

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

**COMPACT LENS TECHNOLOGIES
LLC,**

Plaintiff,

v.

MICROSOFT CORP.,

Defendant.

Case No. 6:18-cv-00044

PATENT CASE

JURY TRIAL DEMANDED

FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Compact Lens Technologies LLC (“CLT” or “Plaintiff”) files this First Amended Complaint against Microsoft Corp. (“Microsoft” or “Defendant”) for infringement of U.S. Patent No. 7,321,474 (“the ’474 patent,” “the patent-in-suit,” or “the asserted patent”).

THE PARTIES

1. CLT is a Delaware limited liability company that is registered to do business in the State of Texas. CLT has a principal place of business located at 5068 W. Plano Parkway, Suite 300, Plano, Texas 75039.

2. Microsoft Corporation is a corporation organized and existing under the laws of the state of Washington with its principal place of business at 1 Microsoft Way, Redmond, Washington 98052. Defendant does business in the State of Texas and in the Eastern District of Texas. Defendant is registered to do business in Texas and may be served with process through its registered agent for service in Texas: Corporation Service Company dba CSC, 211 E. 7th Street, Suite 620, Austin, Texas 78701.

JURISDICTION AND VENUE

3. CLT brings this action for patent infringement under the patent laws of the United States, namely 35 U.S.C. §§ 271, 281, and 284-285, among others. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1338(a), and 1367.

4. Venue is proper in this judicial district pursuant to 28 U.S.C. §1400(b). Defendant has committed acts of infringement in this judicial district, has purposely transacted business involving the accused products in this judicial district, and has a regular and established place of business in this district. Defendant maintains a regular and established place of business in this district at least at 2601 Preston Road, Suite 1176, Frisco, Texas 75034.

5. Defendant is subject to this Court's specific and general personal 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 infringing activities alleged herein; and (B) regularly doing or soliciting business, engaging in other persistent conduct, and/or deriving substantial revenue from goods sold and services provided to Texas residents.

COUNT I

(INFRINGEMENT OF U.S. PATENT NO. 7,321,474)

6. CLT incorporates paragraphs 1 through 5 herein by reference.

7. This cause of action arises under the patent laws of the United States, and in particular, 35 U.S.C. §§ 271, *et seq.*

8. CLT is the owner of the '474 patent, entitled "Photographic lens," with all substantial rights to the '474 patent, including the exclusive right to enforce, sue, and recover damages for past and future infringement. A copy of the '474 patent is attached as Exhibit 1.

9. The '474 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code.

10. Independent Claim 12 of the '474 patent recites:

A photographic lens comprising:
a first lens having positive refractive power;
a second lens having negative refractive power at a center portion, in which the negative refractive power becomes weaker from the center portion toward the peripheral portion of the second lens, and having a positive refractive power at the peripheral portion thereof;
a third lens having positive refractive power; and
a fourth lens having negative refractive power, wherein the lenses are numbered in order of location from the object.

See Exhibit 1, '474 patent, claim 12.

11. Dependent claim 13 of the '474 patent recites:

The photographic lens of claim 12, wherein the fourth lens has negative refractive power at a center portion, which becomes weaker from the center portion toward the peripheral portion of the fourth lens, and has a positive refractive power at the peripheral portion thereof.

See Exhibit 1, '474 patent, claim 13.

12. Dependent claim 19 of the '474 patent recites:

The photographic lens of claim 12, wherein the fourth lens has at least one aspheric surface.

See Exhibit 1, '474 patent, claim 19.

13. Dependent claim 20 of the '474 patent recites:

The photographic lens of claim 12, wherein each of the first through fourth lenses has at least one aspheric surface.

See Exhibit 1, '474 patent, claim 20.

14. Dependent claim 21 of the '474 patent recites:

The photographic lens of claim 12, wherein the third lens is a meniscus lens having a convex surface facing the image side.

See Exhibit 1, '474 patent, claim 21.

(Direct Infringement)

15. Defendant has, and continues to, directly infringe one or more claims of the '474 patent in this judicial district and elsewhere in the United States, including (for example) at least claims 12-13 and 19-21, by, among other things, making, using, selling, offering to sell, and/or selling within, and/or importing into, the United States smartphones and tablets incorporating a lens module (“the Microsoft Accused Devices”), including but not limited to the Surface 3 tablet and the Lumia 950 smartphone.

16. Each of the Microsoft Accused Devices incorporates a lens module (*i.e.*, a photographic lens). The lens module in each Microsoft Accused Device includes four lenses. Annotated cross sections of exemplary lens modules are shown in Figures 1-2.

