# IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS AUSTIN DIVISION

BLUE SKY NETWORKS, LLC,	§	
	§	
Plaintiff	§	
	§	
v.	§	CIVIL ACTION NO. 1:17-cv-00750
	§	
	§	
BEST BUY CO., INC., and	§	
BEST BUY STORES, L.P.,	§	
	§	
<b>Defendants</b>	§	

## ORIGINAL COMPLAINT AND JURY DEMAND

This is an action for infringement arising under the Patent Act, 35 U.S.C. § 1 *et seq*. Best Buy practices without authorization of consent patents owned by Plaintiff Blue Sky Networks, LLC.

#### THE PARTIES

- 1. Plaintiff and patent owner Blue Sky Networks, LLC ("Blue Sky") is a Texas limited liability company with its headquarters and principal place of business at 1400 Preston Road, Suite 475, Plano, Texas 75093.
- 2. Best Buy is a Minnesota corporation with operations throughout the United States organized under the corporation's "domestic segment." Best Buy's corporate headquarters are located at 7601 Penn Avenue South, Richfield, Minnesota 55423.
- 3. Best Buy Stores, L.P. is a 100%-owned indirect subsidiary of Best Buy Co., Inc. and was formed under Virginia law. Best Buy Stores, L.P.'s headquarters are collocated in Richfield, Minnesota, with its ultimate corporate parent.

4. Defendants (collectively, "Best Buy") market technology products, services, and solutions to customers who visit Best Buy stores, engage with Geek Squad agents, or use Best Buy websites or mobile applications.

## JURISDICTION AND VENUE

- 5. This Court has subject-matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).
- 6. Best Buy is subject to personal jurisdiction of this Court based upon its regularly conducted business, including the acts of infringement complained of herein, in Texas and within this judicial district. Best Buy derives substantial revenue from goods and services provided to individuals in Texas and in this judicial district.
- 7. Venue is proper in this Court under 28 U.S.C. § 1400(b). Best Buy maintains an established presence in this judicial district, advertising, selling, and delivering products and providing services to individuals in this judicial district through Best Buy websites and mobile application software.
- 8. Best Buy instructs end users how to use infringing products in this district by providing instructional materials through its established online presence. Best Buy provides technical support via online chat and provides user manuals and topical help information on its websites.
- 9. Best Buy operates numerous retail stores in this district including five stores in Austin.

# Best Buy Store Directory

5 stores in Austin, TX

Best Buy N (Store 1153	Mueller Airport 3)	<b>Open until 9:00 PM</b> 1201 Barbara Jordan Blvd Austin, TX 78723
Best Buy N Square (Store 2994	Mobile Barton Creek 4)	Open until 9:00 PM 2901 S Capital of Texas Hwy Ste P3 Austin, TX 78746
Best Buy S (Store 204)	South Austin	Open until 9:00 PM 4970 Us Hwy. 290 W South Town Square Austin, TX 78735
Best Buy S (Store 2516	Southpark Meadows S)	<b>Open until 9:00 PM</b> 9600 I-35 South Austin, TX 78748
Best Buy N (Store 203)	North Austin	Open until 9:00 PM 9607 Research Blvd Ste 500 Austin, TX 78759

- 10. In addition to retail stores, Best Buy maintains a district office in Round Rock, Texas.
- 11. Best Buy Co., Inc., and Best Buy Stores, L.P. are registered to do business in Texas and may be served through their shared registered agent, CT Corporation System, 1999 Bryan Street, Suite 900, Dallas, Texas 75201-3136.

### **BLUE SKY PATENTS**

- 12. Blue Sky is the owner by assignment of all right, title, and interest in and to the following United States Patents infringed by Best Buy:
  - No. 6,088,398 (the "'398 Patent");
  - No. 6,484,027 (the "'027 Patent");
  - No. 6,865,372 (the "'372 Patent");
  - No. 7,693,542 (the "'542 Patent");
  - No. 7,885,684 (the "'684 Patent");
  - No. 8,019,381 (the "'381 Patent");
  - No. 8,265,691 (the "'691 Patent");
  - No. 8,346,169 (the "'169 Patent"); and
  - No. 8,792,828 (the "'828 Patent") (collectively, the "Asserted Patents").
  - 13. Blue Sky possesses all rights of recovery under the Asserted Patents.

### The '398 OFDM Patent

- 14. Mattias Wahlqvist, Roger Larsson, and Christer Östberg invented the claimed subject matter of the '398 Patent while working for Telia Research, a technology research arm of Telia Company AB, which dates to 1853 and is the largest mobile network operator in Sweden.
- 15. The '398 Patent, as its title indicates, relates to "Orthogonal Frequency Division Multiplex Systems." OFDM is a modulation format used in many of the latest wireless telecommunication systems and standards including LTE.

- 16. By using closely spaced carrier signals, OFDM signals are capable of high data rates. A related advantage of OFDM is minimization of interference between closely spaced carriers due to their orthogonality.
- 17. In OFDM systems, the signal is pulse-shaped to suppress side lobes in order to reduce guard bands and the space between carriers.

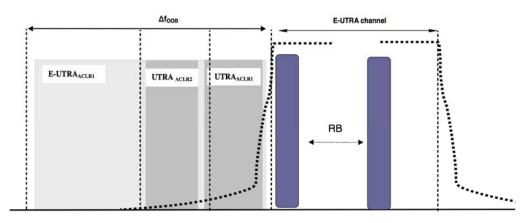
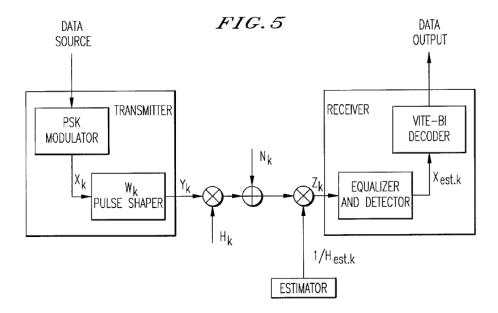


Figure 6.6.2.3-1: Adjacent Channel Leakage requirements

- 18. Pulse-shaping is used to ensure adjacent channel leakage requirements (ACLR) are within limits imposed by the LTE technical standard.
- 19. Recognizing the fact that pulse shaping breaks orthogonality and results in inter-symbol interference (ISI), the inventors introduced equalization to compensate for ISI.
- 20. In allowing the claims of the '398 Patent, the Examiner noted the absence in the prior art of "the receiver for the OFDM signals subjected to pulse shaping and every other subcarrier omitted, which receiver can recover data at a rate better than one-half the rate of an ordinary OFDM receiver with half the subcarriers absent due to an equalizer and the reduction of guard bands."

21. Figure 5 from the '398 Patent depicts schematically an OFDM system employing the claimed subject matter:



- 22. In operation, receivers in mobile devices utilizing OFDM modulation and implementing the claimed subject matter equalize channels to maintain orthogonality so the received signal can be correctly decoded.
- 23. The United States Patent and Trademark Office issued the '398 Patent on July 11, 2000, after a complete examination and upon finding the claimed subject matter novel and the application meeting all requirements for patentability.
  - 24. The '398 Patent is valid and enforceable.
  - 25. A copy of the '398 Patent is attached at Exhibit A.

# **The Enhanced Handset Patents**

26. Dan Mauney, Marc Sullivan, Charles Green, and Steve Harbin invented the claimed subject matter of the '027, '372, '542, '684, '381, '691, '169, and '828 Patents while working for SBC Technology Resources, Inc. in Austin, Texas.

- 27. SBC Technology Resources, later renamed SBC Laboratories in 2003, was the research and development arm of SBC Communications Inc., which acquired AT&T in 2005.
- 28. The Enhanced Handset Patents, titled "Enhanced Wireless Handset, Including Direct Handset-to-Handset Communication Mode, were duly and legally issued by the United States Patent and Trademark Office after full and complete examinations of each.
- 29. The Patent Examiner found each set of allowed claims to recite patentable subject matter and each respective application meeting all requirements for patentability.
- 30. In allowing the claims of the '381 Patent, for example, the Examiner found that "[n]one of the cited prior art of record teaches an apparatus and method for short-range wireless communication between an object and an apparatus comprising transmitting step and detecting step as specified in claims (i.e., claims 17 and 37)."
- 31. The Asserted Patents are directed to wireless mobile devices such as handsets, peripherals, and computing devices that operate via wireless short-range direct communication with other wireless devices. Such devices may also be enabled for simultaneous operation on a wireless network (e.g., a cellular, PCS, or WiFi network) and wireless short-range direct communication with other wireless devices. Wireless devices within the scope of the claims include paging devices, handsets, peripherals, computing devices, and other objects enabled for direct handset-to-handset communication.
- 32. To facilitate set-up, the Asserted Patents describe find features (e.g., that assist a device operator in determining what objects, including other wireless devices and

users, are located within the wireless network's operating range), memory for maintaining a list of available devices for communicating via the short-range wireless network, and short-range messaging.

- 33. In operation, devices and objects described in the Asserted Patents scan for, find, register, and communicate with available devices and may present to a user a list from which the user may select devices to pair with a device to enable two-way communication via the short-range wireless network independent of a cellular or other wireless network.
- 34. The Asserted Patents further describe how embodying devices such as wireless smartphones, tablets, computers, and other communication devices may simultaneously communicate on short range wireless network(s) and a wide-area wireless network such as cellular or PCS systems, WiFi, or a satellite radio network.

