

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

PAPST LICENSING GMBH & CO. KG,

Plaintiff,

v.

ALTERA CORPORATION,

Defendant.

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Civil Action No. _____

Jury Trial Demanded

COMPLAINT

Plaintiff Papst Licensing GmbH & Co., KG (“Papst Licensing” or “Plaintiff”) files this Complaint against Altera Corporation (“Altera” or “Defendant”) for infringement of U.S. Patent Nos. 6,574,759 (the “’759 Patent”) and U.S. Patent No. 6,704,891 (the “’891 Patent” and collectively with the ’059 Patent, the “Papst Patents”).

I. PARTIES

1. Plaintiff Papst Licensing is a company existing under the laws of The Federal Republic of Germany, with its principal place of business headquartered at Bahnhofstrasse 33, 78112 St. Georgen, Germany.

2. Defendant Altera is a corporation organized and existing under the laws of Delaware, and may be served with process by serving Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware, 19808.

II. JURISDICTION AND VENUE

3. This is an action for patent infringement which arises under 35 U.S.C. §§ 271, 281, 284 and 285. This Court has subject matter jurisdiction over this action under 28 U.S.C. §§1331 and 1338(a).

4. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b). On information and belief, Defendant is organized and incorporated under the laws of this judicial district, is deemed to reside in this judicial district, has committed acts of infringement in this judicial district, has purposely transacted business involving their accused products in this judicial district, and/or has a regular and established places of business in this judicial district.

5. Defendant is subject to this Court's specific and general personal jurisdiction pursuant to due process as Defendant is organized and incorporated under the laws of this State. Defendant has also established minimum contacts with the forum state of Delaware. Defendant has and/or does, directly and through intermediaries, ship, distribute, offer for sale, sell, advertise, operate and use their design software and tools for the purpose of infringement of the Papst Patents in the United States and the State of Delaware.

III. FACTUAL BACKGROUND

6. The name Papst has been closely associated with patents and the protection of intellectual property for over seventy years. Hermann Papst was an engineer and inventor who was responsible for over four hundred patents in a variety of technical fields. Mr. Hermann Papst's licensure of a patent pertaining to loudspeakers enabled him to launch Papst-Motoren GmbH & Co. KG—a business that generated over six hundred patents on in-house products such

as small electric motors and cooling fans. In 1992, Papst-Motoren's patent portfolio was sold to Papst Licensing, a company founded by Mr. Hermann Papst's son, Mr. Georg Papst. Papst Licensing is a patent licensing company protecting its own and others' intellectual property rights. After Hermann Papst's death in 1981 and the passing of Georg Papst in 2012, the family business is now run by the third generation of Papsts.

7. Papst Licensing acquired the '759 and '891 Patents through their predecessor-in-interest, Rambus, Inc.—a recognized leader in the area of semiconductor and memory design and testing.

8. The Papst Patents are generally directed towards methods for generating and verifying tests for memory. Simulators are used to verify that a sequence of time-ordered operations or commands complies with a set of operating constraints for the memory. The claimed methods are capable of outputting error messages when an operating constraint is violated. These error messages can identify a violated constraint and can include an adjustment to the operations or commands to resolve the operating constrain violation.

9. On or around January 24, 2014, Papst notified Altera of the '891 Patent and Altera's infringement thereof. Moreover, the parties met on October 16, 2014 to discuss Altera's infringement of the '891 Patent.

10. On information and belief, Papst notified Altera of the '759 Patent and Altera's infringement thereof on or around January 24, 2014. Additionally, the parties met on October 16, 2014 to discuss Altera's infringement of the '759 Patent.

11. Notwithstanding the foregoing, Altera has infringed and continues to infringe the Papst Patents through the ongoing use of design and simulation software in an infringing manner. Moreover, Altera provides its customers with the accused software, including through its website at <https://www.altera.com/download/sw/dnl-sw-index.jsp>, and instructs its customers to use the software in an infringing manner, all with knowledge of the Papst Patents at least as early as the receipt of Papst Licensing's January 24, 2014 letter to Altera.

IV. PATENT INFRINGEMENT

COUNT I — INFRINGEMENT OF U.S. PATENT 6,574,759

12. Papst Licensing is the assignee of the '759 Patent, entitled "METHOD FOR VERIFYING AND IMPROVING RUN-TIME OF A MEMORY TEST," and holds all substantial rights in the same. Among other rights, Papst Licensing maintains the exclusive right to exclude others, the exclusive right to enforce, sue and recover damages for past and future infringements, and the exclusive right to settle any claims of infringement. A true and correct copy of the '759 Patent is attached as Exhibit A.