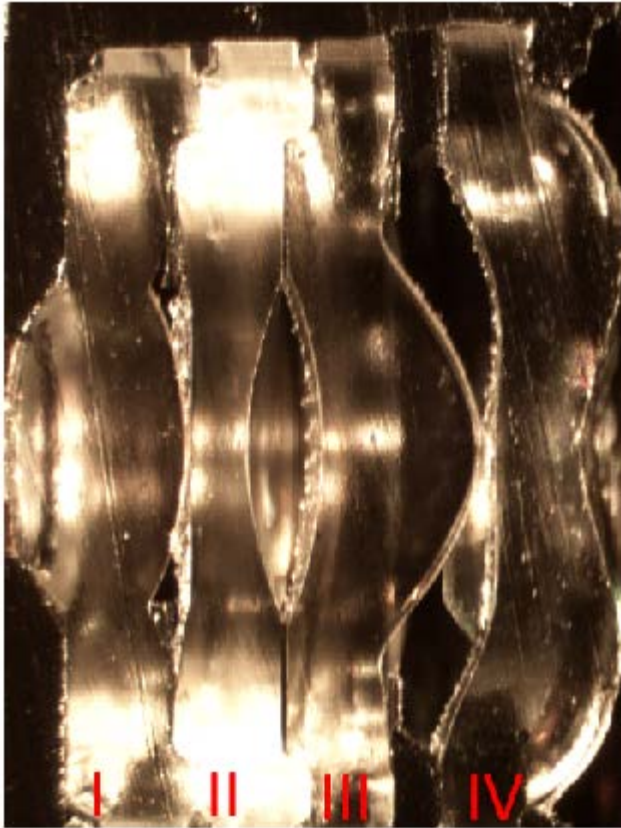


Figure 1 – Surface 3, Front Lens



Figure 2 – Lumia 950, Front Lens

17. The lens module in each Microsoft Accused Device includes a first lens having a positive refractive power; a second lens having negative refractive power at a center portion, in which the negative refractive power becomes weaker from the center portion toward the peripheral portion of the second lens, and having a positive refractive power at the peripheral portion; a third lens having positive refractive power; and a fourth lens having negative refractive power. This is evidenced, for example, by the lenses labeled I, II, III, and IV in Figures 1-2, which identify the first lens, second lens, third lens, and fourth lens, respectively.

18. In each of the Microsoft Accused Devices, the fourth lens has negative refractive power at a center portion, which becomes weaker from the center portion toward the peripheral portion of the fourth lens, and has a positive refractive power at the peripheral portion thereof.

19. In each of the Microsoft Accused Devices, each of the first through fourth lenses of the lens module has at least one aspheric surface.

20. In each of the Microsoft Accused Devices, the third lens in the lens module is a meniscus lens having a convex surface facing the image side.

21. Defendant is liable for these direct infringements pursuant to 35 U.S.C. § 271.

Indirect Infringement

22. CLT also contends that Defendant has, and continues to, indirectly infringe the '474 patent by inducing end users of the Microsoft Accused Devices to infringe at least claims 12, 13, 19, 20, and 21 of the '474 patent through their use of the Microsoft Accused Devices.

23. Defendant has had knowledge of the '474 patent since at least service of the original complaint in this matter.

24. Despite having knowledge of the '474 patent, Defendant has specifically intended, and continues to specifically intend, for persons who acquire and use the Microsoft Accused Devices to use such devices in a manner that causes use of the lens module therein and, thus, direct infringement of the '474 patent, including at least claims 12, 13, 19, 20, and 21.

25. More specifically, on information and belief, despite having knowledge of the '474 patent, Defendant has provided, and continues to provide, instructional materials such as user guides, owner manuals, advertisements, marketing materials, and online resources (*see e.g.*, <https://www.microsoft.com/en-us/mobile/phone/lumia950/specifications>, <https://www.microsoft.com/en-us/mobile/phone/lumia950/features/>, <https://support.microsoft.com/en-us/help/4017765/surface-take-photos-and-videos-with-surface>) that specifically cause, teach, and encourage customers and other end users to use the Microsoft Accused Devices in a way that results in use of the lens module therein. This is evidenced, for

example, by Defendant encouraging and instructing customers and other end users to take pictures and otherwise use the camera feature of the Microsoft Accused Devices. By providing such instructions, Defendant knows (and has known) that its actions have, and continue to, actively induce infringement.

26. CLT has been damaged as a result of Defendant's infringing conduct described in this Count. Defendant is, thus, liable to CLT in an amount that adequately compensates CLT for Defendant's infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

JURY DEMAND

CLT requests a trial by jury pursuant to Rule 38 of the Federal Rules of Civil Procedure.

PRAYER FOR RELIEF

CLT asks that the Court find in its favor and against Defendant and that the Court grant CLT the following relief:

- a. Judgment that one or more claims of the '474 patent have been infringed either literally and/or under the doctrine of equivalents by Defendant;
- b. Judgment that Defendant account for and pay to Plaintiff all damages and costs incurred by Plaintiff because of Defendant's infringing activities and other conduct complained of herein;
- c. Judgment that Defendant account for and pay to Plaintiff a reasonable, ongoing, post-judgment royalty because of Defendant's infringing activities and other conduct complained of herein;
- d. That CLT be granted pre-judgment and post judgment interest on the damages caused by Defendant's infringing activities and other conduct complained of herein; and
- e. That CLT be granted such other and further relief as the Court may deem just and proper under the circumstances.

DATED: June 4, 2018

COMPACT LENS TECHNOLOGY LLC

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served on all counsel of record on June 4, 2018, via the Court's CM/ECF system.

/s/ Timothy E. Grochocinski
Timothy E. Grochocinski