

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

IXI Mobile (R&D) Ltd. and IXI IP, LLC,	§	
	§	
Plaintiffs	§	Civil No.:
	§	
v.	§	COMPLAINT AND
	§	JURY DEMAND
	§	
ZTE Corporation; ZTE (USA) Inc.; and ZTE (TX) Inc.,	§	
	§	
Defendants.	§	

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiffs IXI Mobile (R&D) Ltd. and IXI IP, LLC (collectively, “Plaintiffs”), for their Complaint against Defendants ZTE Corporation, ZTE (USA) Inc., and ZTE (TX) Inc. (“Defendants” or “ZTE”), allege as follows:

NATURE OF THE ACTION

1. This is an action arising under the patent laws of the U.S. (35 U.S.C. § 100 *et seq.*) based upon ZTE’s infringement of U.S. Patent No. 7,552,124.

THE PARTIES

2. IXI Mobile (R&D) Ltd. (“IXI”; formerly known as IXI Mobile (Israel) Ltd.) is a company incorporated and registered under the laws of Israel with a registered address of 11 Moshe Levi Street Rishon Lezion 75658, Israel. IXI develops, makes, and sells wireless mobile devices (e.g., cellular telephones and messaging devices) and related services. IXI previously owned the patent at issue in this litigation (the “Patent-in-Suit”) and now has an exclusive license to the Patent-in-Suit.

3. IXI IP, LLC (“IXI IP”) is a New York limited liability company with its principle place of business located at 825 Third Avenue, 2nd Floor, New York, New York and with a registered address of 1218 Central Avenue, Suite 100, Albany, NY 12205. IXI IP owns the Patent-in-Suit. IXI IP has exclusively licensed the Patent-in-Suit to IXI.

4. ZTE Corporation (“ZTE Corp.”) is a Chinese corporation with its principal offices located at No. 55, Hi-tech Road South Shenzhen, Guangdong, 518057, China. ZTE Corp. sells wireless mobile devices and related applications and services.

5. ZTE (USA) Inc. (“ZTE USA”) is a New Jersey corporation with its principle place of business located at 2425 North Central Expressway, Suite 323, Richardson, TX 75080. ZTE USA sells wireless mobile devices and related applications and services.

6. ZTE (TX) Inc. (“ZTE TX”) is a Texas corporation with its principle place of business located at 2500 Dallas Parkway, Plano, TX 75093. ZTE TX sells wireless mobile devices and related applications and services.

JURISDICTION AND VENUE

7. This is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. § 1 *et seq.*, including, but not limited to, 35 U.S.C. § 271.

8. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

9. The Court has personal jurisdiction over ZTE because, among other things, ZTE has committed and continues to commit acts of patent infringement within the U.S. and this Judicial District, in violation of 35 U.S.C. § 271.

10. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b) because ZTE has regular and established places of business in this district and has committed and continues to commit acts of patent infringement in this Judicial District, has

induced and are continuing to induce others to infringe the Patent-in-Suit in this District, provides a substantial volume of goods to this District, and does a substantial amount of business within this District, and thus has purposefully availed themselves of the privilege of conducting business within the State of Texas and this Judicial District.

BACKGROUND

11. This dispute involves technology relating to wireless networking and mobile devices, including natural language parsing technology (e.g., parsing natural language code for operative language, determining operations associated with the operative language, and producing executable code to perform the operation.

12. IXI was formed in 2000 and develops phone operating systems and messaging devices.

13. IXI filed patent applications describing its technological developments in the field of mobile communications. The Patent-in-Suit is among the patents issued to IXI by the U.S. Patent and Trademark Office (USPTO).

THE PATENT-IN-SUIT

14. IXI IP is the owner, by assignment, of United States Patent No. 7,552,124 (the “’124 Patent”), titled “Natural Language for Programming a Specialized Computing System,” which duly and legally issued on June 23, 2009. The ’124 Patent covers methods and systems for parsing natural language code for operative language, determining operations associated with the operative language, and producing executable code to perform the operation. IXI Mobile is the exclusive licensee of the ’124 Patent. A copy of the ’124 Patent is attached as Exhibit A.

ZTE'S INFRINGEMENT

15. As described below, ZTE infringes the claims of each of the Patent-in-Suit directly (alone or jointly) and/or indirectly by contributing to and/or inducing direct infringement by others by making, using, offering for sale, importing into the United States, and/or encouraging the manufacture, use, and sale of devices and/or services. For example, ZTE's smartphones, including but not limited to ZTE's Axon series, Blade series, Grand series, Nubia series, Avail series, Warp series, Imperial series, Flash, Vital, Fury, Force, Radiant, Z998, Optik 2, Pocket Wi-Fi, Render, Avid 4G, Boost Force, Boost Max Director, Source, Engage MT, Compel, and ZMAX (collectively, the "Accused Products"), embody (in whole or in part) the apparatuses or practice the methods claimed by the Patent-in-Suit. The Accused Products meet the limitations of the Patent-in-Suit literally and/or under the doctrine of equivalents.

