



interest for HTC's past infringement of the Asserted Patents.

## **II. THE PARTIES**

5. Plaintiff Virginia Innovation Sciences is a corporation organized and existing under the laws of the State of Virginia, with its principal place of business located in this judicial district at 6301 Edsall Road, Suite 517, Alexandria, Virginia 22312.

6. Upon information and belief, HTC Corporation is a corporation organized under the laws of Taiwan with its principal place of business located at No. 23, Hsing Hua Road, Taoyuan City, Taoyuan, 33068 Taiwan, R.O.C., where it can be served with process. Upon information and belief, Defendant HTC Corporation is authorized to do business in Virginia.

7. Upon information and belief, Defendant HTC America, Inc. is a wholly-owned subsidiary of HTC Corporation and is a Washington corporation with its principal place of business at 13920 SE Eastgate Way, Ste. 400, Bellevue, Washington 98005-440. Upon information and belief, Defendant HTC America, Inc. is authorized to do business in Virginia where it can be served with process through its registered agent National Registered Agents Inc., 4701 Cox Road, Suite 285, Glen Allen, VA 23060.

## **III. JURISDICTION**

8. This is an action for patent infringement, which arises under the Patent Laws of the United States, in particular, 35 U.S.C. §§ 271, 281, 283, 284, and 285. This Court has jurisdiction over the subject matter of this action under 28 U.S.C. §§1331 and 1338(a).

## **IV. PLAINTIFF'S PATENTS**

9. The '398 patent was filed on May 6, 2011 and issued on March 13, 2012. The '918 patent was filed on January 26, 2017 and issued on August 8, 2017. A copy of the '398 patent is attached as Exhibit A and a copy of the '918 patent is attached as Exhibit B. VIS has

obtained all substantial rights and interest to the Asserted Patents, including all rights to recover for all past and future infringements thereof.

10. The Asserted Patents embody several key advancements over technology that was conventional at the time of filing. By way of example, claim 1 of the '918 Patent reads as follows:

A mobile terminal for processing a multimedia signal to accommodate reproduction of a high definition multimedia content by a high definition digital display apparatus comprising:  
an input interface configured to receive, through a wireless communication, the multimedia signal appropriate for displaying the high definition multimedia content on the mobile terminal, the multimedia signal being a compressed digital signal;  
at least one decoder configured to decompress the compressed digital signal to a decompressed signal;  
at least one encoder configured to encode the decompressed signal to produce an encoded signal, the encoded signal comprising a decompressed high definition digital video signal,  
wherein the mobile terminal is further configured to transmit the encoded signal to the destination device through a predetermined communication channel in conjunction with a navigational command for the predetermined communication channel, the predetermined communication channel comprising a high definition digital output interface.

## **V. DEFENDANTS' ACTS**

11. HTC has infringed and continues to infringe the Asserted Patents by making, selling, offering for sale, importing, and using products and software in an infringing manner, including but not limited to HTC's smartphone, mobile phone, HTC Media Link HD, and tablet products including Google Nexus 9, HTC MHL-HDMI adapter, HTC EVO 3D Dock, as well as any other products operating in a substantially similar manner. These products are capable of receiving video signals for a mobile terminal and converting those signals to accommodate reproduction by an alternative display terminal.

12. Moreover, HTC provides its customers with the accused products and software and instructs its customers to use the products and software in an infringing manner, including through its website at <http://www.HTC.com/us/support>.

13. In addition, HTC knowingly, actively induced and continues to knowingly, actively induce (or is willfully blind to the) infringement of one or more of the Asserted Patents within this district by making, using, offering for sale, and selling infringing products, as well as by contracting with others to use, market, sell, and offer to sell infringing products, all with knowledge of the Asserted Patents, and their claims, with knowledge that their customers will use, market, sell, and offer to sell infringing products in this district and elsewhere in the United States, and with the knowledge and specific intent to encourage and facilitate infringing sales and use of the products by others within this district and the United States by creating and disseminating promotional and marketing materials, instructional materials, and product manuals, and technical materials related to the infringing products.

