

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

PERSONALIZED MEDIA COMMUNICATIONS,
LLC,

Plaintiff,

v.

HAIER GROUP CORP.; HAIER ELECTRONICS
GROUP CO., LTD.; QINGDAO HAIER CO.,
LTD.; QINGDAO HAIER MULTIMEDIA CO.,
LTD.; AND QINGDAO HAIER
OPTOELECTRONICS CO., LTD.,

Defendants.

Civil Action No.: 2:17-CV-438

JURY TRIAL DEMANDED

AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Personalized Media Communications, LLC (“PMC”), by and through its attorneys, hereby demands a jury trial and amends its complaint against Defendants Haier Group Corp., Haier Electronics Group Co., Ltd., Qingdao Haier Co., Ltd., Qingdao Haier Multimedia Co., Ltd., and Qingdao Haier Optoelectronics Co., Ltd. (collectively “Haier”) as follows:

NATURE OF THE ACTION

1. This is an action under the patent laws of the United States, 35 U.S.C. §§ 1, *et seq.*, for infringement by Haier of one or more claims of U.S. Patent Nos. 7,747,217; 7,752,649; 7,752,650; 7,856,649; 8,675,775; and 8,711,885. (collectively referred to as the “Patents-in-Suit”).

PARTIES

2. Plaintiff PMC is a limited liability company organized and existing under the laws of the State of Texas, having its principal place of business at 14090 Southwest Freeway, Suite

450, Sugar Land, Texas 77478.

3. On information and belief, Defendant Haier Group Corp. (“Haier Group Corp.”) is a corporation organized under the law of China with its principal place of business at 1 Haier Rd., Hi-Tech Zone, Qingdao, Shandong 266101, People’s Republic of China. Haier Group Corp. may be served pursuant to the provisions of the Hague Service Convention.

4. On information and belief, Defendant Haier Electronics Group Co., Ltd. (“Haier Electronics Group”) is a corporation organized under the laws of Bermuda, registered at Clarendon House 2 Church Street, Hamilton HM 11 Bermuda, with its principal place of business at Unit 3513 35/F, The Center, 99 Queen’s Road Central Hong Kong. Haier Electronics Group may be served pursuant to the provisions of the Hague Service Convention.

5. On information and belief, Defendant Qingdao Haier Co., Ltd., (“Haier Co.”) is a corporation organized under the laws of China with its principal place of business at Haier Industrial Park, Laoshan District, Qingdao City 266101. Haier Co may be served pursuant to the provisions of the Hague Service Convention.

6. On information and belief, Defendant Qingdao Haier Multimedia Co., Ltd. (“Haier Multimedia”), is a corporation organized under the laws of China with its principal place of business at No. B-2, Houtian Community, Chengyang District, Qingdao 266000. Haier Multimedia is a subsidiary of Qingdao Haier Optoelectronics Co., Ltd. Haier Multimedia may be served pursuant to the provisions of the Hague Service Convention.

7. On information and belief, Defendant Qingdao Haier Optoelectronics Co., Ltd. (“Haier Optoelectronics”) is a corporation organized under the laws of China with its principal place of business at No. B-2, Houtian Community, Chengyang District, Qingdao 266000. Haier Optoelectronics may be served pursuant to the provisions of the Hague Service Convention.

8. On information and belief, the defendants identified in paragraphs 3-7 above (collectively, the “Haier Defendants”) are an interrelated group of companies which together comprise one of the world’s leading manufacturers of televisions and one of the leading sellers of televisions in the United States.

JURISDICTION AND VENUE

9. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

10. This Court has personal jurisdiction over the Haier Defendants because, *inter alia*, upon information and belief, (i) the Haier Defendants have done and continues to do business in Texas, including regularly doing or soliciting business and engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Texas and in this judicial district; (ii) the Haier Defendants have committed and continue to commit acts of patent infringement in the State of Texas, including making, using, offering to sell, selling accused products in Texas, and/or importing accused products into Texas, including by Internet sales and sales via retail and wholesale stores, and/or inducing others to commit acts of patent infringement in Texas; and (iii) pursuant to Fed. R. Civ. P. 4(k)(2).

11. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391(b), 1391(c) and 1400(b) because, *inter alia*, upon information and belief, (i) the Haier Defendants have done and continue to do business in this district, including regularly doing or soliciting business and engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Texas and in this judicial district; (ii) the Haier Defendants have committed and continue to commit acts of patent infringement in this district, including making, using, offering to sell, and/or selling accused products in this district, and/or

importing accused products into this district, including by internet sales and sales via retail and wholesale stores, and/or inducing others to commit acts of patent infringement in this district; (iii) the Haier Defendants are foreign entities and purposefully directed their activities at the residents of this judicial district; and (iv) this judicial district is familiar with the technology of the Patents-in-Suit, having presided over several lawsuits involving the same patents as well as patents from the same patent family.

SINGLE ACTION

12. This suit is commenced against the Haier Defendants pursuant to 35 U.S.C. § 299 in a single action because, *inter alia*, upon information and belief, the Haier Defendants are part of the same corporate structure and distribution chain for the making, importing, offering to sell, selling, and using of the accused devices—*i.e.*, televisions which process certain signals that comply with the ATSC standard—in the United States, including in the State of Texas generally and this judicial district in particular. In addition, the Haier Defendants share the same management, common ownership, advertising platforms, facilities, distribution chains and platforms, and accused product lines and products involving related technologies.

13. Accordingly, on information and belief, the Haier Defendants operate as a unitary business venture and are jointly and severally liable for patent infringement relating to the televisions made, imported, offered for sale, sold, or used in the United States by any one or combination of them. PMC's right to relief against each of the Haier Defendants arises out of the same transaction, occurrence, or series of transactions or occurrences relating to the making, using, importing, offering for sale, and sale of the same accused televisions in the United States. Additionally, questions of fact common to these Defendants will arise in this action, including whether the accused televisions infringe the asserted patents and what reasonable royalty will be

adequate to compensate PMC for their infringement. Therefore, joinder of the Defendants is proper under 35 U.S.C. § 299. See *NFC Tech., LLC v. HTC Am.*, Case No. 2:13-cv-1058-JRG, 2014 U.S. Dist. LEXIS 105230, *7-8 (E.D. Tex. Aug. 1, 2014) (finding joinder to be proper where defendants manufactured different handsets making use of a common component alleged to infringe plaintiff's patents).

PATENTS-IN-SUIT

14. On June 29, 2010, the United States Patent and Trademark Office duly and lawfully issued U.S. Patent No. 7,747,217 (the "217 Patent"), entitled "Signal Processing Apparatus And Methods," based upon an application filed by inventors John Christopher Harvey and James William Cuddihy.

15. On July 6, 2010, the United States Patent and Trademark Office duly and lawfully issued U.S. Patent No. 7,752,649 (the "2'649 Patent"), entitled "Signal Processing Apparatus And Methods," based upon an application filed by inventors John Christopher Harvey and James William Cuddihy.

16. On July 6, 2010, the United States Patent and Trademark Office duly and lawfully issued U.S. Patent No. 7,752,650 (the "'650 Patent"), entitled "Signal Processing Apparatus And Methods," based upon an application filed by inventors John Christopher Harvey and James William Cuddihy.

17. On December 21, 2010, the United States Patent and Trademark Office duly and lawfully issued U.S. Patent No. 7,856,649 (the "'6'649 Patent"), entitled "Signal Processing Apparatus And Methods," based upon an application filed by inventors John Christopher Harvey and James William Cuddihy.

18. On March 18, 2014, the United States Patent and Trademark Office duly and lawfully issued U.S. Patent No. 8,675,775 (the “775 Patent”), entitled “Signal Processing Apparatus And Methods,” based upon an application filed by inventors John Christopher Harvey and James William Cuddihy.

19. On April 29, 2014, the United States Patent and Trademark Office duly and lawfully issued U.S. Patent No. 8,711,885 (the “885 Patent”), entitled “Signal Processing Apparatus And Methods,” based upon an application filed by inventors John Christopher Harvey and James William Cuddihy.

20. The Patents-in-Suit generally relate to methods and systems for digital signal processing.

21. PMC owns all right, title, and interest in and to the Patents-in-Suit and possesses all rights of recovery.

FACTUAL ALLEGATIONS

The Company

22. PMC is a family-run company that was founded by inventor John Harvey. PMC’s Chairman, along with his co-inventor James Cuddihy, made numerous inventions in the early 1980s (collectively referred to hereinafter as “the Harvey Inventions”) which have been the basis for nearly 100 patents.