16. On information and belief, ZTE has been aware of the Patent-in-Suit prior to the filing of this lawsuit. The fields of wireless local networking, cellular telephony, and Internet connectivity are covered by many United States patents and patent applications claiming various aspects of these technologies, and it is a routine practice in these fields for major manufacturers and service providers to canvass United States patents and pending patent applications in order to identify those which may be relevant to a product or service to be made, used, sold, or offered for sale in, or imported into the United States prior to commencing such making, use, selling, offering, or importing. In researching the patentability of their patents, ZTE should have become aware of the Patent-in-Suit.

17. In addition, ZTE received actual notice of its infringement of the Patent-in-Suit at least as early as the date of service of this complaint. Therefore, ZTE was aware of the Patent-

in-Suit or willfully blinded themselves as to the existence of the Patent-in-Suit and made, used, sold, offered to sell, imported and/or encouraged the making, using, selling, offering to sell, or importing of the Accused Products despite knowing of an objectively high likelihood that its actions constituted infringement of the Patent-in-Suit at all times relevant to this suit.

(INFRINGEMENT OF THE '124 PATENT)

18. The allegations of every preceding item in this Complaint are incorporated herein by reference.

19. ZTE has and continues to directly infringe alone or jointly, literally and/or under the doctrine of equivalents, because it has and continues to make, use, offer for sale, sell, and/or import the Accused Products in the United States without the authority of the owner of the '124 Patent in violation of 35 U.S.C. § 271(a).

20. Despite its knowledge or willful blindness of the '124 Patent described above, ZTE has intentionally and actively induced others, such as its customers, end users, mobile network operators, distributors, and/or retailers, to make, use, offer for sale, sell, and/or import the Accused Products without the authority of the owner of the '124 Patent in violation of 35 U.S.C. § 271(b), for example through joint business planning, the provision of advertisements, technical specifications, instructional and/or promotional materials provided in connection with the Accused Products, including for example the associated user manuals and other materials that instruct and encourage the purchaser to use the products in a manner that ZTE knows to infringe.

21. Despite its knowledge or willful blindness of the '124 Patent described above, ZTE has and continues to sell, offer for sale, and/or import into United States the Accused Products without the authority of the owner of the '124 Patent in violation of 35 U.S.C. § 271(c).

22. On information and belief, ZTE knew at all times relevant to this Complaint that the Accused Products are especially made or especially adapted for use in the inventions claimed by the '124 Patent and are not staple articles of commerce suitable for non-infringing use.

23. IXI and IXI IP have sustained, are sustaining, and will continue to sustain damages owing to ZTE's infringement of the '124 Patent.

24. ZTE's infringement of the '124 Patent is continuing and is expected to continue unless enjoined by this Court. IXI and IXI IP do not have an adequate remedy at law, will be irreparably harmed if ZTE's infringement of the '124 Patent is permitted to continue, and are therefore entitled to an injunction against further infringement by ZTE pursuant to 35 U.S.C. § 283.

25. On information and belief, ZTE's infringement of the '124 Patent is exceptional and IXI and IXI IP are therefore entitled to recover reasonable attorneys' fees incurred in prosecuting this action in accordance with 35 U.S.C. § 285.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiffs respectfully request this Court to enter judgment in their favor against ZTE and to grant the following relief:

A. an adjudication that ZTE has infringed one or more claims of the Patent-in-Suit pursuant to 35 U.S.C. §§ 271(a), 271(b), and/or 271(c);

B. a judgment declaring that continuing manufacture, use, offer for sale, sale, and/or importation of Accused Products, or inducement of or contribution to such conduct, by ZTE would constitute infringement of one or more claims of the Patent-in-Suit pursuant to 35 U.S.C. §§ 271(a), 271(b), and/or 271(c);

C. a permanent injunction enjoining ZTE and its corresponding officers, agents, servants, employees, attorneys, affiliates, divisions, subsidiaries, and all persons in active concert or participation with any of them, from infringing the Patent-in-Suit, and/or contributing to or inducing anyone to do the same, including manufacture, use, offer to sell, sale, and/or importation of Accused Products before the expiration of the Patent-in-Suit;

D. an award of damages sustained by Plaintiffs as a result of ZTE's infringement of the Patent-in-Suit, in an amount to be ascertained at trial, including at least a reasonable royalty on sales of Accused Products and/or Plaintiffs' lost profits;

E. an assessment of pre-judgment and post-judgment interest and costs against ZTE, together with an award of such interest and costs, in accordance with 35 U.S.C. §284;

F. a determination that this is an exceptional case and a corresponding award of reasonable attorneys' fees, pursuant to 35 U.S.C. § 285; and

H. such other or further relief as this Court may deem just and proper.

JURY DEMAND

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiffs demand a trial by jury on all issues properly so triable.

Dated: November 25, 2015

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Respectfully submitted,

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