# A. United States Patent No. 6,484,027

- 35. The United States Patent and Trademark Office issued the '027 Patent on November 19, 2002, after a complete examination and upon finding the claimed subject matter novel and the application meeting all requirements for patentability.
  - 36. The '027 Patent is valid and enforceable.
  - 37. A copy of the '027 Patent is attached at Exhibit B.

## B. United States Patent No. 6,865,372

- 38. The United States Patent and Trademark Office issued the '372 Patent on March 8, 2005, after a complete examination and upon finding the claimed subject matter novel and the application meeting all requirements for patentability.
  - 39. The '372 Patent issued from a division of application No. 09/094,600 from

which the '027 Patent issued.

- 40. The '372 Patent is valid and enforceable.
- 41. A copy of the '372 Patent is attached at Exhibit C.

## C. United States Patent No. 7,693,542

- 42. The United States Patent and Trademark Office issued the '542 Patent on April 6, 2010, after a complete examination and upon finding the claimed subject matter novel and the application meeting all requirements for patentability.
- 43. The '372 Patent issued from a continuation of the application that issued as the '372 Patent, which was a division of application No. 09/094,600 from which the '027 Patent issued.
  - 44. The '542 Patent is valid and enforceable.
  - 45. A copy of the '542 Patent is attached at Exhibit D.

## D. United States Patent No. 7,885,684

- 46. The United States Patent and Trademark Office issued the '684 Patent on February 8, 2011, after a complete examination and upon finding the claimed subject matter novel and the application meeting all requirements for patentability.
- 47. The '684 Patent issued from a continuation of the application that issued as the '542 Patent and is, therefore, related to the '372 and '027 Patents.
  - 48. The '684 Patent is valid and enforceable.
  - 49. A copy of the '684 Patent is attached at Exhibit E.

## E. United States Patent No. 8,019,381

50. The United States Patent and Trademark Office issued the '381 Patent on

September 13, 2011, after a complete examination and upon finding the claimed subject matter novel and the application meeting all requirements for patentability.

- 51. The '381 Patent issued from a continuation of the application that issued as the '684 Patent and is, therefore, related to the '372, '027, and '542 Patents.
  - 52. The '381 Patent is valid and enforceable.
  - 53. A copy of the '381 Patent is attached at Exhibit F.

## F. United States Patent No. 8,265,691

- 54. The United States Patent and Trademark Office issued the '691 Patent on September 11, 2012, after a complete examination and upon finding the claimed subject matter novel and the application meeting all requirements for patentability.
- 55. The '691 Patent issued from a continuation of the application that issued as the '381 Patent and is, therefore, related to the '372, '027,'542, and '684 Patents.
  - 56. The '691 Patent is valid and enforceable.
  - 57. A copy of the '691 Patent is attached at Exhibit G.

# G. United States Patent No. 8,346,169

- 58. The United States Patent and Trademark Office issued the '169 Patent on January 1, 2013, after a complete examination and upon finding the claimed subject matter novel and the application meeting all requirements for patentability.
- 59. The '169 Patent issued from a continuation of the application from which the '691 Patent claims were allowed.
- 60. The '169 Patent is valid and enforceable, and a copy of the '169 Patent is attached at Exhibit H.

## H. United States Patent No. 8,792,828

- 61. The United States Patent and Trademark Office issued the '828 Patent on July 29, 2014, after a complete examination and upon finding the claimed subject matter novel and the application meeting all requirements for patentability.
- 62. The '828 Patent issued from a continuation of the application from which the '169 Patent issued.
- 63. The '828 Patent is valid and enforceable, and a copy of the '828 Patent is attached at Exhibit I.

## ACCUSED BEST BUY PRODUCTS

- 64. Best Buy makes, sells, offers to sell, distributes, imports, licenses, and/or supports Bluetooth-enabled products under various brands: Modal, Rocketfish, Platinum, Acer, Alcatel, Alpine, Altec Lansing/Infinity, Amazon, Asus, BlueParott, Bose, ClearSounds, Denon, Garmin, Harmon Kardon, Insignia, Jabra, GN Netcom, JVC, Kenwood, LeEco, Nextbit, Panasonic, Pioneer, Plantronics, Polaroid, Razer, Ultimate Ears, and Logitech.
- 65. Such products include computers, keyboards, mouse peripherals, headsets and headphones, speakers, in-dash car infotainment systems and stereos, laptops, tablets, handsets, A/V receivers and home entertainment systems, wearables, cameras, MP3 players, remote controls, navigation systems, hearing aids, smart-home hubs, and Bluetooth adapters.
- 66. Best Buy Accused Bluetooth Products by Modal include headphones and speakers. Best Buy markets and sells these products using various model designations

including: Modal Over-the-Ear Bluetooth Wireless Headphones, Earbud Headphones and Modal Portable Bluetooth Speaker.

- 67. Best Buy Accused Bluetooth Products by Platinum include mouse peripherals and keyboard peripherals that Best Buy markets and sells using various product designations and names including: Platinum Bluetooth 8-Button Mouse and Platinum Keyboard Folio for 10" Tablets.
- 68. Best Buy Accused Bluetooth Products by Rocketfish include speakers and music receivers. Best Buy markets and sells these products as the Rocketfish Universal Wireless Rear Speaker Kit and Rocketfish Bluetooth Music Receiver.
- 69. Best Buy Accused Bluetooth Products by Acer include computers, tablets, laptops, and smartphones. The following model designations are used by Best Buy to sell and advertise these products: Aspire 23.8" All-In-One , Chromebase 23.8" Touch -Screen All-In-One Intel Core i5 8GB Memory 32GB Solid State Drive Black, Veriton 23.8" All-In-, Aspire 23.8" Touch-Screen All-In-One, , Chromebase for Meetings 23.8" Touch-Screen All-In-One, Aspire Desktop 8GB, Predator Desktop, Aspire Desktop AMD A10-Series, Aspire Desktop 16GB Memory, AMD Radeon RX, Chromebox 4GB, Aspire Desktop 1TB Hard Drive, Predator Desktop 12GB GTX 1060, Predator Desktop 32GB Memory, Aspire GX Desktop 16GB Memory, Aspire 15.6" Laptop, 15.6" Chromebook, 14" Chromebook, Aspire ES1-521-852R 15.6", Aspire E5-573-P0DP 15.6" Laptop, Aspire R 11 2-in-1 11.6" Touch-Screen, 15.6" Laptop 16GB Memory, Switch Alpha 12 2-in-1 12" Touch-Screen, Aspire 2-in-1 15.6" Touch-Screen Laptop, Switch Alpha 12 2-in-1 12" Touch-Screen Laptop, 15.6" Chromebook 2GB

Memory, Aspire F 15 15.6" Laptop 8GB Memory, Aspire V 15 15.6" Laptop, Aspire One AO1-131-C9PM Cloudbook 11.6" Laptop, Switch Alpha 12 2-in-1 12" Touch-Screen Laptop, Predator G9-791-735A 17.3" Laptop, Switch Alpha 12 2-in-1 12" Touch-Screen Laptop, R 11 2-in-1 11.6" Touch-Screen Chromebook, Aspire R 15 2-in-1 15.6" Touch-Screen Laptop, 15.6" Chromebook - Intel Celeron - 4GB Memory, R 11 2-in-1 11.6" Touch-Screen Chromebook, Aspire 17.3" Laptop 4GB Memory, Aspire V Nitro 15.6" Laptop, - 15.6" Laptop 16GB Memory, Aspire 15.6" Laptop 4GB Memory, Aspire 15.6" Laptop 16GB Memory, Aspire R 11 2-in-1 11.6" Touch-Screen Laptop, 11.6" Chromebook 2GB, Aspire F 15 15.6" Laptop - 8GB Memory, TravelMate 15.6" Laptop - 4GB Memory, R 13 2-in-1 13.3" Touch-Screen Chromebook MT8173, Aspire One Cloudbook 11 11.6" Laptop, Aspire R 14 2-in-1 14" Touch-Screen Laptop, Aspire 15.6" Laptop, Switch Alpha 12 2-in-1 12" Touch-Screen Laptop, Aspire S 13 13.3" Touch-Screen Laptop, TravelMate 11.6" Laptop, Spin 3 2-in-1 15.6" Touch-Screen Laptop, Aspire V Nitro 17.3" Laptop, 17.3" Laptop, 17.3" Laptop 512 GB, Swift 7 13.3" Laptop, Predator 17 G9-791-79Y3 17.3" Laptop, 14 for Work 14" Chromebook, Aspire VX 15 15.6" Laptop, 15.6" Laptop -Intel Core i7 256 GB, R 13 2-in-1 13.3" Touch-Screen Chromebook - MT8173, Aspire ES 15 15.6" Laptop, 11.6" Chromebook, Aspire 2-in-1 13.3" Touch, Aspire 15.6" Laptop, 13.3" Chromebook - Tegra K1, Spin 3 2-in-1 15.6" Touch-Screen Laptop, Aspire 11.6" -Intel Pentium, Predator 17 G9-791-78CE 17.3" Laptop, Aspire 2-in-1 11.6" Touch-Screen Laptop, Predator 15 G9-591-70XR 15.6" Laptop, Predator G9-591-70VM 15.6" Laptop, 15.6" Chromebook - Intel Celeron, 14 14" Chromebook - Intel Celeron, 17.3" Laptop 512GB, TravelMate 15.6" Laptop, 14 for Work 14" Chromebook, Aspire R 14 2-in-1 14"

Touch-Screen Laptop, Acer - 2-in-1 11.6" Touch-Screen Chromebook, One 10 - 10.1" – Tablet with Keyboard, 14" TravelMate Notebook, Liquid Z530 4G LTE with 8GB Memory Cell Phone, Liquid Z630 4G LTE with 16GB Memory Cell Phone, ICONIA ONE 10 - 10.1", and B1-720 7" Android.

