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

SEMCON IP INC.,))
Plaintiff,) Cas
v.) JU
ASUSTEK COMPUTER INC.,)
Defendant.)

Case No.

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Semcon IP Inc. ("Semcon" or "Plaintiff"), for its Complaint against Defendant AsusTek Computer Inc. ("Asus" or "Defendant") alleges as follows:

THE PARTIES

1. Semcon is a corporation organized and existing under the laws of the State of Texas, with its principal place of business located at 100 W. Houston Street, Marshall, Texas 75670.

2. Upon information and belief, Defendant Asus is a corporation organized and existing under the laws of Taiwan, with its principal place of business located at No. 15, Li-Te Road, Beitou District, Taipei 11259, Taiwan. Asus is a leading manufacturer and seller of smartphones and tablets in the world and in the United States. Upon information and belief, Asus does business in Texas and in the Eastern District of Texas, directly or through intermediaries.

JURISDICTION

3. This is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. §§ 1, *et seq.* This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).

4. This Court has personal jurisdiction over Defendant. Defendant regularly conducts business and has committed acts of patent infringement and/or has induced acts of patent infringement by others in this Judicial District and/or has contributed to patent infringement by others in this Judicial District, the State of Texas, and elsewhere in the United States. For example, Defendant has placed and continues to place infringing products into the stream of commerce via an established distribution channel with the knowledge and/or understanding that such products are being and will continue to be sold in this Judicial District and the State of Texas.

5. Venue is proper in this Judicial District pursuant to 28 U.S.C. § 1391 because, among other things, Defendant is a defendant not resident in the United States, and thus may be sued in any Judicial District pursuant to 28 U.S.C. § 1391(c)(3).

6. Defendant is subject to this Court's jurisdiction pursuant to due process and/or the Texas Long Arm Statute due at least to its substantial business in this State and Judicial District, including (a) at least part of its past infringing activities, (b) regularly doing or soliciting business in Texas, and/or (c) engaging in persistent conduct and/or deriving substantial revenue from goods and services provided to customers in Texas.

PATENTS-IN-SUIT

7. On August 29, 2006, the United States Patent and Trademark Office duly and legally issued U.S. Patent No. 7,100,061 (the "061 Patent") entitled "Adaptive Power Control."

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A true and correct copy of the '061 Patent is available at: http://pdfpiw.uspto.gov/.piw?Docid=7100061&idkey=NONE&homeurl=http%3A%252F%252F patft.uspto.gov%252Fnetahtml%252FPTO%252Fpatimg.htm.

8. On September 29, 2009, the United States Patent and Trademark Office duly and legally issued U.S. Patent No. 7,596,708 (the "'708 Patent") entitled "Adaptive Power Control Integration System." A true and correct copy of the '708 Patent is available at: http://pdfpiw.uspto.gov/.piw?Docid=7596708&idkey=NONE&homeurl=http%3A%252F%252F patft.uspto.gov%252Fnetahtml%252FPTO%252Fpatimg.htm.

9. On October 22, 2013, the United States Patent and Trademark Office duly and legally issued U.S. Patent No. 8,566,627 (the "627 Patent") entitled "Adaptive Power Control." '627 available А true and correct of the Patent is copy at: http://pdfpiw.uspto.gov/.piw?Docid=8566627&idkey=NONE&homeurl=http%3A%252F%252F patft.uspto.gov%252Fnetahtml%252FPTO%252Fpatimg.htm.

10. On August 12, 2014, the United States Patent and Trademark Office duly and legally issued U.S. Patent No. 8,806,247 (the "247 Patent") entitled "Adaptive Power Control." A true and correct copy of the 247 Patent is available at:

http://pdfpiw.uspto.gov/.piw?Docid=8806247&idkey=NONE&homeurl=http%3A%252F%252F patft.uspto.gov%252Fnetahtml%252FPTO%252Fpatimg.htm.

11. Semcon is the sole and exclusive owner of all right, title and interest in the '061 Patent, '708 Patent, '627 Patent and '247 Patent (collectively, the "Patents-in-Suit"), and holds the exclusive right to take all actions necessary to enforce its rights to the Patents-in-Suit, including the filing of this patent infringement lawsuit. Semcon also has the right to recover all

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damages for past, present, and future infringement of the Patents-in-Suit and to seek injunctive relief as appropriate under the law.