23. PMC is operated out of Sugar Land, Texas, and its intellectual property commercialization and licensing activities have created jobs, including the employment of a number of engineers and technical specialists, as well as management and counsel.

24. PMC owns a ground-breaking portfolio of intellectual property that covers, among other things, the use of control and information signals in electronic media content to

process the content and generate output that is personalized and relevant to a user and the application of novel content protection techniques to protect against piracy. PMC's patents also disclose and claim apparatus and processes that allow for content to be transmitted by a content provider in a highly flexible manner where the content and control signals can be varied in their timing, location, and/or composition.

25. PMC attempted to commercialize the technology of the Harvey Inventions through internal development. For example, between 1989 and 1992 the company developed and publicly disclosed a prototype that demonstrated, using television as a model, many of the personalization concepts and access control concepts of PMC's patented technology.

26. The company also sought to partner with established companies to realize the vision of the patents by jointly developing, marketing, and manufacturing commercial embodiments of the PMC technology. In the 1990s, PMC and its predecessor, Personalized Mass Media Corporation, made multiple attempts to market the Harvey Inventions by contacting a number of large technology companies. PMC entered into agreements with industry leaders, including General Electric, to explore the possibilities of the technology, and also contracted with Sarnoff Labs to develop software implementing features of the Harvey Inventions and demonstrating the potential of the technology.

27. Most of these established firms eventually declined to pursue the Harvey Inventions. A few firms, however, including StarSight and Gemstar (now subsidiaries of Rovi), eventually became some of the first licensees to PMC's patent portfolio.

28. Since those early years, the Harvey Inventions have received significant industry recognition, including being licensed by some of the most respected companies in the world. Numerous media and telecommunications companies use PMC's technology, including

providers of electronic media content that is personalized and relevant to a particular user, providers of devices to deliver that content to users, and providers of the networks that deliver the content. Current licensees of PMC's patented technology include Vizio, Samsung, Funai, Sony, Motorola, Sharp, Panasonic, DirecTV, DISH Network, EchoStar, The Weather Channel, Gemstar-TV Guide (now a subsidiary of Rovi), Cisco, and Arris, among others.

29. Over the years, PMC has consistently pursued a license-first approach to commercializing its intellectual property. PMC considers litigation to be a last resort, employed only after it is apparent that a commercially reasonable license is unobtainable through negotiations. Indeed, the present action was commenced only after licensing discussions with Haier failed to produce a commercially reasonable licensing offer.

30. PMC has only litigated its own patents. PMC has never sought to litigate or otherwise enforce a patent purchased from a third party. The patented inventions that PMC seeks to enforce in this case, and in every other case PMC has been forced to initiate, are the fruits of PMC's inventors, John Harvey and James Cuddihy.

31. Indeed, PMC has been involved in only a limited number of litigations in its twenty-plus year licensing program. Simply put, suing numerous companies for small amounts is not and has never been PMC's business model.

Defendants and the Accused Products

32. As referred to in this Complaint, and consistent with 35 U.S.C. § 100(c), the "United States" means "the United States of America, its territories and possessions."

33. Upon information and belief, including based on products identified on Haier or third-party websites, in press releases, and articles, described in Haier's manuals, imported by Haier and promoted for sale in retail stores and via the Internet, and enumerated in filings with

the Federal Communications Commission and other government authorities, Haier makes, uses, offers to sell, and/or sells in the United States, and/or imports into the United States, products made in accordance with the Patents-in-Suit, including, but not limited to, digital televisions (“Haier Digital Televisions). Upon information and belief, Haier actively and knowingly directs, causes, induces and encourages others, including, but not limited to, their distributors, resellers, audio and video integrators and consultants, software developers, customers, end users, and repair providers, to make, use, sell, and/or offer to sell in the United States, and/or import into the United States products made in accordance with the Patents-in-Suit, including, but not limited to, Haier Digital televisions, by, among other things, providing instructions, manuals, and technical assistance relating to the installation, set up, use, operation, and maintenance of said Haier Digital Televisions.

34. An exemplary, but not exclusive, list of Haier Digital Televisions which, on information and belief, were made in accordance with the Patents-in-Suit is attached as Exhibit A hereto.