- 70. Best Buy Accused Bluetooth Products by Alcatel include smartphones designated by Best Buy according to the following model names: One Touch Pixi 4, POP 4 Plus, POP 4S, OneTouch Idol.
- 71. Best Buy Accused Bluetooth Products by Alpine include in-dash infotainment systems and car stereo systems featuring Bluetooth connectivity. Best Buy markets and sells these products using model names and designations including the following: CDE-143BT, UTE-62BT, CDE-163BT, X009-TND, X110-SLV, X009-FD1, X108U, X009-GM, INE-W960HDMI, CDE-164BT, CDE-W265BT, INE-W957HD, X009-U, X009-GM2, X110-SRA.
- 72. Best Buy Accused Bluetooth Products by Altec Lansing/AL Infinity include wireless speakers that rely on Bluetooth connectivity to receive signals wirelessly. Best Buy markets and sells these products using various model designations including: Boom Jacket 2, Super Life Jacket iMW888 Portable Wireless Speaker, Mini H2O Bluetooth Speaker, Mini Life Jacket 3 Portable Wireless and Bluetooth Speaker, Boom Jacket Bluetooth Speaker, The Jacket H2O 3 Portable Bluetooth Speakerphone, Life Jacket 3 Portable Bluetooth Speaker.
- 73. Best Buy Accused Bluetooth Products by Amazon include smart home hubs and tablets featuring Bluetooth wireless connectivity for communicating via headphones,

exchanging data between devices, and communicating with other Bluetooth-enabled objects within range. Best Buy markets and sells these products using various model designations including: Echo Dot (2nd Generation), Fire - 7", Fire 16GB, Fire 7th Generation - 7", Fire 8GB, Fire HD 10, Fire HD 8, Fire HD 8 32GB 6th Generation, Fire HD 8 Kids Edition, Fire Kid's Edition 16GB.

74. Best Buy Accused Bluetooth Products by Asus include all-in-one computers, wearables, tablets, smartphones, and laptops featuring Bluetooth wireless connectivity for using headphones, exchanging data between devices, and communicating with other Bluetooth-enabled objects within range. Best Buy markets and sells these products using various model designations and descriptions including the following: 23" Touch-Screen All-In-One, Zen AiO Pro 23.8" 8GB, Zen AiO Pro 23.8-12GB, Zen AiO Pro 23.8", Zen AiO<sup>TM</sup> 27", Desktop - 512GB, Desktop - 1TB Hard Drive, Desktop GTX1070, Desktop GTX 1050, Desktop GTX 1060, G11CD Desktop, ROG G20CB Desktop, ROG GR8 II Desktop, ROG GR8 II Desktop, ROG Strix Desktop, VivoMini Desktop, VivoPC Desktop, VivoPC M32CD Desktop, 11.6" Chromebook, 13.3" Chromebook, 14" Laptop, 15.6" Laptop 256GB, 15.6" Laptop 512GB, 17.3" Laptop - 12GB Memory, 17.3" Laptop - 16GB Memory, 17.3" Laptop - 32GB Memory, 17.3" Laptop - 64GB Memory, 17.3" Laptop-8GB Memory, 2-in-1 13.3" Touch-Screen Laptop - 8GB Memory, 2-in-1 13.3" Touch-Screen Laptop - 16GB Memory, 2-in-1 15.6" Touch-Screen Laptop - 16GB Memory, 2-in-1 15.6" 4K Ultra HD Touch-Screen Laptop 16GB, 2-in-1 15.6" Touch-Screen Laptop -12GB Memory, Asus Zenbook Pro UX501, 15.6" 4K Ultra HD Touch-Screen Laptop -16GB Memory, C201PA 11.6" Chromebook, C202SA 11.6" Chromebook, C300SA 13.3"

Chromebook, F555UA 15.6" Laptop, F556 Series 15.6" Laptop, Flip 2-in-1 10.1" Touch-Screen Chromebook, Flip C100PA 2-in-1 10.1" Touch-Screen Chromebook, Flip C302CA 12.5" Touch-Screen Chromebook, P-Series 14" Laptop, P-Series 15.6" Laptop, Q304UA 2-in-1 13.3" Touch-Screen Laptop, Q324UA 2-in-1 13.3" Touch-Screen Laptop, Q524UQ 2-in-1 15.6" Touch-Screen Laptop, ROG 15.6" Laptop, ROG 17.3" Laptop, ROG G701VO 17.3" Laptop, ROG G751JY 17.3", ROG G752VS 17.3" Laptop, ROG GL502VM 15.6" Laptop, ROG GL702VM 17.3" Laptop, ROG Strix 15.6"Laptop, ROG STRIX GL502 15.6" Laptop, ROG Strix GL553VD 15.6" Laptop, ROG Strix GL702 17.3" Laptop, ROG Strix GL702VS 17.3" Laptop, Transformer Book Flip 2-in-1 11.6" Touch-Screen Laptop, Transformer Book T101HA, VivoBook E403SA 14" Laptop X550ZE 15.6" Laptop, X751SA 17.3" Laptop, Zenbook 13.3" Touch-Screen Laptop 512GB, Zenbook 13.3" Touch-Screen Laptop 256GB, ZenBook 3 UX390UA 12.5" Laptop, ZenBook Flip UX360CA 2-in-1 13.3" Laptop, ZENBOOK Pro 15.6" Laptop, ZENBOOK UX303UA 13.3" Laptop, ZenFone 3 Deluxe, ZenFone 3 Laser, ZenFone 3 Max, ZenFone 3 Zoom, ZenPad 10 - 10.1" - Tablet, ZenPad 3S 10 - 9.7" - Tablet, ZenPad 8.0 - 8" - Tablet, ZenPad C 7.0 - 7" – Tablet, ZenWatch 3 Smartwatch.

- 75. Best Buy Accused Bluetooth Products by Kenwood include in-dash vehicle systems marketed and sold by Best Buy according to the following model designations: DDX374BT, DDX6703S, DDX774BH, DDX9702S, DDX9703S, DMX7704S, DNX572BH, DNX573S, DPX502BT, DPX702BH, KDC-BT268U, KDC-BT368U, KDC-BT368U, KDC-BT568U, KDC-BT768HD, KDC-BT858U, KMM-BT318U, and KMM-BT518HD.
  - 76. Best Buy Accused Bluetooth Products by BlueParrott include Bluetooth

headsets featuring wireless Bluetooth connectivity for use with computers, tablets, smartphones, etc. Best Buy markets and sells these products using various model designations and descriptions such as: S450-XT Bluetooth Headset, B350-XT Bluetooth Headset, B450-XT Bluetooth Headset, BlueParrott Bluetooth Headset, B250-XTS and Xpressway II Bluetooth Headset.

- 77. Best Buy Accused Bluetooth Products by Bose include Bluetooth headsets, speaker and entertainment A/V systems, and Bluetooth enable peripheral devices. Best Buy markets and sells these products using various model designations and descriptions such as: Bose Hearphones<sup>TM</sup> Conversation-Enhancing Headphones, QuietComfort® 35 Wireless, SoundLink® Wireless Around-Ear Headphones, Lifestyle® 600 Home Entertainment System, Solo 5 TV Soundbar, SoundTouch® 300 Soundbar, Soundlink® Color Bluetooth Speaker II, SoundLink® Mini Bluetooth Speaker II, SoundLink® Mini Bluetooth Speaker II, SoundLink® Portable Bluetooth Speaker III, SoundLink® Revolve Bluetooth® speaker, SoundTouch® 10 Wireless Music System, SoundTouch® 20 Series III Wireless Music System, SoundTouch® Music System IV.
- 78. Best Buy Accused Bluetooth Products by Clearsound include Bluetooth headsets and hearing assistant devices featuring wireless Bluetooth connectivity. Best Buy markets and sells these products using various model designations and descriptions such as: Quattro 4.0 Bluetooth Neckloop, ClearBlue Bluetooth TV/Audio Listening System Black, QH2 Bluetooth Hub and Phone Amplifier.