12. Semcon has at all times complied with the marking provisions of 35 U.S.C. § 287 with respect to the Patents-in-Suit. On information and belief, prior assignees and licensees have also complied with the marking provisions of 35 U.S.C. § 287.

FACTUAL ALLEGATIONS

13. The Patents-in-Suit generally cover apparatuses and methods for controlling the power used by a computer, and specifically, the adjustment of the clock frequency and voltage supply to a processor and other components to conserve processor power and extend battery life.

14. Non-party Qualcomm Inc. ("Qualcomm") sells System-on-a-Chips ("SoCs"), including the Snapdragon line of SoCs, and associated software which can perform Dynamic Clock and Voltage Scaling ("DCVS")¹. According to Qualcomm, DCVS "is a technique used to adjust the frequency and voltage of the power equation to deliver the needed performance at the ideal power level."² Additionally, the "CPU cores of Snapdragon processors lie on separate voltage and frequency planes. This allows each CPU core to hit independent frequencies and voltages, delivering scalable performance and power levels."³

15. Asus has infringed and is continuing to infringe the Patents-in-Suit by making, using, selling, offering to sell, and/or importing, and by actively inducing others to make, use, sell, offer to sell and/or importing, products that utilize SoCs and associated software that perform DCVS or DVFS for power management, including Qualcomm Snapdragon SoCs including at least the Snapdragon 800, 820 and 821 SoCs. Such Asus products include at least the Zenfone 3 Ultra, Zenfone 3 Deluxe, Zenfone AR, Zenpad 3 and Padfone X smartphones and

¹ DCVS may alternately be referred to as Dynamic Frequency and Voltage Scaling ("DVFS").

² https://www.qualcomm.com/news/onq/2013/10/25/power-vs-performance-management-cpu

³ Id.

tablets. Additionally, these Asus products include software that utilizes DCVS and/or DVFS for power management.

<u>COUNT I</u> (Infringement of the '061 Patent)

16. Paragraphs 1 through 15 are incorporated by reference as if fully set forth herein.

17. Semcon has not licensed or otherwise authorized Defendant to make, use, offer for sale, sell, or import any products that embody the inventions of the '061 Patent.

18. Defendant has and continues to directly infringe the '061 Patent, either literally or under the doctrine of equivalents, without authority and in violation of 35 U.S.C. § 271, by making, using, offering to sell, selling, and/or importing into the United States products that satisfy each and every limitation of one or more claims of the '061 Patent. Such products include smartphones and tablets utilizing SoCs and associated software that perform DCVS and/or DVFS for power management, including at least the Qualcomm Snapdragon 800, 820 and 821 SoCs. Such Asus products include at least the Zenfone 3 Ultra, Zenfone 3 Deluxe, Zenfone AR, Zenpad 3 and Padfone X smartphones and tablets. These products infringe at least claim 56 of the '061 Patent.

19. Defendant has and continues to indirectly infringe one or more claims of the '061 Patent by knowingly and intentionally inducing others, including Asus customers and end-users, to directly infringe, either literally or under the doctrine of equivalents, by making, using, offering to sell, selling and/or importing into the United States products that include infringing technology, such as Qualcomm Snapdragon SoCs and associated software that use DCVS and/or for power management. Upon information and belief, these products include at least the Zenfone 3 Ultra, Zenfone 3 Deluxe, Zenfone AR, Zenpad 3 and Padfone X smartphones and tablets.

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20. Defendant, with knowledge that these products, or the use thereof, infringe the '061 Patent at least as of the date of this Complaint, knowingly and intentionally induced, and continues to knowingly and intentionally induce, direct infringement of the '061 Patent by providing these products to end users for use in an infringing manner.

21. Defendant induced infringement by others, including end users, with the intent to cause infringing acts by others or, in the alternative, with the belief that there was a high probability that others, including end users, infringe the '061 Patent, but while remaining willfully blind to the infringement.

22. Semcon has suffered damages as a result of Defendant's direct and indirect infringement of the '061 Patent in an amount to be proved at trial.