Notice of Infringement

35. On August 10, 2012, PMC sent a package of materials to Mary Ann G. Lemere, Vice President and General Counsel at Haier America Trading, L.L.C., introducing Haier to PMC and to PMC’s patents and attaching claim charts indicating infringement of several of the Patents-in-Suit, including the ’217, 2’649, ’650, 6’649 patents, by Haier’s Digital Television products (“August 10, 2012 Notice Letter”).

36. Between August and September 2012, PMC, on several occasions, contacted Haier by telephone and email regarding the status of Haier’s receipt and review of PMC’s August 10, 2012 Notice Letter.

37. On September 19, 2012, Qiuqing (Jean) Xu (jxu@haieramerica.com), Associate Corporate Counsel at Haier, emailed PMC to provide direct contact information for Dr. Zhai Yili (zhaiyili@haier.com) and Guo Xu (guoxu@haier.com) at Qingdao Haier Electronics Co., Ltd., No. 1, Haier Road, Hi-tech Zone, Qingdao, Shandong, China, 266101.

38. On September 23, 2012, PMC had a phone call with Guo Xu at Haier and followed-up with an email on the same date attaching the August 10, 2012 Notice Letter.

39. On September 25, 2012, PMC had a phone call with Jean Xu, who promised to call Haier in China to confirm receipt of the August 10, 2012 Notice Letter and to inquire Dr. Zhai's availability for an introductory meeting the week of November 25, 2012.

40. Ms. Xu never did respond to confirm Haier China's receipt of PMC's materials nor with Dr. Zhai's availability for a meeting. Between October 2012 and June 2015, PMC called or emailed Jean Xu, Zhai Yili, and Guo Xu no fewer than eight times, but never received a response.

41. In view of the above, and on information and belief, the Haier Defendants received actual notice of each of the Patents-in-Suit, and of Haier's infringement thereof by the accused Haier Digital Televisions, prior to the filing of this lawsuit.

COUNT I: INFRINGEMENT OF THE '217 PATENT

42. Plaintiff incorporates the preceding paragraphs as if fully set forth herein.

43. Upon information and belief, Haier has infringed at least claims 1-5, 7, 9, 11, 30-32, and 38 of the '217 Patent pursuant to 35 U.S.C. § 271(a) by making, using, offering to sell, and/or selling in the United States, and/or importing into the United States Haier Digital Televisions, including but not limited to the Haier Digital Televisions identified in Exhibit A

hereto. Upon information and belief, Haier's infringement pursuant to 35 U.S.C. § 271(a) is ongoing.

44. Upon information and belief, Haier has induced infringement of at least the foregoing claims of the '217 Patent pursuant to 35 U.S.C. § 271(b), by actively and knowingly inducing, directing, causing, and encouraging others, including, but not limited to, their distributors, resellers, audio and video integrators and consultants, software developers, customers, end users, and repair providers, to make, use, sell, and/or offer to sell in the United States, and/or import into the United States, Haier Digital Televisions made in accordance with the '217 Patent, including, but not limited to, the Haier Digital Televisions identified in Exhibit A hereto, by, among other things, providing instructions, manuals, and technical assistance relating to the installation, set up, use, operation, and maintenance of said Haier Digital Televisions. Upon information and belief, Haier's inducement of infringement pursuant to 35 U.S.C. § 271(b) is ongoing.

45. Upon information and belief, Haier committed the foregoing infringing activities without license from PMC and with notice of the '217 Patent.

46. Haier knew the '217 Patent existed while committing the foregoing infringing acts, thereby willfully, wantonly and deliberately infringing the '217 Patent. PMC's damages should be trebled pursuant to 35 U.S.C. § 284 because of Haier's willful infringement of the '217 Patent.

47. The acts of infringement by Haier have been with the knowledge of the '217 Patent and are willful, wanton and deliberate, thus rendering this action "exceptional" within the meaning of 35 U.S.C. § 285 and entitling PMC to its reasonable attorney's fees and litigation expenses.

48. The acts of infringement by Haier will continue unless enjoined by this Court.

49. PMC has been and will continue to be irreparably harmed and damaged by Haier's acts of infringement of the '217 Patent and has no adequate remedy at law.

