

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

REALTEK SEMICONDUCTOR CORP.,)	
)	
Plaintiff,)	
)	C.A. No. <u>17-1114</u>
v.)	
)	PUBLIC VERSION
AVAGO TECHNOLOGIES GENERAL IP)	
(SINGAPORE) PTE. LTD.,)	
)	
Defendant.)	

COMPLAINT

Plaintiff Realtek Semiconductor Corp. (“Realtek” or “Plaintiff”), by and through its undersigned counsel, for its Complaint against Defendant Avago Technologies General IP (Singapore) Pte. Ltd. (“Avago” or “Defendant”), alleges as follows:

NATURE OF THE ACTION

1. This is an action for breach of contract, breach of the implied duty of good faith and fair dealing, tortious interference with contract and business relations, and declaratory judgment brought by Realtek against Avago. This action arises out of patent infringement allegations made by Broadcom Corp. (“Broadcom”) and/or Avago in breach of a Settlement and Patent License Agreement [REDACTED], between Avago and Realtek (“License Agreement”).

2. A copy of the License Agreement is attached hereto as Ex. A.

PARTIES

3. Realtek is a Taiwanese corporation with a principal place of business at No. 2, Innovation Road II, Hsinchu Science Park, Hsinchu 300, Taiwan, R.O.C.

4. On information and belief, Avago is a Singapore company with a principal place of business at No. 1 Yishun Avenue 7, Singapore 768923.

JURISDICTION AND VENUE

5. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a). This Court further has subject matter jurisdiction pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202.

6. [REDACTED]

7. In addition, venue is proper under 28 U.S.C. § 1391 and/or 28 U.S.C. § 1400, and personal jurisdiction is proper, because Avago has regularly and systematically transacted business in this judicial district, directly or through intermediaries, has breached the License Agreement [REDACTED] [REDACTED] and otherwise has sufficient minimum contacts with Delaware such that exercise of jurisdiction over Avago does not offend traditional notions of fair play and substantial justice.

FACTS

The License Agreement

8. Realtek is a semiconductor company that produces and supplies integrated circuit products, including system on a chip (“SoC”) and network controller devices, to customers, [REDACTED] [REDACTED] [REDACTED] [REDACTED]

9. The License Agreement is a valid and legally enforceable contract, which was duly agreed to and executed, and which was entered into for valuable consideration.

10. All obligations required of Realtek under the License Agreement have been performed or waived.

11. Any conditions precedent to Avago and/or Broadcom's performance under the License Agreement have occurred or have been waived.

12. [REDACTED]

13. [REDACTED]

14. [REDACTED]

15. [REDACTED]

16. On information and belief, Avago and Broadcom are indirect subsidiaries of Broadcom Limited.

17. On information and belief, Broadcom [REDACTED] of Avago at least because Broadcom and Avago [REDACTED]

18. Alternatively, Avago and/or Broadcom reformed into one or more corporate entities, the structure of which, on information and belief, resulted in Avago and/or Broadcom, or another corporate entity being obligated to perform certain duties under the License Agreement, including without limitation, [REDACTED]

19. On information and belief, the obligations of the License Agreement extend to

Broadcom [REDACTED]

20. [REDACTED]

**The Patent Infringement Allegations And Lawsuits
Are In Breach Of The License Agreement**

21. On information and belief, Avago and/or Broadcom have repeatedly [REDACTED]

[REDACTED]

[REDACTED]

22. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

23. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

24. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

25. On information and belief, Avago and/or Broadcom [REDACTED] [REDACTED] despite its/their awareness of Realtek's rights under the License Agreement.

26. In further contravention of Realtek's rights under the License Agreement, Avago and/or Broadcom have filed, or caused to have filed, [REDACTED] [REDACTED]

27. On March 7, 2017, Avago and/or Broadcom filed, or caused to have filed, a complaint against LGE, among others, before the International Trade Commission entitled *Semiconductor Devices and Consumer Audiovisual Products Containing the Same*, Inv. No. 337-TA-1047 ("ITC Investigation"). The ITC complaint asserts that LGE infringes five patents: U.S. Patent Nos. 8,284,844; 7,590,059; 8,068,171; 7,310,104; and 7,342,967 (the "LGE Asserted Patents").

28. [REDACTED] [REDACTED]

29. The ITC complaint identifies the products accused of infringement broadly as "semiconductor components (such as, for example, various SoCs and similar processing components and circuits) and consumer audiovisual products containing the same, including, without limitation, digital televisions ('DTVs'), set-top boxes, Blu-ray disc players, DVD players/recorders, DTV/DVD combinations, DTV/Blu-Ray combinations, multimedia streaming players, home theater systems, and other similar audiovisual devices and systems imported, marketed, and/or sold by Proposed Respondents [including LGE] in the United States."

30. The ITC complaint identifies as “representative accused products,” among others, the “LG XD Engine LGE6551-AA2 GE5E73E1 GG23C.” [REDACTED]

31. In the ITC Investigation, Avago and/or Broadcom seeks, or caused to seek, an exclusion order that [REDACTED]

32. On March 7, 2017, Avago and/or Broadcom filed, or caused to have filed, a separate complaint against LGE in the Central District of California, also alleging infringement of the LGE Asserted Patents (“District Court Action”). The District Court complaint likewise identifies the “LG XD Engine LGE6551-AA2 GE5E73E1 GG23C” as a representative accused product and similarly describes the products accused of infringement as “semiconductor components (such as, for example, various system on a chip (‘SoC’) and similar processing components and circuits) and consumer audiovisual products containing the same, including, without limitation, digital televisions (‘DTVs’), set-top boxes, Blu-ray disc players, DVD players/recorders, DTV/DVD combinations, DTV/Blu-Ray combinations, multimedia streaming players, home theater systems, and other similar audiovisual devices and systems imported, marketed and/or sold by LG in the United States.”

