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8	UNITED STATES DISTRICT COURT	
9	CENTRAL DISTRICT OF CALIFORNIA	
10	SOUTHERN DIVISION	
11		
12	SOCKEYE LICENSING TX LLC,	CASE:
13	Plaintiffs,	COMPLAINT FOR PATENT
14	VS.	INFRINGEMENT
15	VIZIO, INC.,	JURY TRIAL DEMANDED
16	Defendant.	
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19		
20	Plaintiff Sockeye Licensing TX LLC ("Sockeye"), sues Defendant, Vizio,	
21	Inc. ("Vizio"), and alleges the following:	
22	PARTIES	
23	1. Plaintiff Sockeye Licensing TX LLC, is a limited liability company	
24	organized and existing under the laws of Texas with its principal place of business	
25	at 320 Wilmette Avenue, Glenview, IL 60025.	
26	2. Defendant Vizio, Inc. is a corporation organized and existing under	
27	the laws of California with its principal place of business at 39 Tesla, Irvine, CA	
28	92618.	

COMPLAINT FOR PATENT INFRINGEMENT-1

JURISDICTION

- 3. This is an action for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code.
- 4. This Court has exclusive subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).
- 5. This Court has personal jurisdiction over Vizio because it has engaged in systematic and continuous business activities in the Central District of California. Specifically, Vizio provides its full range of services to residents in this District. As described below, Vizio has committed acts of patent infringement giving rise to this action within this District.

VENUE

6. Venue is proper in this District under 28 U.S.C. § 1400(b) because Vizio is incorporated in California. In addition, Sockeye has suffered harm in this District.

PATENTS-IN-SUIT

- 7. Sockeye is the assignee of all right, title, and interest in United States Patent Nos. 9,547,981 (the "'981 Patent") and 8,135,342 (the "'342 Patent") (collectively, the "Patents-in-Suit"), including all rights to enforce and prosecute actions for infringement and to collect damages for all relevant times against infringers of the Patent-in-Suit. Accordingly, Sockeye possesses the exclusive right and standing to prosecute the present action for infringement of the Patents-in-Suit by Panasonic.
- 8. On January 17, 2017, the United States Patent and Trademark Office issued the '981 Patent. The '981 Patent is titled "System, Method and Apparatus for Using a Wireless Device to Control Other Devices." The application leading to the '981 Patent was filed on November 3, 2014, which is a continuation of U.S. Application No. 13/418,829; which was filed on March 13, 2012; which is a

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divisional application of U.S. Application No. 11/898,912, now the '342 Patent, which was filed on September 17, 2007; which claims priority from provisional application number 60/844,645, which was filed on September 15, 2006. A true and correct copy of the '981 Patent is attached hereto as **Exhibit A** and incorporated herein by reference. A true and correct copy of the parent patent, the '342 Patent, is attached hereto as **Exhibit B** and incorporated herein by reference.

Prior to the filing of the applications that matured into the '981 9. patent and its parent '342 patent in 2006, state of the art cell phone designs emphasized their use as standalone devices. In the industry it was widely expected that, as the multimedia capabilities of the cell phone became richer, the cell phone itself would serve as a multimedia player and alternative to traditional modes of viewing video, such as via television screens. Accordingly, cell phone manufacturers at the time of filing focused on developing the "onboard" capabilities of their products, rather than adapting them to connect with and control a higher resolution device. Thus, for example, the Nokia N92 mobile device announced in 2005 was marketed as a phone for watching TV. The Nokia N92, while capable of playing "mobile TV," was designed as an alternate platform for watching television, and it operated as a standalone device, whollyindependent of television sets of the period. The '981 patent went further. In contrast to the standalone approach of the Nokia N92, the '981 patent taught particular methods by which the cell phone could connect with and control a higher resolution display device, streaming video thereto. The state-of-the-art cell phones of the day were not equipped to operate in this way, nor was this their goal. Indeed, as Nokia stated at the time, the "Nokia N92 offers easy access to TV programs without having to sit in front of a television set." Exhibit C. Notably, so-called "[t]hird generation mobile phones" or "3G mobiles" which were capable of "multi-media communication" of this kind—i.e., "viewing TV on a mobile phone"—were far from the norm in 2006. Exhibit D. As NEC stated at the time,

