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

§ UNILOC USA, INC., UNILOC 2017 LLC § and UNILOC LICENSING USA LLC, § § Civil Action No. 2:18-cv-00309-JRG § Plaintiffs, § § PATENT CASE v. § § SAMSUNG ELECTRONICS AMERICA, § INC. and SAMSUNG ELECTRONICS § § CO. LTD. § Defendants. JURY TRIAL DEMANDED

# FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Plaintiffs, Uniloc USA, Inc., Uniloc 2017 LLC and Uniloc Licensing USA LLC (together "Uniloc"), for their First Amended Complaint against defendants, Samsung Electronics America, Inc. ("SEA") and Samsung Electronics Co. Ltd. ("SEC") (together "Samsung"), allege as follows:

#### THE PARTIES

- 1. Uniloc USA, Inc. is a Texas corporation having a regular and established place of business at Legacy Town Center I, Suite 380, 7160 Dallas Parkway, Plano, Texas 75024.
- Uniloc 2017 LLC is a Delaware corporation having addresses at 1209 Orange
  Street, Wilmington, Delaware 19801 and 620 Newport Center Drive, Newport Beach, California
  92660.
- Uniloc Licensing USA LLC is a Delaware corporation having addresses at 1209
  Orange Street, Wilmington, Delaware 19801 and 620 Newport Center Drive, Newport Beach,
  California 92660.

- 4. Uniloc holds all substantial rights, title and interest in U.S. Patent No. 6,836,654 ("the '654 Patent"), which is entitled ANTI-THEFT PROTECTION FOR A RADIOTELEPHONY DEVICE and issued on December 28, 2004. A copy of the '654 Patent was attached as Exhibit A to the Original Complaint filed in this case.
- 5. Samsung Electronics America, Inc. is a New York corporation having a principal place of business in Ridgefield Park, New Jersey and may be served with process through its registered agent for service in Texas: CT Corporation System, 1999 Bryant Street, Suite 900, Dallas, Texas 75201.
- 6. Samsung Electronics Co. Ltd. is a South Korean corporation having a principal place of business in Seoul, Republic of Korea.
- 7. Samsung offers its products and/or services, including those accused herein of infringement, to customers and potential customers located in Texas and in the judicial Eastern District of Texas.

#### JURISDICTION AND VENUE

- 8. Uniloc brings this action for patent infringement under the patent laws of the United States, 35 U.S.C. § 271, *et seq.* This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331, 1332(a) and 1338(a).
- 9. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 and 1400(b). Samsung has committed acts of infringement in this judicial district and maintains regular and established places of business in this district. Upon information and belief, SEA maintains regular and established places of business in this District in both Richardson and Plano, Texas. On information and belief, prior to January 1, 2015, Samsung Telecommunications America, LLC ("STA") was a Delaware limited liability company with its

principal place of business at 1301 East Lookout Drive, Richardson, Texas 75082. STA was founded in 1996 as a subsidiary of SEC and marketed, sold, and/or offered for sale a variety of personal and business communications devices in the United States, including cell phones. Effective January 1, 2015 STA merged with and into SEA, and therefore, STA ceased to exist as a separate entity. After that merger, a court in this District held: "STA serves as a sales division for SEC mobile devices in the United States. It imports and sells SEC mobile devices, tablets, and network infrastructure." Ziilabs Inc., Ltd. v. Samsung Elecs. Co., No. 2:14-CV-203-JRG-RSP, 2015 WL 5278744, at \*1 (E.D. Tex. Sept. 9, 2015). As a result of the merger, SEA has assumed all liability of STA arising out of this action. In addition, on information and belief, SEA also maintains a regular and established place of business in this District at 1000 Klein Rd., Plano, Texas, and is in the process of finalizing the centralization of multiple offices and 1300 employees in a new Legacy Central Campus in Plano, Texas. Finally, on information and belief, SEA also maintains regular and established places of business in this District through The Samsung Experience Shop in multiple Best Buy stores (e.g., in Tyler, Texas and/or Longview, Texas).

# COUNT I (INFRINGEMENT OF U.S. PATENT NO. 6,836,654)

- 10. Uniloc incorporates paragraphs 1-9 above by reference.
- 11. The '654 Patent describes in detail and claims in various ways inventions in systems and devices for improved blocking and unblocking of the operational mode of electronic devices such as cellphones, using timing and identifiers developed by Koninklijke Philips Electronics N.V.
- 12. The '654 Patent describes problems and shortcomings in the then-existing field of antitheft measures for portable telephones and describes and claims novel and inventive

technological improvements and solutions to such problems and shortcomings. The technological improvements and solutions described and claimed in the '654 Patent were not conventional or generic at the time of their respective inventions but involved novel and non-obvious approaches to the problems and shortcomings prevalent in the art at the time.

