# IN THE UNITED STATES DISTRICT COURT DISTRICT OF DELAWARE

SENTIUS INTERNATIONAL, LLC,

Plaintiff,

Civil Action No. 18-cv-1216-MN

JURY TRIAL DEMANDED

v.

HTC CORPORATION,

Defendant.

# FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

This is an action for patent infringement arising under the Patent Laws of the United States of America, 35 U.S.C. § 1 et seq. in which Plaintiff Sentius International, LLC ("Sentius" or "Plaintiff") brings this patent infringement action against Defendant HTC Corporation ("HTC" or "Defendant") and alleges as follows:

#### **NATURE OF THE ACTION**

1. This is an action for patent infringement which arises under the Patent Laws of the United States, Title 35 United States Code ("U.S.C.") 35 U.S.C. §§ 1 *et seq.*, including 35 U.S.C. §§ 271, 281, 283, 284, and 285, to recover damages from Defendant for infringing and profiting without authorization and consent from Sentius by its use of the technology covered by U.S. Patent No. RE43,633 (the "633 patent", attached hereto as Exhibit "A") together with, attorney's fees, and costs pursuant thereto.

#### THE PARTIES

- 2. Plaintiff Sentius is a limited liability company duly organized and existing under the laws of Virginia with its principal place of business at 8300 Greensboro Drive, Suite 800, McLean, VA, 22102.
- 3. On information and belief, Defendant HTC Corporation is a Taiwanese corporation with its principal place of business at 23 Xinghau Road, Taoyuan City, Taoyuan 330, Taiwan, R.O.C. HTC Corporation can be served with process pursuant to the Delaware Long Arm Statute, 10 Del. C. § 3104.

#### JURISDICTION AND VENUE

- 4. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§1331 and 1338(a) because the action arises under the Patent Laws of the United States, 35 U.S.C. §§ 271 et seq.
- 5. Court has personal jurisdiction over HTC Corporation because, directly or through intermediaries, including its wholly-owned subsidiaries HTC America Holding Inc. and HTC America, Inc. it has committed acts within Delaware giving rise to this action and/or has established minimum contacts with Delaware such that the exercise of jurisdiction would not offend traditional notions of fair play and substantial justice.
- 6. For example, HTC Corporation has placed and is continuing to place infringing products into the stream of commerce via an established distribution channel that includes HTC America Inc. with the knowledge and/or understanding that such products are being and will continue to be sold in the State of Delaware, including in this District.
  - 7. On information and belief, HTC Corporation also operates directly in the United

States through its wholly-owned subsidiary Kyocera International, Inc., which it controls and which acts as its agent in the United States. For example, in its 2011 and 2013-2015 Annual Reports, HTC Corporation stated that it "maintains a presence in all key markets, including the United States." Further, HTC Corporation stated in its 2014 and 2015 Annual Reports that its "products are distributed across ... America[] ... through major carriers and local retail channels." HTC Corporation further has admitted that it "promotes [its telecommunications] products Case 1:17-cv-00083-LPS Document 75 Filed 12/27/17 Page 3 of 49 PageID #: 1403 4 directly to mass-market consumers via long-term, unique relationships with the world's largest telecommunications service providers that include the four big mobile operators in the United States," and that it has released at least the accused HTC DROID DNA smartphone product in the United States in partnership with "US carrier Verizon."

- 8. On information and belief, HTC Corporation has derived substantial revenues from its infringing acts in the State of Delaware and this District, including from its sales of infringing devices.
- 9. In addition, on information and belief, HTC Corporation has imported, sold, offered for sale, promoted and used in the United States and in this District, and has advertised, marketed, and directed the use of products containing infringing functionality to consumers, customers, manufacturers, distributers, resellers, partners, and/or end users in the United States and has provided instructions, user manuals, advertising, and/or marketing materials which facilitate, direct, encourage the use of infringing functionality.
- 10. Further, HTC Corporation has represented in various annual reports, including its 2014 and 2015 Annual Reports, that it is the "controlling company" and "primary R&D and manufacturing base and provider of technical resources" for various affiliates, including HTC

America, Inc., which it directs and uses to distribute in the United States various products it manufactures, including the products accused of infringement in this action. HTC Corporation also has represented in this action that "HTC Corp. has a regular and established place of business in the United States—[that of] its wholly owned subsidiary, HTC America." Further, HTC Corporation maintains a website through which it has offered for sale and continues to offer for sale to United States consumers various accused products, including the HTC U11.