although such devices were "expected to be extremely popular," using a cell phone to view television was itself a "groundbreaking way to use mobile phones." *Id.*Still more groundbreaking was the inventive approach of the '981 patent, which went beyond the cell phones merely equipped to play television, such as the Nokia N92 and the NEC e636, and taught particular methods by which the cell phone could connect with and control a higher resolution display device for streaming video. The claimed inventions would have been inoperable on even the most sophisticated cell phones of the period, such as the Nokia N92 and NEC e636, because they required significant technical advancements and improvements to the hardware and software "stack" of the cell phone in order to enable their inventive functionality. *See* Exhibit E.

The '981 Patent

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The '981 patent taught the hardware and software "stack" necessary to implement the particular methods claimed in the patents. For example, Figure 3D illustrates the relationships between the hardware and software components of the cell phone itself, as well as the internet and a high-resolution display device, in terms of their hierarchy and I/O requirements and functions. Figure 3D teaches a cell phone operating system that supports TCP/IP services, a desktop browser and operating system within the cell phone, and the device drivers necessary to manage streaming media as it is received from the network, rendered by the operating system, and communicated to external devices. Figure 3D teaches that the cell phone's device drivers interact with the peripheral communications hardware and software that, in turn, communicates with external display devices. Further, Figure 3B shows that the peripheral communications hardware and software interacts with multichannel USB, and IEEE 1394 and IEEE 802.11 protocols that, in turn, use a multiport wireless interface to communicate with a high-resolution digital display device. Without the hardware and software stack (or its equivalents) disclosed, inter alia, in Figures 3B and 3D of the '981 patent, the claimed

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inventions would have been inoperable. The hardware and software stack disclosed in the patent was absent from the more advanced cell phones of the day (e.g., the Nokia N92 and NEC e636), which were designed as mere standalone devices—a completely different paradigm than disclosed in the '981 patent, which teaches the cell phone connecting with and controlling a higher resolution display device on which media may be streamed.

In the few prior art examples where a cell phone was actually connected to another device, the cell phone was used in a manner completely different than that claimed in the '981 patent, and for different purposes. As the inventor pointed out during prosecution of the parent '342 patent, the prior art merely "describe[d] a conventional tethering operation of a cell phone to a computer, and not peripheral cell phone control of the claimed invention." Exhibit F [Prosecution History of '342 Parent Patent, Amendment, May 31, 2011, at 11]. According to the "conventional tethering operation[s]" of the prior art, the "PC or laptop connects to the internet via another PC's or a cell phone's wireless Internet connection, providing a bridge connection but not ceding control." *Id.* By contrast, the "instant invention," the inventor explained, "does not use a cell phone to connect a 'computer' to the Internet" — "[q]uite the reverse, the instant invention connects peripheral devices (connected to the computer) to the cell phone to create a desktop computing environment on the cell phone." Id. As the inventor described it in a later amendment during prosecution of the '342 parent patent, the "present invention" was one "directed to an innovative approach to employ a cell phone or like PDA . . . to create a media center controlled by the user through the cell phone – without the usage of the computing power of the peripherals' PC." Exhibit G. [Prosecution History of '342 Patent, Amendment, January 17, 2012, at 31]. The inventor emphasized that in the prior art "the portable device is a mere tether" and "has zero control – the network server is running things directly" in the "traditional client/server relationship." *Id.* at 32. By

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contrast, the parent '342 patent "expressly involves and claims control of the peripheral device by the portable device, not at network control." *Id.* Thus, at best, the prior art contemplated the "conventional tethering" of the cell phone to the computer for the purpose of improving the functionality of the computer according to the "traditional client/server relationship." The '981 patent, however—which shares a specification with the parent '342 patent--teaches improvements in the cell phone hardware and software "stack" enabling it to control the high-resolution display device, in a clear reversal of the "traditional client/server relationship" and departure from "conventional tethering." As the inventor stated during prosecution of the '981 patent, quoting the summary of the invention, "'[t]he user may access' the movies and videos 'using the desktop monitor' because, for example the 'user interfaces' of the web site providing this content 'can be displayed through' the 'desktop monitor' " and "[t]hose 'user interfaces are sent to the 'desktop monitor' by means of the 'wireless cell phone.' " Exhibit H [Prosecution History of '981 Patent, Sept. 7, 2016, Declaration of Michael D. Harold, at pages 3-4, para 7(a)(4)]. None of the prior art discloses the hardware and software "stack" necessary to execute this novel functionality or to accomplish the objectives of the '981 patent.