- 79. Best Buy Accused Bluetooth Products by Denon include wireless speaker systems and A/V media systems that feature Bluetooth connectivity. Best Buy markets and sells these products using various model designations and descriptions such as: Heos 1 HS2 Wireless Speaker, Heos Link HS2 1 and Heos Portable Bluetooth Speaker.
- 80. Best Buy Accused Bluetooth Products by Garmin include navigation systems, cameras, and wearables that feature Bluetooth connectivity. Best Buy markets and sells these products using various model designations and descriptions such as: VIRB Ultra 30 Action Camera, Garmin Approach G8 3" Golf GPS, Dēzl 5" GPS, DriveAssist 51 LMT-S 5" GPS, DriveLuxe, DriveSmart 50LMT, DriveSmart 51 LMT-S, DriveSmart 60LMT, DriveSmart 61 LMT-S, Edge GPS, eTrex Touch, GPSMAP 64s 2.6", inReach, Monterra 4", Oregon 3", RINO 3", RV 660LMT, Forerunner 735XT Smartwatch, Quatix® 3 Smartwatch, and Vivoactive HR Smartwatch.
- 81. Best Buy Accused Bluetooth Products by Insignia, a house brand, include speaker systems, headsets, headphones, A/V systems, tablets, adapters and remote controls that feature Bluetooth connectivity. Best Buy markets and sells these products using various model designations and descriptions such as: Insignia Headphone Bluetooth Adapter Streaming Media Player, Wireless On-Ear Headphones, Wireless In-Ear Headphones, Wireless Over-the-Ear Headphones, Wireless Headphones, Wireless In-Ear Headset, Bluetooth Optical Mouse, Ultra Slim Bluetooth Mouse, Bluetooth Mouse, Tripod and Bluetooth Shutter Remote, Mobile Photography Kit, CD Boombox with AM/FM Radio, 2.1 Bluetooth Speaker System, 80W Audio System, Soundbar with 39-Watt Digital Amplifier, 2.1-Channel Soundbar, Powered Bookshelf Speakers, 200W 2.0-Ch. Stereo

Receiver, 10.1" – Tablet, 8" – Tablet, 11.6" – Tablet, 8" – 32GB Tablet, Portable Bluetooth Stereo Speaker, 8" Powered Wireless 2-Way Speaker, Plug-In Bluetooth Speaker, Portable Bluetooth Audio Receiver, Portable Bluetooth Speaker, Soundbar with Bluetooth, Waterproof Portable Bluetooth Speaker, Bluetooth 4.0 USB Adapter, Bluetooth Wireless Behind-the-Head Headphones, Portable MP3 Speaker with Bluetooth Technology, 50W Bluetooth CD Compact Shelf System, 4GB Video Bluetooth MP3 Player, 2.0-Channel Soundbar with Digital Amplifier, 6-1/2" Powered Wireless 2-Way Speaker, Pilot 4GB\* Video MP3 Player, Sport 4GB\* Video MP3 Player, Sport 2GB\* Video MP3 Player, Pilot 8GB\* Video MP3 Player, Pilot 4GB\* Video MP3 Player, Mobile Photography Kit, Clock Radio, Internet-Connected GPS and CD Boombox with AM/FM Radio.

- 82. Best Buy Accused Bluetooth Products by Jabra include wireless headsets and headphones, including by GN Netcom. Jabra/GN Netcom-branded products feature Bluetooth connectivity and are marketed and sold by Best Buy using various model designations and descriptions including: Step Wireless Earbud Headphones, Sport Coach Wireless Sports Earbuds, Sport Pace Wireless Earbud Headphones, Stealth+ Bluetooth Headset, Classic Bluetooth Headset, Extreme2+ Bluetooth Headset, Style+ Bluetooth Headset, Steel Bluetooth Headset, Storm Bluetooth Headset, Style Bluetooth Headset and HALO SMART Bluetooth Headset, and GN NeckBand.
- 83. Best Buy Accused Bluetooth Products by JVC include wireless speaker systems, A/V media systems, in-dash infotainment systems, receivers, and car stereo units featuring Bluetooth connectivity. Best Buy markets and sells these products using various

model designations and descriptions including: KD-AV41BT, KD-R880BT, KD-R97MBS, KD-R980BTS, KD-X240BT, KD-X33MBS, KD-X340BTS, KW-M730BT, KW-R925BTS, KW-V230BT, KW-V330BT, KW-V420BT, KW-V820BT, KW-V830BT, KWR920BTS and KWV320B.

- 84. Best Buy Accused Bluetooth Products by LeEco include the LE Pro3 smartphone.
- 85. Best Buy Accused Bluetooth Products by Nextbit include the Robin smartphone.
- 86. Best Buy Accused Bluetooth Products by Panasonic include Bluetoothenabled phone systems and handsets that rely on short-range Bluetooth connectivity. Best Buy markets and sells these products using various model designations and descriptions including: KX-TG9541B DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TG9542B Link2Cell DECT 6.0 Expandable Cordless Phone with Digital Answering System, KX-TG9581B DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TG9582B Link2Cell 1.9GHz Expandable Phone System with Digital Answering System, KX-TGA950B DECT 6.0 Cordless Expansion Handset for Select Panasonic Cordless Expandable Phone Systems, KX-TGD562G Link2Cell DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGD563A Link2Cell DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGD564M Link2Cell DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGE275S Link2Cell DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGE463S Link2Cell DECT

6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGE474S Linc2Cell DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGE475S Link2Cell DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGF372S DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGF374S DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGF375S Link2Cell DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGF380M DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGF575S DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGL463S Linc2Cell DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGL463S Linc2Cell DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGL463B Link2Cell DECT 6.0 Expandable Cordless Phone System with Digital Answering System, KX-TGL463B Link2Cell DECT 6.0 Expandable Cordless Phone System with Digital Answering System.

87. Best Buy Accused Bluetooth Products by Pioneer include Bluetooth-enabled in-dash infotainment systems, navigation systems, A/V systems and receivers, wireless speakers, stereo systems, and satellite radio car stereo systems featuring short-range Bluetooth connectivity. Best Buy markets and sells these products using various model designations and descriptions including: AVH-X491BHS, AVH-291BT, AVH-X391BHS, AVH-4201NEX, AVH-4200NEX, AVIC-5201NEX, AVIC-8201NEX, AVH-2330NEX, AVHX5600BHS, AVHX7800BT, AVH-1330NEX, AVH-3300NEX, AVHX5800BHS, AVHX3800BHS, SPH-DA120, FH-X730BT, DEH-X3910BT, AVIC-5200NEX, MVH-AV290BT, DEH-X6800BS, MVH-X690BS, MVH-X580BS, DEHX4900BT,

DEHX6900BT, XDP300RS, XDP300RB, Andrew Jones Soundbar System, Stereo System Models: XHM26, XCM56W, XHM76 and XEM26.

- 88. Best Buy Accused Bluetooth Products by Plantronics include Bluetooth-enabled headsets and headphones. Best Buy markets and sells these products using various model designations and descriptions including: Plantronics Backbeat FIT Wireless In-Ear Behind-the-Neck Headphones, BackBeat FIT Wireless In-Ear Behind-the-Neck Headphones, BackBeat FIT Wireless In-Ear Behind-the-Neck Headphones, Voyager 5220 Bluetooth Headset, M95 Bluetooth Headset, Voyager Legend SE Bluetooth Headset, and Explorer 505 Bluetooth Headset.
- 89. Best Buy Accused Bluetooth Products by Polaroid include Bluetoothenabled cameras that Best Buy markets and sells these products using various model designations and descriptions including: Polaroid Snap Touch 13.0-Megapixel Digital Camera.
- 90. Best Buy Accused Bluetooth Products by Razer include Bluetooth-enabled wireless speaker systems, A/V systems, laptops, wearables, and tablets. Best Buy markets and sells these products using various model designations and descriptions including: Leviathan 5.1-Channel Soundbar System, Blade Stealth 12.5" 4K Ultra HD Touch-Screen Laptop 512GB and 256GB, Blade Stealth 13.3" Touch-Screen Laptop 256GB and 512GB, Blade Pro 17.3" 4K Ultra HD Touch-Screen Laptop 256GB and 512GB, Nabu watch.
- 91. Best Buy Accused Bluetooth Products by Logitech include Bluetoothenabled keyboards, computer mouse peripherals, remote controls, headsets, and tablet peripherals. Best Buy markets and sells these products using various model designations

and descriptions including: Logitech Wireless Bluetooth Speaker Adapter, H800 Wireless Headset, Harmony Home Hub, K480 Bluetooth Multidevice Keyboard, K380 Wireless Keyboard, K780 Wireless Keyboard, Keys-to-Go Bluetooth Keyboard, Tablet Keyboard, Type+ Keyboard Case, Keys-To-Go Portable Keyboard, Keyboard Folio Case, Ultrathin Keyboard Folio Case, Logi FOCUS Keyboard Folio Case, Type S Keyboard Folio Case, MK850 Performance Wireless Keyboard and Optical Mouse, M535 Bluetooth Optical Mouse, M585 Bluetooth Optical Mouse, M720 Triathlon Wireless Optical Mouse, MX Master Wireless Laser Mouse, MX Anywhere 2 Wireless Laser Mouse, T630 Ultrathin Optical Touch Mouse, M557 Bluetooth Mouse, ZeroTouch Air Vent Mount for Select Cell Phones, ZeroTouch Dashboard, Harmony Elite Universal Remote, Harmony Smart Control, Harmony Home Companion and Harmony Ultimate One 15-Device Universal Remote.