11. Venue is proper in this District under 28 U.S.C. § 1400(b).

#### **DIRECT INFRINGEMENT OF THE '633 PATENT**

- 12. On September 4, 2012, the United States Patent and Trademark Office ("USPTO") duly and legally reissued the '633 patent, entitled "System and Method for Linking Streams of Multimedia Data to Reference Material for Display" (the "'633 Patent."). A true and correct copy of the '633 patent is attached hereto as Exhibit A.
- 13. Sentius is presently the owner of the patent, having received all right, title and interest in and to the '633 patent from the previous assignee of record. Sentius possesses all substantive rights in and to the patent, including the sole and exclusive right to prosecute this action and enforce the '633 patent against infringers, and to collect damages for all relevant times.
- 14. Defendant has infringed at least claims 17, 18, 62, 101 and 146 of the '633 patent by its manufacture, use, sale, importation, and/or offer for sale of HTC Smartphones and other devices (such as the HTC One X) and their built-in applications such as HTC Email, Notes and Messages in the manner described herein. Defendant is liable for its infringement of the '633 patent pursuant to 35 U.S.C. § 271.
  - 15. For example, claim 17 covers "A system for linking textual source material to

external reference material for display". On information and belief, Defendant's HTC Smartphones include a system which offers spell-check features by linking textual source material to external reference material and has performed it using a method of storing pointers in look-up table entries for the starting and ending position addresses for the misspelled words in applications such as HTC Email, Notes and Messages. The pointers link the misspelled words to the spell check dictionary which is an external reference material having correctly spelled replacements for the misspelled words. For example, the misspelled words are identified by highlighting with a red squiggly underline.

- 16. Claim 17 then recites "means for determining a beginning position address of textual source material stored in an electronic database". On information and belief, HTC Smartphones through the aforementioned applications offer a document editor which assigns a zero position address to the first character of the document text. The document editor is equipped with spell check parsing capabilities which identifies the text as discrete character strings.
- 17. Claim 17 then recites "means for cutting the textual source material into a plurality of discrete pieces". On information and belief, when the document editor such as provided by the aforementioned applications is opened, the spell check parser parses the document to cut the text into individual words and phrases. These words or phrases are identified as discrete character strings.
- 18. Claim 17 then recites "means for determining starting point addresses and an ending point addresses of the plurality of discrete pieces based upon the beginning position address". On information and belief, when the document editor such as provided by the HTC Email, Notes and Messages applications is opened, the spell check parser identifies the

beginning and ending character position offsets for the misspelled words relative to the beginning position address of the potential misspelled word.

- 19. Claim 17 then recites "means for recording in a look-up table the starting and ending point addresses". On information and belief, HTC Smartphone devices have software which maintains a look-up table storing the beginning and ending character offsets relative to the beginning position address of the potential misspelled word. The misspelled word is highlighted by a red squiggly underline.
- Claim 17 then recites "means for linking the plurality of discrete pieces to 20. external reference materials by recording in the look-up table, along with the starting and ending point addresses of the plurality of discrete pieces, links to the external reference materials, the external reference materials comprising any of textual, audio, video, and picture information". On information and belief, HTC Smartphone devices have software which maintains a look-up table storing the beginning and ending character offsets relative to the beginning position address of the potential misspelled word. The misspelled word is highlighted by a red squiggly underline. On information and belief, the HTC Smartphone devices maintain a spell check dictionary having lexicon of recognized words and phrases. When the document editor such as provided by HTC Email, Notes and Messages applications is opened, the text is parsed and cut into discrete character strings including the misspelled words as explained above. The look up table also stores a link to the correctly spelled replacement word in the spell check dictionary. Therefore, the system uses the link to the spell check dictionary to access, retrieve and display content therefrom for any given misspelled word. The spell check feature thereby links a misspelled word in a document file to the suggested spellings for that word from the corresponding language spell check dictionary.

- 21. Claim 17 then recites "means for selecting a discrete portion of an image of the source material". On information and belief, HTC Smartphone devices through the touch interface offer the user the option to click on the highlighted red squiggled misspelled word on the opened document editor such as provided by HTC Email, Notes and Messages applications. On information and belief, the identified input location is then converted by the software to the character position address.
- 22. Claim 17 then recites "means for determining a display address of the selected discrete portion". On information and belief, HTC Smartphone devices through the touch interface offer the user the option to click on the highlighted red squiggled word on the opened document editor such as provided by HTC Email, Notes and Messages applications. On information and belief, HTC Smartphone devices include software instructions to identify the horizontal and vertical coordinates of the display location where the user's touch input was received so that it can determine the corresponding document position of the user's input. On information and belief, these instructions include the use of a user interface and pointing device programmed to perform this function.
- 23. Claim 17 then recites "means for converting the display address of the selected discrete portion to an offset value from the beginning position address". On information and belief, HTC Smartphone devices include software instructions to identify the character position offset value from the beginning position address corresponding to the horizontal and vertical coordinates of the display location where the user's touch input was received.
- 24. Claim 17 then recites "means for comparing the offset value with the starting and ending point addresses recorded in the look-up table to identify one of the plurality of discrete pieces". On information and belief, as explained above, the HTC Smartphone devices

position address corresponding to the horizontal and vertical coordinates of the display location where the user's touch input was received. The software determines if the identified character position is present in the look-up table and if present, identifying the corresponding entry.

