accordance with 35 U.S.C. § 284 to SCI; and
- J. That SCI be granted such other and further relief as the Court may deem just and proper under the circumstances.

### **DEMAND FOR JURY TRIAL**

Small Cell Innovations hereby demands a trial by jury on all issues so triable in this action.

Dated: August 11, 2015

KROUB, SILBERSHER & KOLMYKOV PLLC

By:

Sergey Kolmykov (SK7790)

skolmykov@kskiplaw.com

Gaston Kroub (GK6970)

gkroub@kskiplaw.com

Zachary Silbersher (ZS4391)

zsilbersher@kskiplaw.com

305 Broadway, 7th Floor New York, NY 10007 Telephone No.: (212) 323-7442

Attorneys For Plaintiff Small Cell Innovations, LLC.