12. As the inventor pointed out during prosecution of the '981 patent, the methods employed in the prior art failed to disclose the claimed step of "transmitting by the mobile communications device of at least some of the particular movie or video to the display device for display thereon **simultaneously** while at least some of the particular movie or video is being downloaded from the server to the mobile communications device." **Exhibit I** [Prosecution History of '981 Patent, Sept. 9, 2016 Amendment, at 8] (emphasis added). This step of claim 1 of the '981 patent not only distinguishes it from prior art methods but constitutes one of the '981 patent's "inventive concepts," both in its own right as well as in combination with other claim elements, rendering the patent eligible under 35

- U.S.C. § 101. Indeed, the inventor pointed out that this step "teaches away" from the prior art which merely "discloses that a document must be fully downloaded before it can be accessed," from prior art wherein "content is fully downloaded before the mobile device 'detects' the display" or from prior art wherein "a video conference is received or initiated before it is routed to the external display." (Emphasis added). As such, the inventor noted, the prior art "teach[es] away from the claimed methods." *Id.* at 8-9.
- 13. As the inventor further noted during prosecution of the '981 patent, the "claims are specifically limited to the field of consumer electronic entertainment, as contemplated by the specification." For example, claim 1 specifically limits the "electrical coupling" between the display device and the mobile communications device to be "for consumer electronic entertainment purposes," which puts "limitations . . . on the type of electrical couplings that are covered by the claims." *Id.* at 10-11.
- 14. The PTO issued the '981 patent on January 17, 2017, without ever having rejected any of the claims under 35 U.S.C. § 101 during prosecution.
- and claimed therein and worked to commercialize them for several years. Among his goals (and later those of his company, Zamboola) was to provide hardware and software solutions for the mobile market to allow the interfacing of user information between devices in an enhanced way. Accordingly, after filing in 2006 the applications that eventually issued as the '981 patent and its parent '342 patent, he set to work prototyping solutions that reduced the claimed inventions to practice. Mr. Harold began by modifying an "open source" cell phone released after filing, the Openmoko "Neo," which had an operating system and some of the hardware necessary to support streaming media from the Internet to a high-resolution display device. However, because the software on the Neo proved to be too unstable for the purposes of the claimed inventions, the inventor was forced to

- 16. The '981 Patent is valid and enforceable.
- 17. The '981 Patent describes a need to provide an improved paradigm for using a wireless cell phone or other such communications device as a central component of a desktop or other such computing environment. Ex. A, 2:61-64.
- 18. The '981 Patent describes a system, method and apparatus in which the user of a wireless cell phone device establishes a direct connection with a desktop computer monitor, keyboard, mouse or other component using any combination of wireline connections and wireless connections. *Id.* at 1:30-36.
- 19. The '981 Patent is not directed to a method of organizing human activity or to a fundamental economic practice long prevalent in commerce. The '981 Patent describes a system that addresses a technical problem-using a wireless cell phone as a central component of a desktop or other computing environment that includes, in addition to a desktop computer monitor and a desktop keyboard and mouse, the use of desktop speakers and a desktop printer. *Id.* at 3:7-12-with a technical solution: increasing the use of a cell phone as a connections, communications and controlling device for desktop computers, digital display monitor and keyboard and mouse. *Id.* at 3:41-48.