- 92. Best Buy Accused Bluetooth Products by Ultimate Ears include Bluetooth-enabled speaker systems that rely on Bluethooth connectivity. Best Buy markets and sells these products using various model designations and descriptions including: Megaboom Wireless Bluetooth Speaker, Ultimate Ears UE Megaboom Portable Bluetooth Speaker, UE Boom 2 Wireless Bluetooth Speaker and UE Wonderboom Portable Bluetooth Speaker.
- 93. Generally, Bluetooth peripheral devices practice the '372 Patent (e.g., claims 6, 7, 9, 16, 17, 19, and 20). Bluetooth-enabled smartphones practice the '027, '372, '542, '684, '381, '691, '169, and '828 patents. Bluetooth-enabled in-car systems (e.g., infotainment systems such as the Alpine X009 Navi Station) practice the '372, '691,

- '381,'169, and '828 patents. Laptops, computers, tablets, and desktop all-in-one units practice the '372, '691, '381, '169, '684,'542, and '828 patents.
- 94. Best Buy sells, offers to sell, distributes, supports, imports, licenses, and/or makes LTE-enabled communication devices under various brands: Acer, Alcatel, Asus, LeEco, and Nextbit.
- 95. Such LTE devices include: Acer Liquid Z530, Liquid Z630, ICONIA ONE Tablet, B1-720 Tablet; Alcatel One Touch Pixi 4, POP 4 Plus, POP 4S, OneTouch Idol; Asus ZenFone 3 Deluxe, ZenFone 3 Laser, ZenFone 3 Max, ZenFone 3 Zoom, ZenPad 10 Tablet, ZenPad 3S 10 Tablet, ZenPad 3S 10 Tablet, ZenPad 8.0 Tablet, ZenPad C Tablet; LeEco LE PRO3, and Nextbit Robin.

# COUNT I INFRINGEMENT OF U.S. PATENT NO. 6,088,398

- 96. Blue Sky incorporates by reference paragraphs 1-95 and re-alleges them as if stated here.
- 97. Best Buy directly infringes at least claim 13 of the '398 Patent by making, selling, offering for sale, importing, using, distributing, and/or licensing LTE-compliant handsets, computers, and tablets such as those identified above that feature OFDM functionality described herein and practice the '398 Patent (the "'398 Accused Products").
- 98. The Best Buy LTE-compliant products embody claim 13 of the '398 Patent and are designed and intended to operate on OFDM systems.
- 99. Best Buy LTE-compliant products includes receivers with equalizers that compensate for loss of orthogonality caused by pulse shaping.

- 100. Best Buy is on notice of the infringing LTE-compliant products, features, and how end users of the accused LTE-compliant products operate them on LTE networks and use the claimed apparatus.
- 101. Best Buy is on notice by this Complaint that its acts of inducing end users to use the LTE functionality of the '398 Accused Products constitute indirect infringement.
- Accused Products, which include LTE-compliant communication modules having no substantial non-infringing use, constitute contributory infringement. Best Buy's continued provision of the '398 Accused Products with knowledge of the '398 Patent and how it is infringed demonstrates Defendants' specific intent that end users directly infringe claim 13 by using the LTE-compliant system.
- 103. Best Buy advertises and promotes the LTE functionality of the '398 Accused Products on websites (e.g., <a href="www.bestbuy.com">www.bestbuy.com</a>) as exemplified below for the ASUS ZenFone 3 Deluxe:

#### 4G LTE speed

Provides fast Web connection for downloading apps, streaming content and staying connected with social media.

(http://www.bestbuy.com/site/asus-zenfone-3-deluxe-4g-lte-with-64gb-memory-cell-phone-unlocked-glacial-silver/5651200.p?skuId=5651200)

104. Best Buy highlights LTE functionality and encourages customers to use LTE connectivity to send and receive OFDM data.

### ONLY @ BEST BUY



Add to Compare

# Asus - ZenFone 3 Max 4G LTE with 16GB Memory Cell Phone (Unlocked) - Titanium Gray

Model: ZC520TL-GR | SKU: 5652000

#### See More Colors

- Android 6.0 Marshmallow
- 4G LTE speed
- 5.2" touch screen
- Bluetooth
- · 13MP rear- and 5MP front-facing cameras
- Dual SIM
- Only compatible with GSM carriers, including AT&T and T-Mobile



Add to Compare

# Acer - Liquid Z630 4G LTE with 16GB Memory Cell Phone (Unlocked) - Black

Model: Z630 BLACK | SKU: 5657636

- · Android 5.1.1 Lollipop operating system
- 4G LTE speed
- WiFi 802.11 b/g/n
- Bluetooth 4.0
- 5.5" touch-screen display
- . 8.0MP Front- and 8.0MP rear-facing cameras
- Dual SIM
- Only compatible with GSM carriers, including AT&T and T-Mobile



Add to Compare

# New! Asus - ZenPad Z8 - 7.9" - Tablet - 16GB - Wi-Fi + 4G LTE Carrier - Black

Model: ZT582KL-VZ1 | SKU: 5900986

- Android 7.0 Nougat
- 7.9" multitouch-screen display with 2048 x 1536 resolution
- 16GB storage capacity
- QUALCOMM 8-core 1.8GHz processor
- · Wi-Fi + 4G LTE Carrier
- · DTS HD Premium Sound
- · 5MP front and 13MP rear cameras
- microSD slot



# Nextbit - Robin 4G LTE with 32GB Memory Cell Phone (Unlocked) - Mint

Model: NB-RG02 MINT | SKU: 5657634

#### See More Colors

- Android Nextbit OS
- 4G LTE speed
- 5.2" IPS LCD touch-screen display
- · 5.0MP Front- and 13.0MP rear-facing cameras
- Only compatible with GSM carriers, including AT&T and T-Mobile
- 105. LTE-compliant '398 Accused Products perform synchronization procedures including Cell Search by which the device acquires time and frequency synchronization with a base station in the cell.
- 106. An equalizer in the '398 Accused Products' communication module corrects frequency error to ensure orthogonality so the received signal is correctly decoded.
- 107. Best Buy encourages, aids, and directs customers and end users of the '398 Accused Products to use and operate them on LTE networks.
- 108. Best Buy makes, uses, licenses, sells, offers to sell, and/or promotes LTE-compliance of the '398 Accused Products with the specific intent that end users and customers use them in an infringing manner.
- 109. Best Buy sells and offers to sell the LTE-compliant '398 Accused Products for use in practicing the '398 Patent, and the accused LTE communication module is material to practicing one or more claims of the '398 Patent. The LTE features have no substantial non-infringing uses and are known to Best Buy to be especially made or adapted for use infringing the '398 Patent by including hardware and software that operates in compliance with the LTE standard.

110. Best Buy's infringing conduct has damaged Blue Sky Networks. Best Buy is liable to Blue Sky Networks in an amount that adequately compensates it for Defendants' infringement, which, by law, can be no 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 NO. 6,484,027

- 111. Blue Sky incorporates by reference paragraphs 1-110 and re-alleges them as if stated here.
- 112. Best Buy directly and indirectly infringes at least claims 5, 6, 7, and 8 of the '027 Patent.
- 113. Best Buy makes, uses, sells, offers for sale, and/or imports Bluetooth-enabled handsets under various brands listed above.
- 114. The Accused Bluetooth Phones embody the asserted claims of the U.S. Patent No. 6,484,027.
- 115. Accused Bluetooth Phones are wireless handsets with enhanced operating features including the ability to locate other devices within range and pair or communicate with at least two distinct Bluetooth devices using two frequency channels.
- 116. In normal operation, the Accused Bluetooth Phones initiate a find feature to discover any Bluetooth enabled devices (e.g., peripherals, phones, computers, etc.) within range.

# Bluetooth

Bluetooth is a short-range communications technology that allows you to connect wirelessly to a number of Bluetooth devices, such as headsets and hands-free car kits, and Bluetooth-enabled handhelds, computers, printers. The Bluetooth communication range is usually approximately 30 feet.

#### Turn Bluetooth On or Off

Bluetooth can be turned on and off from the Tools menu.

■ From the home screen, press ■ > Tools > Bluetooth.

To pair and use your phone with a Bluetooth-enabled device:

- 1. From the home screen, press > Tools > Bluetooth > Add New.
- 2. Select the device you wish to pair with and press > YES.
- 3. (Optional) Edit the device name and then press SAVE (left softkey).

#### Alcatel OneTouch User Manual

- 117. An Accused Bluetooth Phone enters the page sub-state to determine whether available devices are within range, and it may transmit a train of page messages until a response is received from a potential target device.
- 118. The handset in turn detects any response messages from available Bluetooth devices (e.g., a Bluetooth headset or speaker) and collects and stores information received within the inquiry response messages for use in compiling a list of discovered or available Bluetooth devices.

## Adjusting Bluetooth settings

You can use Bluetooth to exchange information between your smartphone and other mobile devices.

### Bluetooth connections

For all Bluetooth settings, open the *Application menu* and tap **Settings > Bluetooth**. Here you can switch Bluetooth on or off, set a device name and discoverability. Tap the **Menu > Refresh** to scan for available devices.