14. Moreover, HTC knowingly contributed to the infringement of one or more of the Asserted Patents by others in this district, and continues to contribute to the infringement of one or more of the Patents by others in this district by selling or offering to sell components of infringing products in this district, which components constitute a material part of the inventions of the Asserted Patents, knowing of the Patents and their claims, knowing those components to be especially made or especially adapted for use to infringe one or more of the Asserted Patents, and knowing that those components are not staple articles or commodities of commerce suitable for substantial non-infringing use. HTC has not implemented a design around or otherwise taken any remedial action with respect to the Asserted Patents. VIS will rely on a reasonable opportunity for discovery of evidentiary information regarding additional infringing products.

**COUNT ONE**  
**PATENT INFRINGEMENT – U.S. PATENT NO. 8,135,398**

15. Plaintiff VIS realleges and incorporates herein paragraphs 1 - 14.

16. Plaintiff VIS is the assignee of the '398 patent, entitled "Method and Apparatus for Multimedia Communications with Different User Terminals," and holds all substantial rights in the same. Among other rights, Plaintiff VIS 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.

17. The identified claims of the '398 patent are valid, enforceable and were duly issued in full compliance with Title 35 of the United States Code.

**DIRECT INFRINGEMENT (35 U.S.C. § 271(a))**

18. HTC has directly infringed, and continues to directly infringe, one or more claims of the '398 patent in this judicial district and elsewhere in Virginia and the United States.

19. In particular, HTC has directly infringed, and continues to directly infringe at least one or more of independent claims 1, 14, 59, 64, and/or 65, and dependent claims thereof, of the '398 patent by, among other things, making, using, offering for sale, selling, and/or importing devices and that are capable of receiving multimedia content items and sending converted content items for reproduction on a television. Such devices include, but are not limited to, HTC U11, HTC 10, HTC U Ultra, HTC U Play, HTC Bolt, HTC 10EVO, HTC 10Lifestyle, Google Nexus 9, HTC One M8, HTC One Max, HTC One X, HTC Butterfly (a.k.a Droid DNA), HTC Amaze 4G, HTC Droid DNA, HTC Droid Incredible 4G LTE, HTC Evo 3D, HTC Evo 4G LTE, HTC Hero S, HTC One, HTC One A9, HTC One M7, HTC Media Link HD, HTC One M8 (Windows), HTC One M9 (a.k.a., 0PJA300), HTC One S, HTC One SV, HTC One X+, HTC Rezound, HTC Sensation 4G, HTC Vivid, HTC Sensation, HTC Sensation XE,

HTC 10, HTC Evo View 4G Tablet, HTC Jetstream Tablet, HTC Flyer, HTC Flyer CDMA, HTC Flyer WiFi, and all reasonably similar products of HTC.

20. Further, HTC has directly infringed, and continues to directly infringe at least one or more of independent claims 1, 14, 59, 64, and/or 65, and dependent claims thereof, of the '398 patent by, among other things, making, using, offering for sale, selling, and/or importing mobile phones and tablets that are capable, when operating in conjunction with the HTC MHL to HDMI Adapter, HTC EVO 3D Dock, and/or similar products, of receiving video signals for a mobile terminal and converting those signals to accommodate reproduction by an alternative display terminal. Such devices include, but are not limited to, HTC One M8, HTC One Max, HTC One X, HTC Butterfly (a.k.a Droid DNA), Google Nexus 9, HTC Amaze 4G, HTC Droid DNA, HTC Droid Incredible 4G LTE, HTC Evo 3D, HTC Evo 4G LTE, HTC Hero S, HTC One, HTC One A9, HTC One M7, HTC One M8 (Windows), HTC One M9 (a.k.a., 0PJA300), HTC One S, HTC One SV, HTC One X+, HTC Rezound, HTC Sensation 4G, HTC Vivid, HTC Sensation, HTC Sensation XE, HTC Evo View 4G Tablet, HTC Jetstream Tablet, HTC Flyer, HTC Flyer CDMA, HTC Flyer WiFi, HTC U11, HTC 10, HTC U Ultra, HTC U Play, HTC Bolt, HTC 10EVO, HTC 10Lifestyle, and all reasonably similar products of HTC.