- 20. The '981 Patent does not preempt the field or preclude the use of other wireless cell phones. For example, many companies offer currently offer rudimentary products that allow a cell phone to project images, presentations and movies onto a nearby wall or surface. *Id.* at 2:9-12. The prior art also only uses cell phones as computing devices and not as a full-sized computer monitor or other full-size digital output device for manipulating data or issuing commands remotely through the handheld communications devices. *Id.* at 3:20-27.
- 21. The '981 Patent does not take a well-known or established business method or process and apply it to a general-purpose computer. Instead, in an exemplary embodiment, it uses a wireless cell phone as a central component of a desktop or other computing environment that includes, in addition to a desktop computer monitor and a desktop keyboard and mouse, the use of desktop speakers and a desktop printer. *Id.* at 3:7-12. The desktop computer monitor or other full-size digital display device is also used as a visual output device, and a full-size keyboard and mouse are used as user input devices. *Id.* 2:66-3:1.
- 22. In the application leading to the '981 Patent, the Examiner expressly considered all of the IPR petitions filed against the '342 Patent, $see \ \ 29 \ infra$, and allowed the '981 Patent to issue over all the prior art cited in those IPR petitions.

The '342 Patent:

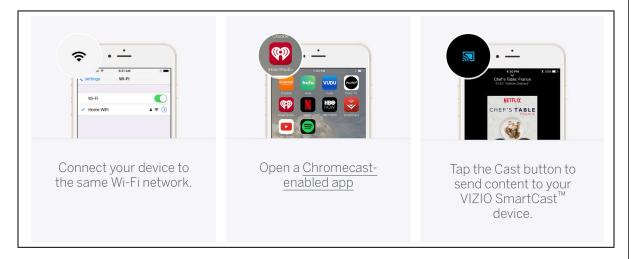
- 23. The '342 Patent is valid and enforceable.
- 24. The '342 Patent describes a need to provide an improved paradigm for using a wireless cell phone or other such communications device as a central component of a desktop or other such computing environment. Ex. B, 2:51-54.
- 25. The '342 Patent describes a system, method and apparatus in which the user of a wireless cell phone device establishes a direct connection with a desktop computer monitor, keyboard, mouse or other component using any combination of wireline connections and wireless connections. *Id.* at 1:10-16.

- 26. The '342 Patent is not directed to a method of organizing human activity or to a fundamental economic practice long prevalent in commerce. The '342 Patent describes a system that addresses a technical problem-using a wireless cell phone as a central component of a desktop or other computing environment that includes, in addition to a desktop computer monitor and a desktop keyboard and mouse, the use of desktop speakers and a desktop printer. *Id.* at 3:38-45-with a technical solution: increasing the use of a cell phone as a connections, communications and controlling device for desktop computers, digital display monitors and keyboard and mouse. *Id.* at 3:30-37.
- 27. The '342 Patent does not preempt the field or preclude the use of other wireless cell phones. For example, many companies offer currently offer rudimentary products that allow a cell phone to project images, presentations and movies onto a nearby wall or surface. *Id.* at 1:65-2:1. The prior art also only uses cell phones as computing devices and not as a full-sized computer monitor or other full-size digital output device for manipulating data or issuing commands remotely through the handheld communications devices. *Id.* at 2:10-17.
- 28. The '342 Patent does not take a well-known or established business method or process and apply it to a general-purpose computer. Instead, in an exemplary embodiment, it uses a wireless cell phone as a central component of a desktop or other computing environment that includes, in addition to a desktop computer monitor and a desktop keyboard and mouse, the use of desktop speakers and a desktop printer. *Id.* at 3:38-45. The desktop computer monitor or other full-size digital display device is also used as a visual output device, and a full-size keyboard and mouse are used as user input devices. *Id.* at 2:54-63.
- 29. The PTAB declined to institute an IPR against the asserted claim 21 of the '342 Patent in IPR2016-00989, and therefore determined that there was not a reasonable likelihood of unpatentability on the given grounds. *See RPX Corp. v. Sockeye Licensing TX, LLC*, IPR2016-00989 (P.T.A.B. 2016) (declining to

institute an IPR as to claims 21, 22, 25 and 26). In IPR2016-01052, the Petitioner did not seek to instate an IPR of claim 21. *See RPX Corp. v. Sockeye Licensing TX, LLC*, IPR2016-01052 (P.T.A.B. 2016) (requesting an IPR for claims 11-19 and 58-76 and denying institution of an IPR for claims 60-61 and 69).