- 13. The inventions claimed in the '654 Patent involve and cover more than just the performance of well-understood, routine and/or conventional activities known to the industry prior to the invention of such novel and non-obvious methods, systems and devices by the '654 Patent inventor.
- 14. The inventions claimed in the '654 Patent represent technological solutions to technological problems. The written description of the '654 Patent describes in technical detail each of the limitations of the claims, allowing a person of ordinary skill in the art to understand what the limitations cover and how the non-conventional and non-generic combination of claim elements differ markedly from and improved upon what may have been considered conventional or generic.
- 15. Samsung imports, uses, offers for sale and sells in the United States electronic devices that utilize antitheft measures, including those designated: Galaxy Note8, Galaxy A6+, Galaxy A6, Galaxy J7 Duo, Galaxy J7 Prime 2, Galaxy S9+, Galaxy S9, Galaxy S7, Galaxy J2 Pro, Galaxy A8, Galaxy J2, Galaxy C7, Galaxy S8 Active, Galaxy J7 V, Galaxy Note FE, Galaxy J7 MAX, Galaxy J7 Pro, Galaxy J7, Galaxy J5, Galaxy J3, Z4, Galaxy S8, Galaxy S8+, Galaxy C5 Pro, Galaxy XCover 4, Galaxy J1 mini prime, Galaxy J3 Emerge, Galaxy C7 Pro, Galaxy A7, Galaxy A5, Galaxy A5 Duos, Galaxy A3, Galaxy A9, Galaxy Grand Prime Plus, Galaxy J2 Prime, Galaxy C9 Pro, Galaxy On7, Galaxy On8, Galaxy S6, Galaxy S5, Galaxy S4, Galaxy J1, Galaxy J7, Galaxy E5, Galaxy E7, Galaxy A3, Galaxy A5, Galaxy Ace, Galaxy Note

- 3, Galaxy Note Pro, Galaxy Fame, Galaxy Discover, Galaxy Premier, Galaxy Note II, Galaxy SIII, Galaxy Pocket, Galaxy S II, Galaxy S Blaze, Galaxy Attain 4G, Omnia M, Galaxy Proclaim, Z3, Galaxy Note5, Galaxy A8, Galaxy Note 4, Galaxy Avant, Galaxy Alpha, Galaxy Young, Galaxy Star, Galaxy Core, Galaxy Exhibit, Galaxy Mega, Galaxy Trend, Galaxy Win, Galaxy S LightRay, Galaxy I8250, Galaxy Appeal, Galaxy Nexus, Galaxy Note, Galaxy M Style, Galaxy I9500, Focus 2, Galaxy Note7, Galaxy mini, Galaxy J Max, Galaxy S6 edge+, Galaxy Note Edge, Galaxy W, ATIV SE, Galaxy Grand 2, Galaxy Express 2, Galaxy Light, Galaxy Y Plus, Galaxy Grand, Galaxy Rush, Galaxy Stellar, Galaxy Reverb, Focus 2, Samsung I8530 Galaxy Beam, W999, Star 3, Galaxy V, Galaxy Mega 2, Galaxy K Zoom, Galaxy Beam2 (collectively "Accused Infringing Devices").
- 16. The Accused Infringing Devices are mobile radiotelephony devices incorporating antitheft technology that utilizes timing and identification codes to block and unblock normal operation of the device.
- 17. Samsung has infringed, and continues to infringe, claims of the '654 Patent in the United States, including claims 1, 3-5 and 7, by making, using, offering for sale, selling and/or importing the Accused Infringing Devices in violation of 35 U.S.C. § 271(a).
- 18. Samsung specifically, knowingly and intentionally incorporates into the Accused Infringing Devices components and software that enable the devices to operate automatically as described above to infringe the '654 Patent.
- 19. In its marketing, promotional and/or instructional materials, including those identified below, Samsung also intentionally instructs its customers to use the Accused Infringing Devices in a manner that causes the devices to infringe the asserted claims of the '654 Patent.