**INDIRECT INFRINGEMENT (INDUCEMENT - 35 U.S.C. § 271(b))**

21. Based on the information presently available to VIS, VIS contends that HTC has indirectly infringed, and continues to indirectly infringe, at least one or more claims of the '398 patent by inducing direct infringement by third parties, including without limitation end users of the products accused of infringing the '398 patent ("the '398 Accused Products"), in this District and elsewhere in the United States.

22. On information and belief, despite having knowledge of the '398 patent, HTC has specifically intended for persons who acquire and use the '398 Accused Products, including without limitation end-users of the '398 Accused Products, to acquire and use such devices in such a way that infringes at least one or more independent claims 1, 14, 59, 64, and/or 65 and dependent claims thereof of the '398 patent and HTC knew or should have known that their actions were inducing infringement.

23. Defendant has had knowledge of the '398 patent and the infringing nature of their activities prior to the filing of this Complaint.

24. Direct infringement is the result of activities performed by third parties in relation to the '398 Accused Products, including without limitation by end users enabled and encouraged by HTC to use the '398 Accused Products in their normal, customary way to infringe the '398 patent.

25. With knowledge of the '398 patent, HTC directs and aids third parties, including without limitation end-users of the '398 Accused Products, to infringe the '398 patent by, among other things, (i) enabling a user of the '398 Accused Products to use the products to receive multimedia content items and send converted multimedia content items for reproduction on a television, as claimed in the '398 patent; (ii) providing instructions (including, by way of example, the tutorials, user guides, product guides, help library, and other documentation) to end-users of the '398 Accused Products for using the products in their customary way; (iii) advertising the '398 Accused Products' support of receiving multimedia content items and sending converted multimedia content items for reproduction on a television; and (iv) providing to third parties the products and software and related equipment that may be required for or associated with infringement of the '398 patent, all with knowledge that the induced acts

constitute patent infringement. HTC possesses specific intent to encourage infringement by third parties, including without limitation end-users of the '398 Accused Products.

**INDIRECT INFRINGEMENT (CONTRIBUTION - 35 U.S.C. §§ 271(c) and/or (f))**

26. Based on the information presently available to VIS, VIS contends that HTC has indirectly infringed, and continues to indirectly infringe a at least one or more of independent claims 1, 14, 59, 64, and/or 65 and certain dependents thereof of the '398 patent by contributing to the infringement of the '398 patent under 35 U.S.C. § 271(c) and/or 271(f), either literally and/or under the doctrine of equivalents, by selling, offering for sale, and/or importing into the United States, the '398 Accused Products.

27. The '398 Accused Products are capable of receiving multimedia content items and sending converted content items for reproduction on a television as set forth in the claims. HTC knows that the '398 Accused Products (i) constitute a material part of the inventions claimed in the '398 patent; (ii) are especially made or adapted to infringe the '398 patent; (iii) are not staple articles or commodities of commerce suitable for non-infringing use; and (iv) are components used for or in systems that receive multimedia content items and send converted content items for reproduction on a television, as claimed in the '398 patent.

28. VIS is informed and believes that HTC intends to and will continue to directly and indirectly infringe the '398 patent. VIS has been damaged as a result of HTC's infringing conduct described in this Count. HTC is, thus, liable to VIS in an amount that adequately compensates VIS for its infringement, 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 TWO**  
**PATENT INFRINGEMENT – U.S. PATENT NO. 9,729,918**

29. Plaintiff VIS realleges and incorporates herein paragraphs 1 - 28.

30. Plaintiff VIS is the assignee of the '918 patent, entitled "Method and System for Efficient Communication" and holds all substantial rights in the same. Among other rights, Plaintiff VIS 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.