13. Altera has directly infringed and continues to infringe one or more claims of the '759 Patent in this judicial district and elsewhere in the United States by, among other things, making, having made, using, offering for sale, and/or selling the claimed methods for generating and verifying a test of memory. At a minimum, Altera has been, and now is, infringing claims of the '759 Patent, including (for example) at least claim 4, by making, having made, and/or using their design software and tools that generate and verify tests for memory.

14. On information and belief, the infringing combinations include, but are not limited to, Altera's Stratix III field-programmable gate arrays (FPGAs), Quartus II design software, ModelSim simulation software, memory simulation models, and supporting hardware.

15. Altera has indirectly infringed the '759 Patent by inducing the infringement of the '759 Patent. With knowledge of the '759 Patent, Altera directs and aids its customers in using the infringing method by the provision of its design software, sale of its FPGA devices and related equipment and provision of instruction (including, by way of example, the tutorials, user guides, product guides, and other documentation available at <http://www.altera.com/support/design-support-resources/spt-index-guide.html>) to customers with knowledge that the induced acts constitute patent infringement. Altera possesses specific intent to encourage infringement by its customers.

16. Papst Licensing alleges that each and every element is literally present in the accused systems. To the extent not literally present, Papst Licensing reserves the right to proceed under the doctrine of equivalents.

17. Papst Licensing has been damaged as a result of Altera's infringing conduct. Altera is thus liable to Papst Licensing in an amount that adequately compensates it for Altera's infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

COUNT II — INFRINGEMENT OF U.S. PATENT 6,704,891

18. Papst Licensing is the assignee of the '891 Patent, entitled "METHOD FOR VERIFYING AND IMPROVING RUN-TIME OF A MEMORY TEST," and holds all

substantial rights in the same. Among other rights, Papst Licensing maintains the exclusive right to exclude others, the exclusive right to enforce, sue and recover damages for past and future infringements, and the exclusive right to settle any claims of infringement. A true and correct copy of the '891 Patent is attached as Exhibit B.

19. Altera has directly infringed and continues to infringe one or more claims of the '891 Patent in this judicial district and elsewhere in the United States by, among other things, making, having made, using, offering for sale, and/or selling the claimed methods for generating and verifying a test of memory. At a minimum, Altera has been, and now is, infringing claims of the '891 Patent, including (for example) at least claim 1, by making, having made, and/or using their design software and tools that generate and verify tests for memory.

20. On information and belief, the infringing combinations include, but are not limited to, Altera's Stratix III field-programmable gate arrays (FPGAs), Quartus II design software, ModelSim simulation software, memory simulation models, and supporting hardware.

21. Altera has indirectly infringed the '891 Patent by inducing the infringement of the '891 Patent. With knowledge of the '891 Patent, Altera directs and aids its customers in using the infringing system by the provision of its design software, sale of its FPGA devices and related equipment and provision of instruction (including, by way of example, the tutorials, user guides, product guides, and other documentation available at <http://www.altera.com/support/design-support-resources/spt-index-guide.html>) to customers with knowledge that the induced acts constitute patent infringement. Altera possesses specific intent to encourage infringement by its customers.

22. Papst Licensing alleges that each and every element is literally present in the accused systems. To the extent not literally present, Papst Licensing reserves the right to proceed under the doctrine of equivalents.

23. Papst Licensing has been damaged as a result of Altera's infringing conduct. Altera is thus liable to Papst Licensing in an amount that adequately compensates it for Altera's infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

V. JURY DEMAND

24. Papst Licensing demands a trial by jury of all matters to which it is entitled to trial by jury, pursuant to FED. R. CIV. P. 38.

VI. PRAYER FOR RELIEF

WHEREFORE, Plaintiff Papst Licensing prays for judgment and seeks relief against Defendant as follows:

- a. Judgment that one or more claims of U.S. Patent Nos. 6,574,759 and 6,704,891 have been infringed, either literally and/or under the doctrine of equivalents, by Defendant;
- b. Judgment that Defendant account for and pay to Plaintiff all damages to and costs incurred by Plaintiff because of Defendant's infringing activities and other conduct complained of herein;
- c. That Plaintiff be granted pre-judgment and post judgment interest on the damages caused by Defendant's infringing activities and other conduct complained of herein;
- d. That the Court declare this an exceptional case and award Plaintiff its reasonable attorney's fees and costs in accordance with 35 U.S.C. § 285; and
- e. That Plaintiff be granted such other and further relief as the Court may deem just and proper under the circumstances.

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Date: February 17, 2015