- 20. Samsung has also infringed, and continues to infringe, claims 1, 3-5 and 7 of the '654 Patent by actively inducing others to use, offer for sale, and sell the Accused Infringing Devices. Samsung's customers who use those devices in accordance with Samsung's instructions infringe claims 1, 3-5 and 7 of the '654 Patent, in violation of 35 U.S.C. § 271(a). Samsung intentionally instructs its customers to infringe through training videos, demonstrations, brochures, installation and user guides and instructional and marketing materials, such as those located at one or more of the following:
  - www.samsung.com/us/
  - www.samsung.com/us/business/solutions/samsung-knox/
  - www.samsung.com/us/support/
  - www.samsung.com/us/support/answer/ANS00047227
  - www.samsung.com/us/support/answer/ANS00050676
  - www.samsung.com/us/support/answer/ANS00050828
  - www.samsung.com/us/support/answer/ANS00051381
  - www.samsung.com/us/support/answer/ANS00062627
  - www.samsung.com/us/support/answer/ANS00062632
  - www.samsung.com/au/support/mobile-devices/reset-the-lock-screen-patternusing-a-google-account/
  - www.samsung.com/ca/support/mobile-devices/galaxy-s7-how-do-i-set-up-screen-lock-on-my-galaxy-s7/
  - www.samsung.com/uk/support/mobile-devices/galaxy-s7-how-do-i-lock-my-samsung-galaxy-note-3/
  - http://downloadcenter.samsung.com/content/UM/201706/ 20170629130350139/SM-J530\_J730\_UM\_EU\_Nougat\_Eng\_ Rev.1.0\_170616.pdf
  - http://downloadcenter.samsung.com/content/PM/201803/

20180324064802271/EB/GEN\_G960U1\_G965U1\_EN\_ FINAL\_180323/start\_here.html

- http://downloadcenter2.samsung.com/content/UM/201801/ 20180112154235025/SM-A530\_A730\_UM\_EU\_Nougat\_Eng\_ Rev.1.0\_171214.pdf
- www.youtube/user/samsung
- www.youtube.com/watch?v=KjltVpCTQ8M
- www.youtube.com/watch?v=RvLP0q-L1Yg
- www.youtube.com/watch?v=07ra3-vY2vg
- www.youtube.com/watch?v=jDltgge4b40

Samsung is thereby liable for infringement of the '654 Patent under 35 U.S.C. § 271(b).

- 21. Samsung has also infringed, and continues to infringe, claims 1, 3-5 and 7 of the '654 patent by offering to sell, selling and/or importing the Accused Infringing Devices knowing that the devices are used in practicing the processes, or using the systems, of the '654 patent, and constitute a material part of the invention. Samsung knows portions of the Accused Devices to be especially made or especially adapted for use in infringement of the '654 patent, not a staple article, and not a commodity of commerce suitable for substantial non-infringing use. Samsung is thereby liable for infringement of the '654 Patent under 35 U.S.C. § 271(c).
- 22. Samsung will have been on notice of the '654 Patent since, at the latest, the service upon it of the Original Complaint in this case. Samsung has also been on notice of Uniloc's infringement allegations and theory of infringement since that date of service, and thus has known that its continued actions would induce and contribute to the infringement of claims of the '654 Patent. Despite that knowledge, and as further evidence of its intent, Samsung has refused to discontinue its infringing acts and has also induced infringement by failing to remove

the infringing functionality from the Accused Infringing Devices or otherwise place a non-infringing limit on their use.

- 23. By the time of trial, Samsung will have known and intended (since receiving such notice) that its continued actions would actively induce and contribute to the infringement of claims 1, 3-5 and 7 of the '654 Patent.
- 24. Samsung may have infringed the '654 Patent through other software and devices utilizing the same or reasonably similar functionality, including other versions of the Accused Infringing Devices.
  - 25. Uniloc has been damaged by Samsung's infringement of the '654 Patent.

#### PRAYER FOR RELIEF

Uniloc requests that the Court enter judgment against Samsung:

- (A) declaring that Samsung has infringed the '654 Patent;
- (B) awarding Uniloc its damages suffered as a result of Samsung's infringement of the '654 Patent;
  - (C) awarding Uniloc its costs, attorneys' fees, expenses, and interest, and
  - (D) granting Uniloc such further relief as the Court finds appropriate.

#### **DEMAND FOR JURY TRIAL**

Uniloc demands trial by jury, under Fed. R. Civ. P. 38.

Date: August 8, 2018. Respectfully submitted,

#### /s/ Kevin Gannon

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# ATTORNEYS FOR THE PLAINTIFFS

# **CERTIFICATE OF SERVICE**

I hereby certify that all counsel of record who have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system on August 8, 2018.

/s/ Kevin Gannon

Kevin Gannon