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12 Attorneys for Plaintiff Diamond Coating Technologies, LLC

13 **UNITED STATES DISTRICT COURT**
 14 **CENTRAL DISTRICT OF CALIFORNIA**
 15 **SOUTHERN DIVISION**

17 DIAMOND COATING TECHNOLOGIES,
 18 LLC,

19 Plaintiff,

20 vs.

21 HYUNDAI MOTOR AMERICA,
 22 HYUNDAI MOTOR COMPANY,
 23 KIA MOTORS AMERICA, INC., AND
 KIA MOTORS CORPORATION,

24 Defendants.

Case No.

COMPLAINT FOR PATENT
 INFRINGEMENT

JURY TRIAL DEMANDED

1 **COMPLAINT FOR PATENT INFRINGEMENT**

2 Plaintiff Diamond Coating Technologies, LLC (“DCT”) files this Complaint
3 for patent infringement against Hyundai Motor America, Hyundai Motor Company,
4 Kia Motors America, Inc., and Kia Motors Corporation (collectively,
5 “Defendants”).

6 **PROCEDURAL HISTORY**

7 DCT previously filed patent infringement claims against Defendants in this
8 Court. The prior case was Case No. 8:13-cv-01480-GHK (DFMx). This Court
9 dismissed that case without prejudice because it ruled that DCT lacked prudential
10 standing. DCT believes strongly that it never had standing problems with respect to
11 this litigation, but in any event it has resolved any arguable standing issues by
12 entering into amended assignment agreements with the original owner of the
13 patents.

14 DCT has filed an appeal of the dismissal order in the United States Court of
15 Appeals for the Federal Circuit. That appeal is currently pending as consolidated
16 Case No. 15-1844. Should the Federal Circuit reverse this Court’s order dismissing
17 Case No. 8:13-cv-01480-GHK (DFMx) and remand for further proceedings, DCT
18 will move to voluntarily dismiss this case.

19 On September 26, 2014 Defendants filed a petition for *inter partes* review
20 (“IPR”) of the patent DCT asserts in this Complaint. The United States Patent and
21 Trademark Office initiated *inter partes* review on April 21, 2015. The IPR is
22 currently pending before the USPTO as IPR2014-01548. DCT is willing to
23 voluntarily agree to a stay of this case pending resolution of the IPR.

24 Plaintiff Diamond Coating Technologies, LLC alleges:

25 **THE PARTIES**

26 1. Plaintiff Diamond Coating Technologies, LLC (“DCT”) is a limited
27 liability company duly organized and existing under the laws of Delaware with its
28

1 principal place of business in 3945 Freedom Circle, Suite 900, Santa Clara, CA
2 95054-1226.

3 2. DCT is the assignee and owner of the patent at issue in this action,
4 U.S. Patent No. 6,354,008.

5 3. DCT is informed and believes, and on that basis alleges, that
6 Defendant Hyundai Motor Company (“HMC”) is a Korean corporation having a
7 global headquarters at 12, Heolleung-ro, Seocho-gu, Seoul, Korea. HMC is the
8 parent corporation of Hyundai Motor America. HMC, through its various entities,
9 designs, manufactures, markets, distributes and sells Hyundai automobiles in
10 California and multiple other locations in the United States and worldwide.

11 4. DCT is informed and believes, and on that basis alleges, that Hyundai
12 Motor America (“HMA”) is a corporation duly organized under the laws of the
13 State of California and having its principal place of business in this District at
14 10550 Talbert Avenue, Fountain Valley, California 92708. HMA is HMC’s
15 headquarters for management of North American operations and manufacturing.
16 HMA manufactures and distributes Hyundai vehicles and sells these vehicles
17 through its network of dealers.

18 5. DCT is informed and believes, and on that basis alleges, that
19 Defendant Kia Motors Corporation (“KMC”) is a Korean corporation having a
20 global headquarters at 12, Heolleung-ro, Seocho-gu, Seoul, Korea. KMC is the
21 parent corporation of Kia Motors America, Inc. KMC, through its various entities,
22 designs, manufactures, markets, distributes and sells Kia automobiles in California
23 and multiple other locations in the United States and worldwide.

24 6. DCT is informed and believes, and on that basis alleges, that Kia
25 Motors America, Inc. (“KMA”) is a corporation duly organized under the laws of
26 the State of California and having its principal place of business in this District at
27 111 Peters Canyon Road, Irvine, CA 92606. KMA is KMC’s headquarters for
28 management of North American operations and manufacturing. KMA

1 manufactures and distributes Hyundai vehicles and sells these vehicles through its
2 network of dealers.

3 7. DCT is informed and believes, and on that basis alleges, that HMC
4 owns approximately 33.9% of KMC. Hyundai and Kia vehicle models share
5 components, including engines containing parts with hard carbon film coatings that
6 infringe DCT's patents. The shared infringing engines include, but are not limited
7 to, Gamma 1.4/1.6 L, Theta 2.0/2.4L, and Theta II 2.0/2.4 L.

8 **JURISDICTION AND VENUE**

9 8. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§
10 1331 and 1338(a) because this action arises under the patent laws of the United
11 States, 35 U.S.C. §§ 1 et seq.