33. In its District Court Action, Avago and/or Broadcom seeks, or caused to seek, an injunction that will [REDACTED]

34. On information and belief, Avago and/or Broadcom [REDACTED]
[REDACTED]

35. By letter of June 6, 2017, Realtek formally provided notice of breach of the License Agreement (“Notice Letter”) to Avago and Broadcom. A copy of the Notice Letter is attached hereto as Exhibit B. [REDACTED]

[REDACTED] The Notice Letter was also sent to John Caracappa of Steptoe & Johnson, Broadcom’s counsel in the ITC Investigation, and Ryan D. Phillips, in house counsel for Avago, Broadcom and/or Broadcom Limited with regard to patent licensing and enforcement.

36. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

37. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

COUNT I – BREACH OF CONTRACT BY AVAGO

38. Realtek restates and re-alleges the allegations set forth in paragraphs 1-37 above, as it fully set forth herein.

39. Without limitation, Avago has breached [REDACTED] [REDACTED] by causing Broadcom to file its ITC Investigation and District Court Action [REDACTED] [REDACTED]

40. Without limitation, Avago has also breached [REDACTED] [REDACTED] by [REDACTED] [REDACTED] [REDACTED]

41. Without limitation, Avago has also breached the License Agreement because [REDACTED] [REDACTED]

42. Realtek has been damaged by the aforementioned breaches in an amount to be proved at trial.

COUNT II – TORTIOUS INTERFERENCE WITH CONTRACT AND BUSINESS RELATIONS BY AVAGO

43. Realtek restates and re-alleges the allegations set forth in paragraphs 1-42 above, as it fully set forth herein.

44. Without limitation, Avago has intentionally and improperly interfered with Realtek’s contractual and/or business relations by accusing [REDACTED]

[REDACTED]

[REDACTED]

45. On information and belief, Avago caused to be filed the ITC Investigation and District Court Action against [REDACTED], and Avago sent, or caused to be sent, correspondence to [REDACTED]

[REDACTED]

[REDACTED]

46. On information and belief, Avago was aware of [REDACTED]

[REDACTED]

[REDACTED]

47. On information and belief, Avago intended to induce a disruption, breach, and/or termination of the contractual and/or business relationship between [REDACTED]

[REDACTED]

48. Realtek has been damaged by the aforementioned actions in an amount to be proved at trial.

**COUNT III – BREACH OF IMPLIED COVENANT OF GOOD FAITH AND
FAIR DEALING BY AVAGO**

49. Realtek restates and re-alleges the allegations set forth in paragraphs 1-48 above, as it fully set forth herein.

50. Without limitation, Avago was obligated under the License Agreement not to

[REDACTED]

[REDACTED]

[REDACTED]

51. Without limitation, Avago has interfered with Realtek's right to receive the benefit of the License Agreement by causing Broadcom to file the ITC Investigation and District Court Action [REDACTED] [REDACTED] in breach of the implied covenant of good faith and fair dealing.

52. Without limitation, Avago has interfered with Realtek's right to receive the benefit of the License Agreement by [REDACTED] [REDACTED] [REDACTED] [REDACTED] in breach of the implied covenant of good faith and fair dealing.

53. Without limitation, Avago has also breached the implied covenant of good faith and fair dealing because [REDACTED] [REDACTED] [REDACTED]

54. Realtek has been damaged by the aforementioned actions in an amount to be proved at trial.

COUNT IV – DECLARATORY JUDGMENT – LICENSE

55. Realtek restates and re-alleges the allegations set forth in paragraphs 1-54 above, as it fully set forth herein.

56. Pursuant to 28 U.S.C. § 2201, there is an actual, substantial, continuing and justiciable controversy between the parties regarding the scope of the License Agreement and whether [REDACTED]

[REDACTED]

[REDACTED]

57. Realtek requests a declaratory judgment that all [REDACTED]

[REDACTED] are licensed to [REDACTED]

[REDACTED]

[REDACTED]

JURY DEMAND

58. Realtek demands a jury trial on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Realtek Semiconductor Corp. respectfully requests that this Court enter judgment in its favor and against Defendant as follows:

A. A judgment that Defendant has been and is in breach of contract;

B. An award of damages, including compensatory and special damages, together with pre- and post-judgment interest;

C. An award of punitive damages for tortious interference with Plaintiff's contracts and business relations;

D. A declaration that [REDACTED]

[REDACTED] devices, are licensed to practice [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

E. An order requiring specific performance of the License Agreement, requiring Defendant to move, or cause to move, to terminate the ITC Investigation, to dismiss the District Court Action, and to dismiss with prejudice any and all claims of infringement of the LGE Asserted Patents [REDACTED]

[REDACTED]

F. Preliminary and permanent injunctive relief against Defendant from seeking to enjoin or exclude [REDACTED]
[REDACTED]
[REDACTED] and from enforcing such an injunction or an exclusion order;

G. Preliminary and permanent injunctive relief barring Defendant from accusing [REDACTED]
[REDACTED]
[REDACTED]

H. An award of Realtek's attorneys' fees and costs; and

I. Such other relief as the Court deems just and proper.

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