COUNT II: INFRINGEMENT OF THE 2'649 PATENT

50. Plaintiff incorporates the preceding paragraphs as if fully set forth herein.

51. Upon information and belief, Haier has infringed at least claims 1-3, 7, 8, 11-13, 22-24, 26-29, 39-42, 45, 48-51, 62-64, 67, 78-84, 88-94, 97, and 98 of the 2'649 Patent pursuant to 35 U.S.C. § 271(a) by making, using, offering to sell, and/or selling in the United States, and/or importing into the United States Haier Digital Televisions, including but not limited to the Haier Digital Televisions identified in Exhibit A hereto. Upon information and belief, Haier's infringement pursuant to 35 U.S.C. § 271(a) is ongoing.

52. Upon information and belief, Haier has induced infringement of at least the foregoing claims of the 2'649 Patent pursuant to 35 U.S.C. § 271(b), by actively and knowingly inducing, directing, causing, and encouraging others, including, but not limited to, their distributors, resellers, software developers, customers, end users, and repair providers, to make, use, sell, and/or offer to sell in the United States, and/or import into the United States Haier Digital Televisions made in accordance with the 2'649 Patent, including, but not limited to, the Haier Digital Televisions identified in Exhibit A hereto, by, among other things, providing instructions, manuals, and technical assistance relating to the installation, set up, use, operation, and maintenance of said Haier Digital Televisions. Upon information and belief, Haier's inducement of infringement pursuant to 35 U.S.C. § 271(b) is ongoing.

53. Upon information and belief, Haier has committed the foregoing infringing activities without license from PMC and with notice of the 2'649 Patent.

54. Haier knew the 2'649 Patent existed while committing the foregoing infringing acts, thereby willfully, wantonly and deliberately infringing the 2'649 Patent. PMC's damages should be trebled pursuant to 35 U.S.C. § 284 because of Haier's willful infringement of the '649 Patent.

55. The acts of infringement by Haier have been with the knowledge of the 2'649 Patent and are willful, wanton and deliberate, thus rendering this action "exceptional" within the meaning of 35 U.S.C. § 285 and entitling PMC to its reasonable attorney's fees and litigation expenses.

56. The acts of infringement by Haier will continue unless enjoined by this Court.

57. PMC has been and will continue to be irreparably harmed and damaged by Haier's acts of infringement of the 2'649 Patent and has no adequate remedy at law.

COUNT III: INFRINGEMENT OF THE '650 PATENT

58. Plaintiff incorporates the preceding paragraphs as if fully set forth herein.

59. Upon information and belief, Haier has infringed at least claims 1-4, 9, 18, 32, and 33 of the '650 Patent pursuant to 35 U.S.C. § 271(a) by making, using, offering to sell, and/or selling in the United States, and/or importing into the United States Haier Digital Televisions, including but not limited to the Haier Digital Televisions identified in Exhibit A hereto. Upon information and belief, Haier's infringement pursuant to 35 U.S.C. § 271(a) is ongoing.

60. Upon information and belief, Haier has induced infringement of at least the foregoing claims of the '650 Patent pursuant to 35 U.S.C. § 271(b), by actively and knowingly inducing, directing, causing, and encouraging others, including, but not limited to, their distributors, resellers, audio and video integrators and consultants, software developers,

customers, end users, and repair providers, to make, use, sell, and/or offer to sell in the United States, and/or import into the United States, Haier Digital Televisions made in accordance with the '650 Patent, including, but not limited to, the Haier Digital Televisions identified in Exhibit A hereto, by, among other things, providing instructions, manuals, and technical assistance relating to the installation, set up, use, operation, and maintenance of said Haier Digital Televisions. Upon information and belief, Haier's inducement of infringement pursuant to 35 U.S.C. § 271(b) is ongoing.

61. Upon information and belief, Haier has committed the foregoing infringing activities without license from PMC and with notice of the '650 Patent.

62. Haier knew the '650 Patent existed while committing the foregoing infringing acts, thereby willfully, wantonly and deliberately infringing the '650 Patent. PMC's damages should be trebled pursuant to 35 U.S.C. § 284 because of Haier's willful infringement of the '650 Patent.

63. The acts of infringement by Haier have been with the knowledge of the '650 Patent and are willful, wanton and deliberate, thus rendering this action "exceptional" within the meaning of 35 U.S.C. § 285 and entitling PMC to its reasonable attorney's fees and litigation expenses.