31. The identified claims of the '918 patent are valid, enforceable and were duly issued in full compliance with Title 35 of the United States Code.

**DIRECT INFRINGEMENT (35 U.S.C. § 271(a))**

32. HTC has directly infringed, and continues to directly infringe, one or more claims of the '918 patent in this judicial district and elsewhere in Virginia and the United States.

33. In particular, HTC has directly infringed, and continues to directly infringe at least one or more of independent claims 1, 9, and/or 99, and dependent claims thereof, of the '918 patent by, among other things, making, using, offering for sale, selling, and/or importing mobile phones and tablets that are capable of receiving video signals for a mobile terminal and converting those signals to accommodate reproduction by an alternative display terminal. Such devices include, but are not limited to, HTC U11, HTC 10, HTC U Ultra, HTC U Play, HTC Bolt, HTC 10EVO, HTC 10Lifestyle, HTC One M8, HTC One Max, HTC One X, HTC Butterfly (a.k.a Droid DNA), HTC Amaze 4G, HTC Droid DNA, HTC Droid Incredible 4G LTE, HTC Evo 3D, HTC Evo 4G LTE, HTC Hero S, HTC One, HTC One A9, HTC One M7, HTC One M8 (Windows), Google Nexus 9, HTC One M9 (a.k.a., 0PJA300), HTC Media Link HD, HTC One S, HTC One SV, HTC One X+, HTC Rezound, HTC Sensation 4G, HTC Vivid, HTC Sensation, HTC Sensation XE, HTC 10, HTC Evo View 4G Tablet, HTC Jetstream Tablet, HTC Flyer, HTC Flyer CDMA, HTC Flyer WiFi, and all reasonably similar products of HTC.

34. Further, HTC has directly infringed, and continues to directly infringe at least one or more of independent claims 1, 9, and/or 99, and dependent claims thereof, of the '918 patent by, among other things, making, using, offering for sale, selling, and/or importing mobile phones and tablets that are capable, when operating in conjunction with the HTC MHL to HDMI Adapter, HTC EVO 3D Dock, and/or similar products of receiving video signals for a mobile terminal and sending encoded signals to accommodate reproduction by an alternative display terminal. Such devices include, but are not limited to, HTC One M8, HTC One Max, HTC One X, HTC Butterfly (a.k.a Droid DNA), HTC Amaze 4G, HTC Droid DNA, HTC Droid Incredible 4G LTE, HTC Evo 3D, HTC Evo 4G LTE, HTC Hero S, HTC One, HTC One A9, HTC One M7, HTC One M8 (Windows), HTC One M9 (a.k.a., 0PJA300), HTC One S, HTC One SV, HTC One X+, HTC Rezound, HTC Sensation 4G, HTC Vivid, HTC Sensation, HTC Sensation XE, HTC Evo View 4G Tablet, HTC Jetstream Tablet, HTC Flyer, HTC Flyer CDMA, HTC Flyer WiFi, HTC U11, HTC 10, HTC U Ultra, HTC U Play, HTC Bolt, HTC 10EVO, HTC 10Lifestyle, and all reasonably similar products of HTC.

35. Further, HTC has directly infringed, and continues to directly infringe at least one of more of independent claims 33, 116, 122, 128, and/or 135, and certain dependents thereof, of the '918 patent by, among other things, making, using, offering for sale, selling, and/or importing infringing devices including "HTC Alexa." Such devices include, but are not limited to, HTC U11, and all reasonably similar products of HTC.

**INDIRECT INFRINGEMENT (INDUCEMENT - 35 U.S.C. § 271(b))**

36. Based on the information presently available to VIS, VIS contends that HTC has indirectly infringed, and continues to indirectly infringe, at least one or more of independent claims 1, 9, 99, 33, 116, 122, 128, 128, and/or 135, and dependent claims thereof, of the '918

patent by inducing direct infringement by third parties, including without limitation manufacturers, resellers, and/or end users of the products accused of infringing the '918 patent ("the '918 Accused Products"), in this district and elsewhere in Virginia and the United States.