23. Semcon has suffered, and will continue to suffer, irreparable harm as a result of Defendant's infringement of the '061 Patent, for which there is no adequate remedy at law, unless Defendant's infringement is enjoined by this Court.

<u>COUNT II</u> (Infringement of the '708 Patent)

24. Paragraphs 1 through 15 are incorporated by reference as if fully set forth herein.

25. Semcon has not licensed or otherwise authorized Defendant to make, use, offer for sale, sell, or import any products that embody the inventions of the '708 Patent.

26. Defendant has and continues to directly infringe the '708 Patent, either literally or under the doctrine of equivalents, without authority and in violation of 35 U.S.C. § 271, by making, using, offering to sell, selling, and/or importing into the United States products that satisfy each and every limitation of one or more claims of the '708 Patent. Such products include smartphones and tablets utilizing SoCs and associated software that perform DCVS and/or DVFS for power management, including at least the Qualcomm Snapdragon 800, 820 and

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821 SoCs. Such Asus products include at least the Zenfone 3 Ultra, Zenfone 3 Deluxe, Zenfone AR, Zenpad 3 and Padfone X smartphones and tablets. These products infringe at least claim 7 of the '708 Patent.

27. Defendant has and continues to indirectly infringe one or more claims of the '708 Patent by knowingly and intentionally inducing others, including Asus customers and end-users to directly infringe, either literally or under the doctrine of equivalents, by making, using, offering to sell, selling, and/or importing into the United States products that include infringing technology such as Qualcomm Snapdragon SoCs and associated software that use DCVS and/or DVFS for power management. Upon information and belief, these products include at least the Zenfone 3 Ultra, Zenfone 3 Deluxe, Zenfone AR, Zenpad 3 and Padfone X smartphones and tablets.

28. Defendant, with knowledge that these products, or the use thereof, infringe the '708 Patent at least as of the date of this Complaint, knowingly and intentionally induced, and continues to knowingly and intentionally induce, direct infringement of the '708 Patent by providing these products to end users for use in an infringing manner.

29. Defendant induces infringement by others, including end users, with the intent to cause infringing acts by others or, in the alternative, with the belief that there was a high probability that others, including end users, infringe the '708 Patent, but while remaining willfully blind to the infringement.

30. Semcon has suffered damages as a result of Defendant's direct and indirect infringement of the '708 Patent in an amount to be proved at trial.

31. Semcon has suffered, and will continue to suffer, irreparable harm as a result of Defendant's infringement of the '708 Patent, for which there is no adequate remedy at law, unless Defendant's infringement is enjoined by this Court.

<u>COUNT III</u> (Infringement of the '627 Patent)

32. Paragraphs 1 through 15 are incorporated by reference as if fully set forth herein.

33. Semcon has not licensed or otherwise authorized Defendant to make, use, offer for sale, sell, or import any products that embody the inventions of the '627 Patent.

34. Defendant has and continues to directly infringe the '627 Patent, either literally or under the doctrine of equivalents, without authority and in violation of 35 U.S.C. § 271, by making, using, offering to sell, selling, and/or importing into the United States products that satisfy each and every limitation of one or more claims of the '627 Patent. Such products include smartphones and tablets utilizing SoCs that perform DCVS and/or DVFS for power management and associated software, including at least the Qualcomm Snapdragon 800, 820 and 821 SoCs. Such Asus products include at least the Zenfone 3 Ultra, Zenfone 3 Deluxe, Zenfone AR, Zenpad 3 and Padfone X smartphones and tablets. These products infringe at least claim 1 of the '627 Patent.

35. Defendant has and continues to indirectly infringe one or more claims of the '627 Patent by knowingly and intentionally inducing others, including Asus customers and end-users to directly infringe, either literally or under the doctrine of equivalents, by making, using, offering to sell, selling, and/or importing into the United States products that include infringing technology such as Qualcomm Snapdragon SoCs and associated software that use DCVS and/or DVFS for power management. Upon information and belief, these products include at least the Zenfone 3 Ultra, Zenfone 3 Deluxe, Zenfone AR, Zenpad 3 and Padfone X smartphones and tablets.