64. The acts of infringement by Haier will continue unless enjoined by this Court.

65. PMC has been and will continue to be irreparably harmed and damaged by Haier's acts of infringement of the '650 Patent and has no adequate remedy at law.

COUNT IV: INFRINGEMENT OF THE '775 PATENT

66. Plaintiff incorporates the preceding paragraphs as if fully set forth herein.

67. Upon information and belief, Haier has infringed at least claims 2-6, 11-19, 21, and 23 of the '775 Patent pursuant to 35 U.S.C. § 271(a) by making, using, offering to sell, and/or selling in the United States, and/or importing into the United States Haier Digital Televisions, including but not limited to the Haier Digital Televisions identified in Exhibit A hereto. Upon information and belief, Haier's infringement pursuant to 35 U.S.C. § 271(a) is ongoing.

68. Upon information and belief, since having notice of the '775 Patent, Haier has induced infringement of at least the foregoing claims of the '775 Patent pursuant to 35 U.S.C. § 271(b), by actively and knowingly inducing, directing, causing, and encouraging others, including, but not limited to, their distributors, resellers, audio and video integrators and consultants, software developers, customers, end users, and repair providers, to make, use, sell, and/or offer to sell in the United States, and/or import into the United States, Haier Digital Televisions made in accordance with the '775 Patent, including, but not limited to, the Haier Digital Televisions identified in Exhibit A hereto, by, among other things, providing instructions, manuals, and technical assistance relating to the installation, set up, use, operation, and maintenance of said Haier Digital Televisions. Upon information and belief, Haier's inducement of infringement pursuant to 35 U.S.C. § 271(b) is ongoing.

69. Upon information and belief, Haier has committed the foregoing infringing activities without license from PMC and with notice of the '775 Patent.

70. Haier knew the '775 Patent existed while committing the foregoing infringing acts, thereby willfully, wantonly and deliberately infringing the '775 Patent. PMC's damages should be trebled pursuant to 35 U.S.C. § 284 because of Haier's willful infringement of the '775 Patent.

71. The acts of infringement by Haier have been with the knowledge of the '775 Patent and are willful, wanton and deliberate, thus rendering this action "exceptional" within the meaning of 35 U.S.C. § 285 and entitling PMC to its reasonable attorney's fees and litigation expenses.

72. The acts of infringement by Haier will continue unless enjoined by this Court.

73. PMC has been and will continue to be irreparably harmed and damaged by Haier's acts of infringement of the '775 Patent and has no adequate remedy at law

COUNT V: INFRINGEMENT OF THE '885 PATENT

74. Plaintiff incorporates the preceding paragraphs as if fully set forth herein.

75. Upon information and belief, Haier has infringed at least claims 1, 9-15, 17, 21, 23, 26, 27, 100, 102, 103, 105, and 106 of the '885 Patent pursuant to 35 U.S.C. § 271(a) by making, using, offering to sell, and/or selling in the United States, and/or importing into the United States Haier Digital Televisions, including but not limited to the Haier Digital Televisions identified in Exhibit A hereto. Upon information and belief, Haier's infringement pursuant to 35 U.S.C. § 271(a) is ongoing.

76. Upon information and belief, since having notice of the '885 Patent, Haier has induced infringement of at least the foregoing claims of the '885 Patent pursuant to 35 U.S.C. § 271(b), by actively and knowingly inducing, directing, causing, and encouraging others, including, but not limited to, their distributors, resellers, software developers, customers, end users, and repair providers, to make, use, sell, and/or offer to sell in the United States, and/or import into the United States, Haier Digital Televisions made in accordance with the '885 Patent, including, but not limited to, the Haier Digital Televisions identified in Exhibit A hereto, by, among other things, providing instructions, manuals, and technical assistance relating to the

installation, set up, use, operation, and maintenance of said Haier Digital Televisions. Upon information and belief, Haier's inducement of infringement pursuant to 35 U.S.C. § 271(b) is ongoing.

77. Upon information and belief, Haier has committed the foregoing infringing activities without license from PMC and with notice of the '885 Patent.