37. On information and belief, despite having knowledge of the '918 patent, HTC has specifically intended for persons who acquire and use the '918 Accused Products, including without limitation end-users of the '918 Accused Products, to acquire and use such devices in such a way that infringes at least one or more of independent claims 1, 9, 99, 33, 116, 122, 128, and/or 135 and dependents thereof of the '918 patent and HTC knew or should have known that their actions were inducing infringement.

38. On information and belief, Defendants have had knowledge of the '918 patent and the infringing nature of their activities at least as early the publication date of the application.

39. Direct infringement is the result of activities performed by third parties in relation to the '918 Accused Products, including without limitation by end users enabled and encouraged by HTC to use the '918 Accused Products in their normal, customary way to infringe the '918 patent.

40. With knowledge of the '918 patent, HTC directs and aids third parties, including without limitation end-users of the '918 Accused Products, to infringe the '918 patent by, among other things, (i) enabling a user of the '918 Accused Products to use the products to support receiving video signals for a mobile terminal and converting those signals to accommodate reproduction by an alternative display terminal as claimed in the '918 patent; (ii) providing instructions (including, by way of example, the tutorials, user guides, product guides, help library, and other documentation located at <http://www.HTC.com/us/support>) to end-users of the '918 Accused Products for using the products in their customary way; (iii) advertising the '918

Accused Products' support of receiving video signals for a mobile terminal and converting those signals to accommodate reproduction by an alternative display terminal; and (iv) providing to third parties the products and software and related equipment that may be required for or associated with infringement of the '918 patent, all with knowledge that the induced acts constitute patent infringement. HTC possesses specific intent to encourage infringement by third parties, including without limitation end-users of the '918 Accused Products.

**INDIRECT INFRINGEMENT (CONTRIBUTION - 35 U.S.C. §§ 271(c) and/or (f))**

41. Based on the information presently available to VIS, VIS contends that HTC has indirectly infringed, and continues to indirectly infringe at least one or more of claims 1, 9, 99, 33, 116, 122, 128, and/or 135, and dependent claims thereof, of the '918 patent by contributing to the infringement of the '918 patent under 35 U.S.C. § 271(c) and/or 271(f), either literally and/or under the doctrine of equivalents, by selling, offering for sale, and/or importing into the United States, the '918 Accused Products.

42. HTC knows that the '918 Accused Products (i) constitute a material part of the inventions claimed in the '918 patent; (ii) are especially made or adapted to infringe the '918 patent; (iii) are not staple articles or commodities of commerce suitable for non-infringing use; and (iv) are components used for or in systems that are capable of receiving video signals for a mobile terminal and sending encoded signals to accommodate reproduction by an alternative display terminal as claimed in the '918 patent.

43. VIS is informed and believes that HTC intends to and will continue to directly and indirectly infringe the '918 patent. VIS has been damaged as a result of HTC's infringing conduct described in this Count. HTC is, thus, liable to VIS in an amount that adequately compensates VIS for its infringement, 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.

#### **VII. JURY DEMAND**

44. Plaintiff VIS demands a trial by jury of all matters to which it is entitled to trial by jury, pursuant to Fed. R. Civ. P. 38.

#### **VIII. PRAYER FOR RELIEF**

WHEREFORE, plaintiff Virginia Innovation Sciences, Inc. prays for judgment and seeks relief against HTC as follows:

- a. Judgment that one or more claims of U.S. Patent No. 8,135,398, U.S. Patent No. 9,729,918, (“Asserted Patents”) have been infringed, either literally and/or under the doctrine of equivalents, by HTC;
- b. Award Plaintiff past and future damages together with prejudgment and post-judgment interest to compensate for the infringement by HTC of the Asserted Patents in accordance with 35 U.S.C. §284; and
- c. That Plaintiff be granted such other and further relief as the Court may deem just and proper under the circumstances.

Dated: August 8, 2017

Respectfully submitted,

By: /s/ William E. Bradley

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