To connect to a device, tap the device in the list of available devices. You may be asked to enter a PIN on both devices to establish the connection.

To simply turn on or off Bluetooth, open the **Notification** area and tap the **Bluetooth** button.

### Acer Z530 User Manual

- 119. When a connectable device recieves a page request on its page scan channel from the handset, it enters into a sequence of exchanges and the handset enters into a master response routine.
- 120. A link key is created and exchanged during the pairing process. Once a handset is paired with a connectable device, higher level initialization procedures are invoked to update a stored list of paired devices.
- 121. An Accused Bluetooth Phone lists "available" devices that are detected to be within range.

# Pairing with another Bluetooth device

- 1. From the home screen, tap iii > Settings > Bluetooth.
- Slide the Bluetooth switch to the position if Bluetooth is off.
   Your phone automatically scans for and displays the IDs of all available Bluetooth devices in range. You could tap Press if you want to scan again.
- Tap the device you want to pair with.
- 4. Confirm that the Bluetooth passkeys are the same between the two devices and tap PAIR. Alternately, enter a Bluetooth passkey and tap PAIR. Pairing is successfully completed when the other device accepts the connection or the same passkey is entered.

**Note:** The Bluetooth passkey may be fixed for certain devices, such as headsets and hands-free car kits. You can try entering 0000 or 1234 (the most common passkeys), or refer to the documents for that device.

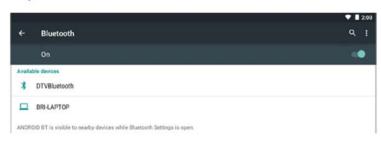
#### Alcatel OneTouch Flint User Manual

122. The user selects an "available" device for connection as exemplified in the Insignia 8" Flex Tablet User Guide shown below:

#### CONNECT TO A BLUETOOTH DEVICE

- Tap ⊕ > 

  Settings > 
  Bluetooth.
- 2. Tap the slider to turn on Bluetooth. Your tablet searches for devices.



- Turn on Bluetooth on the device you want to pair to your tablet and make sure that your device is visible to other Bluetooth devices. See the documentation that came with your Bluetooth device for instructions.
- Tap an available device to pair with from the list. Follow the on-screen prompts. Some devices connect automatically, while others may require a PIN.

- 123. Once the device is connected to the Accused Phone, it is designated as a "paired" device.
- 124. Through online technical support, Geek Squad agents, and publication of instructional information, Best Buy encourages, aids, and directs end users of the Accused Bluetooth Phones to use and operate them, consistent with the manufacturer's instructions, to perform the asserted method claims.
- 125. Best Buy is on notice of the infringing products, features, and how end users of the Accused Bluetooth Phones operate them to perform the claimed methods and use the claimed apparatuses.
- 126. Best Buy's infringing conduct has damaged Blue Sky Networks. Best Buy is liable to Blue Sky Networks in an amount that adequately compensates it for Defendants' infringement, which, by law, can be no less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

# COUNT III INFRINGEMENT OF U.S. PATENT NO. 6,865,372

- 127. Blue Sky incorporates by reference paragraphs 1-126 and re-alleges them as if stated here.
- 128. Best Buy infringes at least claims 1, 2, 4, 5, 6, 7, 9, 10, 11, 12, 14, 15, 16, 17, 19 and 20 of the '372 Patent.
- 129. Best Buy makes, sells, offers for sale, and/or imports Bluetooth-enabled computers, keyboards, mouse peripherals, headsets and headphones, speakers, in-dash car infotainment systems and stereos, laptops, tablets, handsets, A/V receivers and home

entertainment systems, wearables, cameras, MP3 players, remote controls, navigation systems, hearing aids, smart-home hubs, and Bluetooth adapters that practice and are used to practice the '372 Patent.

- 130. In addition, Best Buy infringes at least claims 3, 8, 13 and 18 of the '372 Patent with respect to the Accused Products that include a display such as the infotainment systems, laptops, handsets, cameras, and tablets, among others.
- 131. Accused Products communicate with peripherals using Bluetooth short-range technologies.
- 132. In accordance with recitations of exemplary claim 1 of the '372 Patent, the Accused Products (handsets, infotainment systems, laptops, computers, tablets—full-featured products as opposed to paired peripherals such as keyboards, mouses, headsets and headphones) are enabled to pair or communicate with at least two distinct Bluetooth peripherals using two frequency channels. The Accused Product receives an identifier (e.g., name) from each paired (or available) peripheral.
- 133. Accused Products with screens display the identifier in a list of paired or available devices.
- 134. Accused Products contain short-range wireless transmitters for short-range communications.
- 135. Accused Products enter into the inquiry substate and transmit inquiry messages (e.g., inquiry data packets) as part of the discovery and pairing process with nearby compatible Bluetooth devices (e.g., wireless headsets, Bluetooth speakers, smartphones, etc.).

- 136. The device consecutively transmits, to two Bluetooth peripherals, inquiry messages over at least two frequency channels. Based on Bluetooth protocols, the Accused Product may determine the frequency channels by an inquiry hopping sequence.
- 137. If discoverable, an object may receive the inquiry messages from the Accused Product in the page substate and in turn generates responses. Accordingly, an Accused Product contains a receiver to receive the inquiry response messages from Bluetooth peripherals within range of the Accused Product.
- 138. According to Bluetooth protocols, a peripheral's response message may contain information including device address, clock, class of device, and device name.
- 139. After receiving the response messages, the Accused Product dynamically creates and updates a list of detected objects within range of the Accused Product. The list may include identifiers (e.g., names) for detected (e.g., available or paired) objects. The list may include the first object identifier and the second object identifier (e.g., two device names) for cases in which inquiry packets are sent over two frequency channels to two separate objects, and the two objects send response data packets including corresponding object identifiers (e.g., a device name).
- 140. Accused Peripherals (keyboards, mouse peripherals, headsets and headphones, speakers, in-dash car infotainment systems and stereos, A/V receivers and home entertainment systems, wearables, cameras, MP3 players, remote controls, navigation systems, hearing aids, smart-home hubs, and Bluetooth adapters practice and are used to practice claim 16 of the '372 Patent.
  - 141. Accused Peripherals include Bluetooth radios for transmitting inquiry data

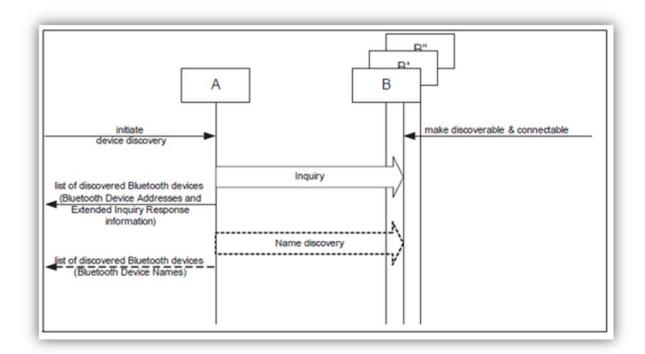
packets according to the Bluetooth wireless protocol and technical specification. *See, e.g.*, Bluetooth 4.0 Core Specification at <a href="https://www.bluetooth.com/specifications/bluetooth-core-specification">https://www.bluetooth.com/specifications/bluetooth-core-specification</a>.

- 142. In the paging substate, according to the Bluetooth specification, peripherals transmit inquiry data packets using a first and second channel of a frequency channel sequence and receive response packets identifying proximate objects.
- 143. During the pairing and bonding process, peripherals store object identifiers associated with the proximally located object.
- 144. The bonding process creates a relation between the peripheral and the object to which it is connecting (e.g., a smartphone or computer). The relation is based on a common link key that is created and exchanged during the bonding process. The common link key is stored by the peripheral to be used for future authentication.
- 145. Through online technical support, Geek Squad agents, and publication of instructional information, Best Buy encourages, aids, and directs end users of the Accused Bluetooth Phones to use and operate them, consistent with the manufacturer's instructions, to perform the asserted method claims.
- 146. Best Buy is on notice of the infringing products, features, and how end users of the Accused Products operate them to perform the claimed methods and use the claimed apparatuses.
- 147. Best Buy's infringing conduct has damaged Blue Sky Networks. Best Buy is liable to Blue Sky Networks in an amount that adequately compensates it for Defendants' infringement, which, by law, can be no less than a reasonable royalty, together with interest

and costs as fixed by this Court under 35 U.S.C. § 284.