36. Defendant, with knowledge that these products, or the use thereof, infringe the '627 Patent at least as of the date of this Complaint, knowingly and intentionally induced, and continues to knowingly and intentionally induce, direct infringement of the '627 Patent by providing these products to end users for use in an infringing manner.

37. Defendant induced infringement by others, including end users, with the intent to cause infringing acts by others or, in the alternative, with the belief that there was a high probability that others, including end users, infringe the '627 Patent, but while remaining willfully blind to the infringement.

38. Semcon has suffered damages as a result of Defendant's direct and indirect infringement of the '627 Patent in an amount to be proved at trial.

39. Semcon has suffered, and will continue to suffer, irreparable harm as a result of Defendant's infringement of the '627 Patent, for which there is no adequate remedy at law, unless Defendant's infringement is enjoined by this Court.

<u>COUNT IV</u> (Infringement of the '247 Patent)

40. Paragraphs 1 through 15 are incorporated by reference as if fully set forth herein.

41. Semcon has not licensed or otherwise authorized Defendant to make, use, offer for sale, sell, or import any products that embody the inventions of the '247 Patent.

42. Defendant has and continues to directly infringe the '247 Patent, either literally or under the doctrine of equivalents, without authority and in violation of 35 U.S.C. § 271, by making, using, offering to sell, selling, and/or importing into the United States products that satisfy each and every limitation of one or more claims of the '247 Patent. Such products

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include smartphones and tablets chips utilizing SoCs and associated software that perform DCVS and/or DVFS for power management, including at least the Qualcomm Snapdragon 800, 820 and 821 SoCs. Such Asus products include at least the Zenfone 3 Ultra, Zenfone 3 Deluxe, Zenfone AR, Zenpad 3 and Padfone X smartphones and tablets. These products infringe at least claim 17 of the '247 Patent.

43. Defendant has and continues to indirectly infringe one or more claims of the '708 Patent by knowingly and intentionally inducing others, including Asus customers and end-users to directly infringe, either literally or under the doctrine of equivalents, by making, using, offering to sell, selling, and/or importing into the United States products that include infringing technology, such as Qualcomm Snapdragon SoCs and associated software that use DCVS and/or DVFS for power management. Upon information and belief, these products include at least the Zenfone 3 Ultra, Zenfone 3 Deluxe, Zenfone AR, Zenpad 3 and Padfone X smartphones and tablets.

44. Defendant, with knowledge that these products, or the use thereof, infringe the '247 Patent at least as of the date of this Complaint, knowingly and intentionally induced, and continues to knowingly and intentionally induce, direct infringement of the '247 Patent by providing these products to end users for use in an infringing manner.

45. Defendant induced infringement by others, including end users, with the intent to cause infringing acts by others or, in the alternative, with the belief that there was a high probability that others, including end users, infringe the '247 Patent, but while remaining willfully blind to the infringement.

46. Semcon has suffered damages as a result of Defendant's direct and indirect infringement of the '247 Patent in an amount to be proved at trial.

47. Semcon has suffered, and will continue to suffer, irreparable harm as a result of Defendant's infringement of the '247 Patent, for which there is no adequate remedy at law, unless Defendant's infringement is enjoined by this Court.

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury for all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Semcon prays for relief against Defendant as follows:

a. Entry of judgment declaring that Defendant has directly and/or indirectly infringed one or more claims of each of the Patents-in-Suit;

b. An order pursuant to 35 U.S.C. § 283 permanently enjoining Defendant, its officers, agents, servants, employees, attorneys, and those persons in active concert or participation with it, from further acts of infringement of the Patents-in-Suit;

c. An order awarding damages sufficient to compensate Semcon for Defendant's infringement of the Patents-in-Suit, but in no event less than a reasonable royalty, together with interest and costs;

d. Entry of judgment declaring that this case is exceptional and awarding Semcon its costs and reasonable attorney fees under 35 U.S.C. § 285; and

e. Such other and further relief as the Court deems just and proper.

Dated: May 9, 2018

Respectfully submitted,

/s/ Alfred R. Fabricant

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ATTORNEYS FOR PLAINTIFF, SEMCON IP INC.