12 9. Venue is proper in this federal district pursuant to 28 U.S.C. §§
13 1391(b)-(c) and 1400(b).

14 10. Defendants HMA and KMA are headquartered in this District.
15 Defendants have done business in this District, have sold infringing products in this
16 District, and continue to sell infringing products in this District, entitling DCT to
17 relief.

18 **INFRINGEMENT OF U.S. PATENT NO. 6,354,008**

19 11. On March 12, 2002, United States Patent No. 6,354,008 (the "'008
20 patent") was duly and legally issued for an invention entitled "Sliding Member,
21 Inner and Outer Blades of an Electronic Shaver and Film-Forming Method." DCT
22 was later assigned the '008 patent and continues to hold all rights and interest in the
23 '008 patent. A true and correct copy of the '008 patent is attached hereto as Exhibit
24 A.

25 12. Defendants have infringed and continue to infringe the '008 patent.

26 13. The Hyundai Defendants manufacture, sell, import and/or offer for
27 sale Hyundai vehicles utilizing parts coated with infringing hard carbon films. For
28 example, the Hyundai Defendants sell vehicles with engines containing parts,

1 including, but not limited to, valve lifters and pistons, with infringing hard carbon
2 film coatings. The use of hard carbon film coatings allows for a reduction of
3 engine friction, wear reduction, and improved engine fuel efficiency. DCT is
4 informed and believes, and on that basis alleges, that Hyundai engine models
5 containing parts with infringing hard carbon film coatings include, but are not
6 limited to, Gamma 1.4/1.6 L, Theta 2.0/2.4L, Theta II 2.0/2.4 L, and Tau 4.6/5.0 L.
7 DCT expressly also accuses all Hyundai engine models not identified above that
8 use the infringing hard carbon film coating. DCT is informed, and on that basis
9 alleges, that all Hyundai valve lifters that have a hard carbon film coating use the
10 infringing hard carbon film coating. The Hyundai Defendants' vehicles with
11 engines and other components containing parts with hard carbon film coating
12 infringe the '008 patent under 35 U.S.C. § 271.

13 14. The Kia Defendants manufacture, sell, import and/or offer for sale Kia
14 vehicles utilizing parts coated with infringing hard carbon films. For example, the
15 Kia Defendants sell vehicles with engines containing parts, including, but not
16 limited to, valve lifters and pistons, with infringing hard carbon film coatings. The
17 use of hard carbon film coatings allows for a reduction of engine friction, wear
18 reduction, and improved engine fuel efficiency. DCT is informed and believes, and
19 on that basis alleges, that Kia engine models containing parts with infringing hard
20 carbon film coatings include, but are not limited to, Gamma 1.4/1.6 L, Theta
21 2.0/2.4L, Theta II 2.0/2.4 L, and Tau 4.6L. DCT expressly also accuses all Kia
22 engine models not identified above that use the infringing hard carbon film coating.
23 DCT is informed, and on that basis alleges, that all Kia valve lifters that have a hard
24 carbon film coating use the infringing hard carbon film coating. The Kia
25 Defendants' vehicles with engines and other components containing parts with hard
26 carbon film coating infringe the '008 patent under 35 U.S.C. § 271.

27 15. Defendants' acts of infringement have caused damage to DCT, and
28 DCT is entitled to recover from Defendants the damages sustained by DCT as a

1 result of Defendants' wrongful acts in an amount subject to proof at trial.
2 Defendants' infringement of DCT's exclusive rights under the '008 patent will
3 continue to damage DCT, causing irreparable harm for which there is no adequate
4 remedy at law, unless enjoined by this Court.

5 **WILLFUL INFRINGEMENT**

6 16. Upon information and belief, the Hyundai Defendants' infringement of
7 the above-named patent is willful and deliberate, entitling DCT to increased
8 damages under 35 U.S.C. § 284 and to attorney's fees and costs incurred in
9 prosecuting this action under 35 U.S.C. § 285.

10 17. The Hyundai Defendants had prior knowledge of the patented
11 technology because DCT provided notice of the patents to the Hyundai Defendants
12 in 2012.

13 **JURY DEMAND**

14 18. DCT demands a trial by jury on all issues.

15 **PRAYER FOR RELIEF**

16 WHEREFORE, Plaintiff DCT requests entry of judgment in its favor and
17 against Defendants as follows:

18 a) Declaration that Defendants have infringed directly, and/or indirectly,
19 U.S. Patent No. 6,354,008;

20 b) Permanently enjoining Defendants and their respective officers,
21 agents, employees, and those acting in privity with them, from further infringement,
22 contributory infringement and/or inducing infringement of U.S. Patent No.
23 6,354,008;

24 c) Awarding the damages arising out of Defendants' infringement of U.S.
25 Patent No.6,354,008, including enhanced damages pursuant to 35 U.S.C. § 284
26 together with prejudgment and post-judgment interest, in an amount according to
27 proof;

28

1 d) An award of attorney's fees pursuant to 35 U.S.C. § 285 or as
2 otherwise permitted by law; and

3 e) For such other costs and further relief as the Court may deem just and
4 proper.

5
6 Dated: October 29, 2015

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