# COUNT IV INFRINGEMENT OF U.S. PATENT NO. 7,693,542

- 148. Blue Sky incorporates by reference paragraphs 1-147 and re-alleges them as if stated here.
- 149. Best Buy infringes at least claims 1, 2, 3, 8, 9, 10, 11, 12, 17, and 18 of the '542 Patent.
- 150. Best Buy makes, uses, sells, offers for sale, and/or imports Bluetooth-enabled phones, laptops, tablets, and computers that practice or are used to practice the '542 Patent.
- 151. The Accused Products are enabled to pair with peripherals over a first network (e.g., a Bluetooth network) while maintaining a call over a second network (e.g., cellular network).
- 152. By way of example, in one scenario an Accused Product that is conducting a call over a 4G, 3G, LTE, or Wi-Fi network sends a query message (e.g., an inquiry data packet) to a Bluetooth peripheral (e.g., a hands-free headset) to determine whether the peripheral is present and within range. If the peripheral is in a discoverable mode (e.g., general discoverable mode), the Accused Product receives a response (e.g., inquiry response message) from the Bluetooth peripheral.
- 153. In the Accused Products, two discoverability modes are defined: limited discoverable mode and general discoverable mode.
- 154. The following diagram illustrates the discovery procedure carried out by the Accused Products:



- 155. The response to the Accused Product may include the peripheral's name, address, clock information, or class of device.
- 156. After receiving a response from a peripheral, the Accused Product generates and displays a list of discovered devices.
- 157. The list of available, discovered devices is displayed to the user on the screen via the Bluetooth user interface.
- 158. Through online technical support, Geek Squad agents, and publication of instructional information, Best Buy encourages, aids, and directs end users of the Accused Bluetooth Products to use and operate them, consistent with the manufacturer's instructions, to perform the asserted method claims.
- 159. Best Buy is on notice of the infringing products, features, and how end users of the Accused Products operate them to perform the claimed methods and use the claimed

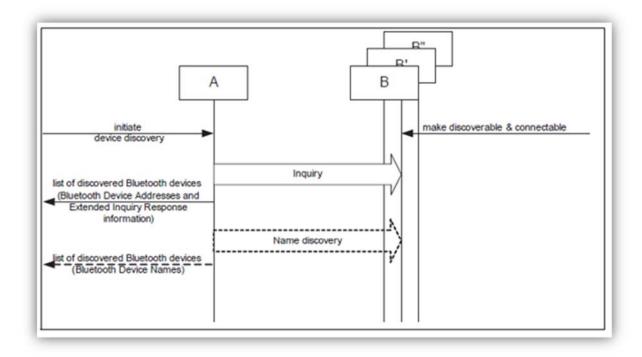
apparatuses.

160. Best Buy's infringing conduct has damaged Blue Sky Networks. Best Buy is liable to Blue Sky Networks in an amount that adequately compensates it for Defendants' infringement, which, by law, can be no less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

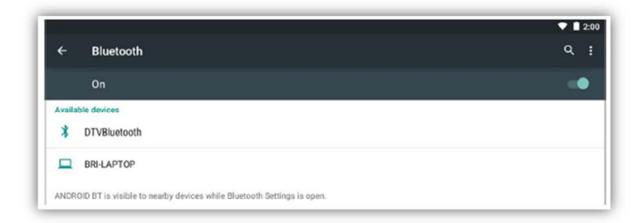
## COUNT V INFRINGEMENT OF U.S. PATENT NO. 7,885,684

- 161. Blue Sky incorporates by reference paragraphs 1-160 and re-alleges them as if stated here.
- 162. Best Buy infringes at least claims 1, 2, 3, 8, 9, 10, 14, 15, 16, 17, 18, 19, 24,25,26,29, 30, 31, and 32 of the '684 Patent.
- 163. Best Buy makes, uses, sells, offers for sale, and/or imports Bluetooth-enabled phones, laptops, tablets, and computers that practice or are used to practice the '684 Patent.
- 164. The Accused Products communicate with peripherals using Bluetooth short-range technologies.
- 165. The Accused Products have a Bluetooth transceiver configured to transmit inquiry messages to identify available communication devices.
- 166. Accused Products are enabled to pair with third-party peripherals over a first network (e.g., a Bluetooth network) while the Accused Phone maintains a call over a second network (e.g., cellular network).
- 167. Accused Products receive responses from available communication devices and generate a list of them that is displayed to the user.

- 168. By way of example, in one scenario an Accused Product that is conducting a call over a 4G, 3G, LTE, or Wi-Fi network sends a query message (e.g., an inquiry data packet) to a Bluetooth peripheral (e.g., a hands-free headset) to determine whether the peripheral is present and within range. If the peripheral is in a discoverable mode (e.g., general discoverable mode), the Accused Product receives a response (e.g., inquiry response message) from the Bluetooth peripheral.
- 169. In the Accused Products, two discoverability modes are defined: limited discoverable mode and general discoverable mode.
- 170. The following diagram illustrates the discovery procedure carried out by the Accused Products:



171. The list of available, discovered devices is displayed to the user via the Bluetooth user interface such as the Insignia Tablet interface shown below:



- 172. Through online technical support, Geek Squad agents, and publication of instructional information, Best Buy encourages, aids, and directs end users of the Accused Bluetooth Products to use and operate them, consistent with the manufacturer's instructions, to perform the asserted method claims.
- 173. Best Buy is on notice of the infringing products, features, and how end users of the Accused Products operate them to perform the claimed methods and use the claimed apparatuses.
- 174. Best Buy's infringing conduct has damaged Blue Sky Networks. Best Buy is liable to Blue Sky Networks in an amount that adequately compensates it for Defendants' infringement, which, by law, can be no less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

# COUNT VI INFRINGEMENT OF U.S. PATENT NO. 8,019,381

- 175. Blue Sky incorporates by reference paragraphs 1-174 and re-alleges them as if stated here.
  - 176. Best Buy infringes at least claims 1, 2, 3, 4, 6, 11, 12, 13, 16, 20, 21, 22, 23,

- 24, 26, 31, 32, 33, 36, 39, and 40 of the '381 Patent.
- 177. Best Buy makes, uses, sells, offers for sale, and/or imports Bluetooth-enabled phones, laptops, tablets, in-dash infotainment systems, and computers that practice or are used to practice the '684 Patent.
- 178. The Accused Products communicate with peripherals using Bluetooth short-range technologies and are enabled to pair with third-party peripherals over a first network (e.g., a Bluetooth network) while the Accused Product maintains communication over a second network (e.g., Wi-Fi network or cellular network).
- 179. For example, a Accused Phone pairs with a Bluetooth-enabled headset while conducting a voice call, data download, data upload, or synchronization over a Wi-Fi or cellular (e.g., 3G, 4G, LTE) network or, in the case of in-dash infotainment systems, over a satellite radio network.
- 180. In normal operation, the Accused Products transmit an inquiry message (e.g., an inquiry data packet) to a Bluetooth peripheral (e.g., a hands-free headset or smartphone) to determine whether the peripheral is within range.
- 181. If the peripheral is in a discoverable mode (e.g., general discoverable mode), the Accused Product receives a response (e.g., inquiry response message) from the Bluetooth peripheral.
- 182. In some cases, the response includes the peripheral's name, address, clock information, and class of device. After receiving a response from a peripheral, the Accused Product generates and displays a list of discovered or available devices.
  - 183. Through online technical support, Geek Squad agents, and publication of

instructional information, Best Buy encourages, aids, and directs end users of the Accused Bluetooth Products to use and operate them, consistent with the manufacturer's instructions, to perform the asserted method claims.

- 184. Best Buy is on notice of the infringing products, features, and how end users of the Accused Products operate them to perform the claimed methods and use the claimed apparatuses.
- 185. Best Buy's infringing conduct has damaged Blue Sky Networks. Best Buy is liable to Blue Sky Networks in an amount that adequately compensates it for Defendants' infringement, which, by law, can be no less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

## COUNT VII INFRINGEMENT OF U.S. PATENT NO. 8,265,691

- 186. Blue Sky incorporates by reference paragraphs 1-185 and re-alleges them as if stated here.
- 187. Best Buy infringes at least claims 1, 2, 3, 7, 8, 11, 12, 13, 17, and 18 of the '691 Patent.
- 188. Best Buy makes, uses, sells, offers for sale, and/or imports Bluetooth-enabled phones, laptops, tablets, in-dash infotainment systems, and computers that practice or are used to practice the '691 Patent.
- 189. The Accused Products communicate with peripherals using Bluetooth short-range technologies embodying the asserted claims of the '691 Patent.
  - 190. The Accused Bluetooth Products have a transceiver configured to transmit a

message to objects within range over a time-slotted wireless channel. When operating in Bluetooth LE mode, for example, the Accused Products use a time division multiple access scheme for polling.

- 191. In normal operation, the Accused Phones transmit an inquiry message (e.g., an inquiry data packet) to a Bluetooth peripheral (e.g., a hands-free headset) to determine whether the peripheral is within range.
- 192. If the peripheral is in a discoverable mode (e.g., general discoverable mode), the Accused Phone receives a response (e.g., inquiry response message) from the Bluetooth peripheral.
- 193. After receiving a response from a peripheral, the Accused Phone generates and displays a list of discovered or available devices as demonstrated from the Acer Z530 manual below:

#### Bluetooth connections

For all Bluetooth settings, open the *Application menu* and tap **Settings > Bluetooth**. Here you can switch Bluetooth on or off, set a device name and discoverability. Tap the **Menu > Refresh** to scan for available devices.

To connect to a device, tap the device in the list of available devices. You may be asked to enter a PIN on both devices to establish the connection.

To simply turn on or off Bluetooth, open the **Notification** area and tap the **Bluetooth** button.

- 194. Once paired, Accused Products operate in a connected or bonded state and exchange messages over one of two channels reserved for communication between them.
  - 195. The physical channel is subdivided into time units known as slots, and data

is transmitted between Bluetooth devices in packets positioned in these slots.

