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10 IXI MOBILE (R&D) LTD. and IXI IP, LLC

11 UNITED STATES DISTRICT COURT  
12 NORTHERN DISTRICT OF CALIFORNIA

13 IXI MOBILE (R&D) LTD. and IXI IP,  
14 LLC,

15 Plaintiffs,

16 v.

17 LG CORPORATION and LG  
ELECTRONICS MOBILECOMM U.S.A.,  
18 INC.,

19 Defendants.

CASE NO.

**COMPLAINT AND JURY DEMAND**

20 **COMPLAINT FOR PATENT INFRINGEMENT**

21 Plaintiffs IXI Mobile (R&D) Ltd. and IXI IP, LLC (collectively, "Plaintiffs"), for their  
22 Complaint against Defendants LG Corporation and LG Electronics MobileComm U.S.A., Inc.,  
23 Inc. ("Defendants" or "LG"), allege as follows:

24 **NATURE OF THE ACTION**

25 1. This is an action arising under the patent laws of the U.S. (35 U.S.C. § 100 *et seq.*)  
26 based upon LG's infringement of U.S. Patent No. 7,551,590.

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**THE PARTIES**

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

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

12 4. LG Corporation (“LG Corp.”) is a Korean corporation with its principal offices at  
13 LG Twin Towers 20, Yeouido-dong, Yeongdeungpo-gu, Seoul, Republic of Korea 150-721. LG  
14 Corp. sells wireless mobile devices and related services.

15 5. LG Electronics MobileComm U.S.A., Inc. (“LG U.S.A.”) is a California  
16 corporation with its principal place of business at 10101 Old Grove Road San Diego, CA 92131.  
17 LG U.S.A. sells wireless mobile devices and related services.

18 **JURISDICTION AND VENUE**

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

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

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

25 9. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b), 1391(c), and  
26 1400(b) because LG has committed and continues to commit acts of patent infringement in this  
27 Judicial District, has induced and are continuing to induce others to infringe the Patent-in-Suit in

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1 this District, provides a substantial volume of goods to this District, and does a substantial  
2 amount of business within this District, and thus has purposefully availed themselves of the  
3 privilege of conducting business within the State of California and this Judicial District.

4 **BACKGROUND**

5 10. This dispute involves various technology relating to wireless networking and  
6 mobile devices, including mobile hotspot technology (e.g., sharing the cellular internet  
7 connection of a smart phone with wireless local devices such as tablets, laptops, and smart TVs),  
8 application sharing technology (e.g., sharing services such as media, gaming, and other  
9 application services among wireless devices in a network created by a smart phone), and  
10 application management technology (e.g., providing tablets and other wireless local devices with  
11 the ability to add, update or otherwise manage the shared application services).

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

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

17 **THE PATENT-IN-SUIT**

18 13. IXI IP is the owner, by assignment, of United States Patent No. 7,551,590 (the  
19 “’590 Patent”), titled “Wireless Device having a Single Processor in a Short-Range Radio  
20 Network,” which duly and legally issued on June 23, 2009. The ’590 Patent covers devices and  
21 systems that include mobile hotspot technology (e.g., sharing the cellular internet connection of a  
22 smart phone with wireless local devices such as smartphones, tablets, and smart TVs), application  
23 sharing technology (e.g., sharing services such as media, gaming, and other application services  
24 among wireless devices in a network created by a smart phone), and application management  
25 technology (e.g., providing tablets and other wireless local devices with the ability to add, update  
26 or otherwise manage the shared application services). IXI Mobile is the exclusive licensee of the  
27 ’590 Patent. A copy of the ’590 Patent is attached as **Exhibit A**.

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**LG’S INFRINGEMENT**

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14. As described below, LG infringes each of the claims 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, LG smartphones (e.g., LG’s Flex series, Optimus series, G series, Vu series, Revolution series, and Nitro HD), tablets (e.g., G Pad series), and watches (e.g., Watch Urbane series, G Watch series) (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.

15. On information and belief, LG has been aware of the Patent-in-Suit prior to the filing of this lawsuit. The fields of mobile hotspots, 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, LG should have become aware of all of the Patent-in-Suit.

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

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**(INFRINGEMENT OF THE '590 PATENT)**

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2 17. The allegations of every preceding item in this Complaint are incorporated herein  
3 by reference.

4 18. LG has and continues to directly infringe alone or jointly, literally and/or under the  
5 doctrine of equivalents, because it has and continues to make, use, offer for sale, sell, and/or  
6 import the Accused Products in the United States without the authority of the owner of the '590  
7 Patent in violation of 35 U.S.C. § 271(a).

8 19. Despite its knowledge or willful blindness of the '590 Patent described above, LG  
9 has intentionally and actively induced others, such as its customers, end users, mobile network  
10 operators, distributors, and/or retailers, to make, use, offer for sale, sell, and/or import the  
11 Accused Products without the authority of the owner of the '590 Patent in violation of 35 U.S.C.  
12 § 271(b), for example through joint business planning, the provision of advertisements, technical  
13 specifications, instructional and/or promotional materials provided in connection with the  
14 Accused Products, including for example the associated user manuals and other materials that  
15 instruct and encourage the purchaser to use the products in a manner that LG knows to infringe.

16 20. Despite its knowledge or willful blindness of the '590 Patent described above, LG  
17 has and continues to sell, offer for sale, and/or import into United States Accused Products  
18 without the authority of the owner of the '590 Patent in violation of 35 U.S.C. § 271(c).

19 21. On information and belief, LG knew at all times relevant to this Complaint that  
20 Accused Products are especially made or especially adapted for use in the inventions claimed by  
21 the '590 Patent and are not staple articles of commerce suitable for non-infringing use.

22 22. IXI and IXI IP have sustained, are sustaining, and will continue to sustain damages  
23 owing to LG's infringement of the '590 Patent.

24 23. LG's infringement of the '590 Patent is continuing and is expected to continue  
25 unless enjoined by this Court. IXI and IXI IP do not have an adequate remedy at law, will be  
26 irreparably harmed if LG's infringement of the '590 Patent is permitted to continue, and are  
27 therefore entitled to an injunction against further infringement by LG pursuant to 35 U.S.C. §  
28 283.

24. On information and belief, LG’s infringement of the ’590 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 LG and to grant the following relief:

A. An adjudication that LG 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 LG 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 LG 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 LG’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 LG, 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

G. Such other or further relief as this Court may deem just and proper.

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**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

HOPKINS & CARLEY  
A Law Corporation

By: /s/ John V. Picone III  
John V. Picone III  
Attorneys for Plaintiffs  
IXI MOBILE (R&D) LTD. and IXI IP,  
LLC