78. Haier knew the '885 Patent existed while committing the foregoing infringing acts, thereby willfully, wantonly and deliberately infringing the '885 Patent. PMC's damages should be trebled pursuant to 35 U.S.C. § 284 because of Haier's willful infringement of the '885 Patent.

79. The acts of infringement by Haier have been with the knowledge of the '885 Patent and are willful, wanton and deliberate, thus rendering this action "exceptional" within the meaning of 35 U.S.C. § 285 and entitling PMC to its reasonable attorney's fees and litigation expenses.

80. The acts of infringement by Haier will continue unless enjoined by this Court.

81. PMC has been and will continue to be irreparably harmed and damaged by Haier's acts of infringement of the '885 Patent and has no adequate remedy at law

COUNT VI: INFRINGEMENT OF THE 6'649 PATENT

82. Plaintiff incorporates the preceding paragraphs as if fully set forth herein.

83. Upon information and belief, Haier has infringed at least claims 9 and 10 of the 6'649 Patent pursuant to 35 U.S.C. § 271(a) by making, using, offering to sell, and/or selling in the United States, and/or importing into the United States Haier Digital Televisions, including but not limited to the Haier Digital Televisions identified in Exhibit A hereto. Upon information and belief, Haier's infringement pursuant to 35 U.S.C. § 271(a) is ongoing.

84. Upon information and belief, Haier has induced infringement of at least the foregoing claims of the 6'649 Patent pursuant to 35 U.S.C. § 271(b), by actively and knowingly inducing, directing, causing, and encouraging others, including, but not limited to, their distributors, resellers, software developers, customers, end users, and repair providers, to make, use, sell, and/or offer to sell in the United States, and/or import into the United States, Haier Digital Televisions made in accordance with the 6'649 Patent, including, but not limited to, the Haier Digital Televisions identified in Exhibit A hereto, by, among other things, providing instructions, manuals, and technical assistance relating to the installation, set up, use, operation, and maintenance of said Haier Digital Televisions. Upon information and belief, Haier's inducement of infringement pursuant to 35 U.S.C. § 271(b) is ongoing.

85. Upon information and belief, Haier has committed the foregoing infringing activities without license from PMC and with notice of the 6'649 Patent.

86. Haier knew the 6'649 Patent existed while committing the foregoing infringing acts, thereby willfully, wantonly and deliberately infringing the 6'649 Patent. PMC's damages should be trebled pursuant to 35 U.S.C. § 284 because of Haier's willful infringement of the 6'649 Patent.

87. The acts of infringement by Haier have been with the knowledge of the 6'649 Patent and are willful, wanton and deliberate, thus rendering this action "exceptional" within the meaning of 35 U.S.C. § 285 and entitling PMC to its reasonable attorney's fees and litigation expenses.

88. The acts of infringement by Haier will continue unless enjoined by this Court.

89. PMC has been and will continue to be irreparably harmed and damaged by Haier's acts of infringement of the 6'649 Patent and has no adequate remedy at law.

PRAYER FOR RELIEF

WHEREFORE, PMC prays for judgment in its favor against Haier granting PMC the following relief:

- A. Entry of judgment in favor of PMC against Haier on all counts;
- B. Entry of judgment that Haier has infringed the Patents-in-Suit;
- C. Entry of judgment that Haier's infringement of the Patents-in-Suit has been willful;
- D. An order permanently enjoining Haier together with their officers, directors, agents, servants, employees, and attorneys, and upon those persons in active concert or participation with them from infringing the Patents-in-Suit;
- E. Award of compensatory damages adequate to compensate PMC for Haier's infringement of the Patents-in-Suit, in no event less than a reasonable royalty trebled as provided by 35 U.S.C. § 284;
- F. PMC's reasonable fees for expert witnesses and attorneys, as provided by 35 U.S.C. § 285;
- G. PMC's costs;
- H. Pre-judgment and post-judgment interest on PMC's award; and
- I. All such other and further relief as the Court deems just or equitable.

DEMAND FOR JURY TRIAL

Pursuant to Rule 38 of the Fed. R. Civ. P., PMC hereby demands trial by jury in this action of all claims so triable.

Dated: June 9, 2017

Respectfully submitted,

By: /s/ Meng Xi
S. Calvin Capshaw

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via CM/ECF on this 9th day of June, 2017.

/s/ Meng Xi
Meng Xi