- 25. Claim 17 then recites "means for selecting one of the external reference materials corresponding to the identified one of the plurality of discrete pieces; and". On information and belief, HTC Smartphones through HTC Email, Notes and Messages applications offer a document editor which is programmed to resolve the pointer for the corresponding entry to identify one or more corresponding character strings from a spell check dictionary for that entry's character string. On information and belief, for example, HTC Smartphone devices include a set of software instructions that retrieves and temporarily stores in a buffer the identified lexicon words from the spell check dictionary for that character string.
- 26. Claim 17 then recites "means for displaying on a computer the selected one of the one of the external reference materials". On information and belief, as explained above, the HTC Smartphone devices include software instructions to identify the character position offset value from the beginning position address corresponding to the horizontal and vertical coordinates of the display location where the user's touch input was received. The identified correctly spelled lexicon words present in the look-up table is retrieved and temporarily stored in a buffer from the spell check dictionary for that character string. The character string is passed from the buffer to the document editor to display them on a display as suggested corrections for that character string.
- 27. Claim 18 depends from independent claim 17, and covers "The system of claim 17, wherein the means for linking links the plurality of discrete pieces to external reference

materials on a word-by-word or phrase-by-phrase basis". On information and belief, HTC Smartphone devices include software which maintains an entry in the look-up table having a corresponding pointer which links that entry to the specific suggested correct spellings for that entry's corresponding character string. In other words, each misspelled word whose position is recorded in the look-up table is linked to spelling suggestions for that particular word.

28. To the extentany steps of method claims 62 and 146 may involve user activity, on information and belief, Defendant has made the benefits of its spell check functionality conditioned on the user's performance of said steps and has established the manner or timing of that performance.

#### **DEFENDANT'S PRODUCTS**

- 29. The Accused Products include HTC Smartphones and other electronic devices having such features as its HTC Email, Notes and Messages applications made, used, sold or offered for sale within the United States or imported into the United States such as the HTC One X. The Accused Products infringe at least claims 17, 18, 62, 101 and 146 of the '633 patent.
- 30. The Accused Products include a "red squiggly" spell check feature that determines the beginning position address of text in a document, parses the document text into properly spelled words and misspelled words, determines the starting and ending point address of each misspelled word relative to the beginning position address, records the starting and ending point addresses of each misspelled word in a look-up table along with a link to at least one suggested spelling for the misspelled word contained in a spell check dictionary, displays an image of the document text, allows a user to select a portion of the displayed document text [corresponding to a misspelled word], determines the display address for the selected portion,

converts that display address to an offset value from the beginning position address of the document text, compares the offset value to the starting and ending point addresses recorded in the look-up table to identify the corresponding text string, selects a suggested spelling from the spell check dictionary for that text string, retrieves the suggested spelling from the spell check dictionary, and displays the suggested spelling in a pop-up window near the misspelled word.

# **COUNT I- DIRECT INFRINGEMENT OF THE '633 PATENT**

- 31. The Accused Products infringe at least claims 17, 18, 62, 101 and 146 of the '633 patent.
- 32. In violation of 35 U.S.C. § 271, Defendant's now, and has been directly infringing the '633 patent.
- 33. Defendant has had knowledge of infringement of the '633 patent at least by February 9, 2016.
- 34. Defendant has directly infringed at least claims 17, 18, 62, 101 and 146 of the '633 patent by making, using, importing, offering for sale, and/or selling the Accused Products without authority in the United States. As a direct and proximate result of Defendant's direct infringement of the '633 patent, Plaintiff has been damaged.
- 35. Defendant is also responsible for any infringing acts of its users, because it directs and/or controls the user's performance of those actions. On information and belief, Defendant makes the benefits of its spell check functionality conditioned on the user's performance of any steps that involve the user and establishes the manner or timing of that performance.
- 36. By engaging in the conduct described herein, Defendant has injured Sentius and is thus liable for infringement of the '633 patent, pursuant to 35 U.S.C. § 271.

- 37. Defendant has committed these acts of infringement without license or authorization.
- 38. As a result of Defendant's infringement of the '633 patent, Sentius has suffered monetary damages and is entitled to a monetary judgment in an amount adequate to compensate for their past infringement, together with interest and costs.
- 39. Sentius and/or its predecessors-in-interest have satisfied all statutory obligations required to collect pre-filing damages for the full period allowed by law.

### **DEMAND FOR JURY TRIAL**

Sentius requests a trial by jury of any and all causes of action.

#### PRAYER FOR RELIEF

WHEREFORE, Sentius prays for the following relief:

- a. That Defendant be adjudged to have directly infringed the '633 patent either literally or under the doctrine of equivalents;
- b. An award of damages pursuant to 35 U.S.C. §284 sufficient to compensate Sentius for the Defendant's past infringement including compensatory damages;
- c. An assessment of pre-judgment and post-judgment interest and costs against Defendant, together with an award of such interest and costs, in accordance with 35 U.S.C. §284;
- d. That Defendant be directed to pay enhanced damages, including Sentius' attorneys' fees incurred in connection with this lawsuit pursuant to 35 U.S.C. §285; and
- e. That Sentius have such other and further relief as this Court may deem just and proper.

Dated: November 26, 2018

Respectfully submitted,

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