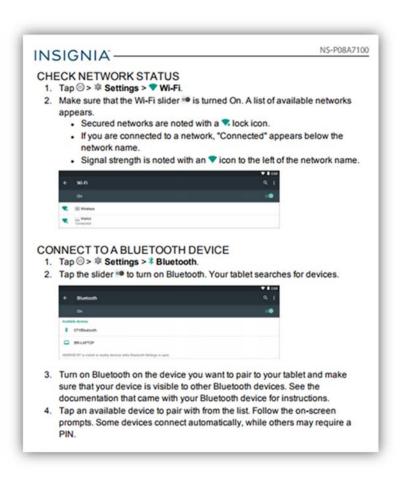
- 196. Other physical channels are used for discovering other Bluetooth devices.
- 197. In order support multiple concurrent communication sessions, the Accused Products use time division multiplexing between channels.
- 198. Through online technical support, Geek Squad agents, and publication of instructional information, Best Buy encourages, aids, and directs end users of the Accused Bluetooth Products to use and operate them, consistent with the manufacturer's instructions, to perform the asserted method claims.
- 199. Best Buy is on notice of the infringing products, features, and how end users of the Accused Products operate them to perform the claimed methods and use the claimed apparatuses.
- 200. Best Buy's infringing conduct has damaged Blue Sky Networks. Best Buy is liable to Blue Sky Networks in an amount that adequately compensates it for Defendants' infringement, which, by law, can be no less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

# COUNT VIII INFRINGEMENT OF U.S. PATENT NO. 8,346,169

- 201. Blue Sky incorporates by reference paragraphs 1-200 and re-alleges them as if stated here.
- 202. Best Buy infringes at least claims 1, 2, 3, 5, 6, 8, 9, 10, 12, 13, and 15 of the '169 Patent.
  - 203. Best Buy makes, uses, sells, offers for sale, and/or imports Bluetooth-enabled

phones, laptops, tablets, in-dash infotainment systems, and computers that practice or are used to practice the '169 Patent.

- 204. The Accused Products communicate with peripherals using Bluetooth short-range technologies embodying the asserted claims of the '169 Patent.
- 205. The Accused Bluetooth Products communicate using relevant short-range technologies including but not limited to Bluetooth Basic Rate/Enhanced Data Rate (BR/EDR) and pair with third-party peripherals and add selected peripherals to a list of paired devices stored in the Accused Products.
- 206. Best Buy provides instructions to end users of the Accused Products directing how to practice the '169 Patent:



- 207. By way of example, in a typical scenario a user presses and temporarily holds a button (e.g., the call control/power button on a Bluetooth headset) to initiate pairing with an Accused Product. In response, the device receives a pair request message (e.g., a paging message request) over a channel shared with other Bluetooth devices (e.g., a time-division multiplexed channel). In response to the pair request, the Accused Product prompts a user to add the Bluetooth peripheral to a list of authorized devices. If the user approves pairing the Accused Product with the peripheral, the user selects on the Accused Phone to accept the pair request and add the peripheral to a list of authorized devices on the Accused Phone. In some instances, the user is required to enter a PIN or code to authorize pairing.
- 208. Through online technical support, Geek Squad agents, and publication of instructional information, Best Buy encourages, aids, and directs end users of the Accused Bluetooth Products to use and operate them, consistent with the manufacturer's instructions, to perform the asserted method claims of the '169 Patent.
- 209. Best Buy is on notice of the infringing products, features, and how end users of the Accused Products operate them to perform the claimed methods and use the claimed apparatuses and systems of the '169 Patent.
- 210. Best Buy's infringing conduct has damaged Blue Sky Networks. Best Buy is liable to Blue Sky Networks in an amount that adequately compensates it for Defendants' infringement, which, by law, can be no less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

### COUNT IX INFRINGEMENT OF U.S. PATENT NO. 8,792,828

- 211. Blue Sky incorporates by reference paragraphs 1-210 and re-alleges them as if stated here.
  - 212. Best Buy infringes at least claims 3, 4, 12, 13, and 17 of the '828 Patent.
- 213. Best Buy makes, uses, sells, offers for sale, and/or imports Bluetooth-enabled phones, laptops, tablets, in-dash infotainment systems, and computers that practice or are used to practice the '828 Patent.
- 214. The Accused Products communicate with a second apparatus using Bluetooth short-range technologies embodying the '828 Patent.
- 215. In normal operation, for example during the Bluetooth discovery process, the Accused Product detects other Bluetooth-enabled objects in close proximity and may display the objects that are available for pairing.
- 216. When a user provides input directing the Accused Product to send or receive information (e.g., MAC address, identifying information, etc.) to/from the second apparatus, the pairing or bonding process continues, and the objects exchange data.



- 217. Such information exchanged between the Accused Product and Bluetooth-enabled object includes identifying information about each device that is used to create and exchange link keys to "bond" the devices. *See* Bluetooth Core Specification v.4.0.
- 218. Through online technical support, Geek Squad agents, and publication of instructional information, Best Buy encourages, aids, and directs end users of the Accused Bluetooth Products to use and operate them, consistent with the manufacturer's instructions, to perform the asserted method claims of the '828 Patent.
- 219. Best Buy is on notice of the infringing products, features, and how end users of the Accused Products operate them to perform the claimed methods and use the claimed apparatuses and systems of the '828 Patent.
- 220. Best Buy's infringing conduct has damaged Blue Sky Networks. Best Buy is liable to Blue Sky Networks in an amount that adequately compensates it for Defendants' infringement, which, by law, can be no less than a reasonable royalty, together with interest

and costs as fixed by this Court under 35 U.S.C. § 284.

### NOTICE OF REQUIREMENT OF LITIGATION HOLD

- 221. Defendant is hereby notified it is legally obligated to locate, preserve, and maintain all records, notes, drawings, documents, data, communications, materials, electronic recordings, audio/video/photographic recordings, and digital files, including edited and unedited or "raw" source material, and other information and tangible things that Defendant knows, or reasonably should know, may be relevant to actual or potential claims, counterclaims, defenses, and/or damages by any party or potential party in this lawsuit, whether created or residing in hard copy form or in the form of electronically stored information (hereafter collectively referred to as "Potential Evidence").
- 222. As used above, the phrase "electronically stored information" includes without limitation: computer files (and file fragments), e-mail (both sent and received, whether internally or externally), information concerning e-mail (including but not limited to logs of e-mail history and usage, header information, and deleted but recoverable e-mails), text files (including drafts, revisions, and active or deleted word processing documents), instant messages, audio recordings and files, video footage and files, audio files, photographic footage and files, spreadsheets, databases, calendars, telephone logs, contact manager information, internet usage files, and all other information created, received, or maintained on any and all electronic and/or digital forms, sources and media, including, without limitation, any and all hard disks, removable media, peripheral computer or electronic storage devices, laptop computers, mobile phones, personal data assistant devices, Blackberry devices, iPhones, video cameras and still cameras, and any and all

other locations where electronic data is stored. These sources may also include any personal electronic, digital, and storage devices of any and all of Defendant's agents, resellers, or employees if Defendant's electronically stored information resides there.

223. Defendant is hereby further notified and forewarned that any alteration, destruction, negligent loss, or unavailability, by act or omission, of any Potential Evidence may result in damages or a legal presumption by the Court and/or jury that the Potential Evidence is not favorable to Defendant's claims and/or defenses. To avoid such a result, Defendant's preservation duties include, but are not limited to, the requirement that Defendant immediately notifies its agents and employees to halt and/or supervise the autodelete functions of Defendant's electronic systems and refrains from deleting Potential Evidence, either manually or through a policy of periodic deletion.

### **NOTICE**

- 224. Blue Sky does not currently distribute, sell, offer for sale, or make products embodying the asserted Patents.
- 225. Blue Sky has undertaken reasonable efforts as required to comply with the notice requirements of 35 U.S.C. § 287.

#### **JURY DEMAND**

Blue Sky hereby demands a trial by jury on all claims, issues, and damages so triable.

#### PRAYER FOR RELIEF

Blue Sky prays for the following relief:

a. That Best Buy be summoned to appear and answer;

b. That the Court enter judgement in favor of Plaintiff that Best Buy has

infringed each and every one of the Asserted Patents;

c. That this is an exceptional case under 35 U.S.C. §285;

d. That the Court grant Blue Sky judgment against Best Buy for all actual,

consequential, special, punitive, exemplary, increased, and/or statutory damages,

including if necessary, an accounting of all damages; pre and post-judgment

interest as allowed by law; and reasonable attorney's fees, costs, and expenses

incurred in this action; and

e. That Blue Sky be granted such other and further relief as the Court may deem

just and proper under the circumstances.

Dated: August 10, 2017

Respectfully submitted,

TAYLOR DUNHAM AND RODRIGUEZ LLP

301 Congress Ave., Suite 1050

Austin, Texas 78701

512.473.2257 Telephone

512.478.4409 Facsimile

By:

Cabrach J. Connor

State Bar No. 24036390

Email: <u>cconnor@taylordunham.com</u>

Jennifer Tatum Lee

Texas Bar No. 24046950

Email: jtatum@taylordunham.com

ATTORNEYS FOR PLAINTIFF BLUE SKY NETWORKS, LLC