COUNT I: INFRINGEMENT OF THE '981 Patent

- 30. Sockeye incorporates the above paragraphs herein by reference.
- 31. **Direct Infringement.** Vizio has been and continues to directly infringe at least claim 1 of the '981 Patent in this District and elsewhere in the United States by making the Vizio Smartcast, which performs the steps found in the preamble of claim 1 "[a] method for downloading and viewing a movie or video on a display device." For example, each Vizio TV includes casting circuitry that provides a screen mirroring or casting functionality. This allows a user to cause a Netflix movie to be downloaded from a Netflix server to the user's smartphone, and then wirelessly cast from the smartphone to the casting circuitry for display on the TV. Upon information and belief, Vizio directly also infringes both by using and internally testing the Vizio Smartcast:



Available at: https://www.vizio.com/smartcast-how-to-cast; webpage attached hereto as **Exhibit J**.

32. The Vizio Smartcast performs the steps of claim element 1(a): "electrically coupling for consumer electronic entertainment purposes a display device suitable for use in a media center environment with a mobile communications device that does not form a party of the media center environment." For example, the Vizio TV forms a "display device" that is suitable for use in a home media center environment." The smartphone is not a part of that environment which contains items such as amplifiers and pre-amplifiers. The smartphone is coupled to the casting circuitry inside the Vizio TV by means of a wireless network connection. *See* Ex. J.

33. The Vizio Smartcast performs the steps of claim element 1(b): "causing a first graphic user interface to be displayed on the display device that conveys information to a viewer of the display device about movies or videos that are individually downloadable from a server for display on the display device for consumer electronic entertainment purposes." For example, when selecting a movie, the Netflix GUI is cast from the smartphone to the casting circuitry which then causes it to be displayed to the user on the TV. By viewing the Netflix GUI, the user can select a movie to watch on the TV. By viewing the Netflix GUI, the



Available at: https://www.vizio.com/smartcast-how-to-cast; webpage attached hereto as **Exhibit K**.

- 34. The Vizio Smartcast satisfies claim element 1(c): "receiving entertainment selection commands by the mobile communications device to allow a particular one of the movies or videos to be selected for downloading from the server based on visual feedback the viewer receives by reading or interacting with the first graphic user interface shown on the display device." For example, the user selects a movie to watch by entering commands into the smartphone. The user makes the selection by reading the Netflix GUI that is displayed on the TV in the user's home media center environment. *See* Ex. J.
- 35. The Vizio Smartcast satisfies claim element 1(d): "receiving by the mobile communications device of the particular movie or video that is sent to it from the server based on the viewer's reading or interaction with the first graphic user interface shown on the display device." For example, by selecting a particular movie to be watched, the user's smartphone indicates to the Netflix servers that the particular movie should be sent to the user's smartphone. The user makes the selection by reading the Netflix GUI that is displayed on the TV in the user's home media center environment. See Exs. J, K.
- 36. The Vizio Smartcast satisfies claim element 1(e): "transmitting by the mobile communications device of at least some of the particular movie or video to the display device for display thereon simultaneously while at least some of the particular movie or video is being downloaded from the server to the mobile communications device." For example, the particular movie that the user selected is streamed from the Netflix server to the user's TV via the casting circuitry inside the Vizio TV. See Exs. J, K.
- 37. The Vizio Smartcast satisfies claim element 1(f): "wherein the electrical coupling between the mobile communications device and the display

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device allows the particular movie or video to be sent there between when the mobile communications device is located a distance away from the display device at which a person watches a movie at home." For example, the wireless connection between the Vizio TV and the user's smartphone is sufficiently strong and robust to allow the user to watch the movie when the smartphone is located, for example, between 10-15 away from the Vizio TV. See Ex. J.

- 38. **Induced Infringement.** Vizio has also actively induced, and continues to induce, the infringement of at least claim 1 of the '981 Patent by actively inducing its customers, including merchants and end-users, to use the Vizio Smartcast in an infringing manner as described above. Upon information and belief, Vizio has specifically intended that its customers use the Vizio Smartcast that infringes at least claim 1 of the '981 Patent by, at a minimum, providing access to, support for, training and instructions for its website to its customers to enable them to infringe at least claim 1 of the '981 Patent, as described above. Even where performance of the steps required to infringe at least claim 1 of the '981 Patent is accomplished by Vizio and a Vizio customer jointly, Vizio is responsible for the actions that cause each of the steps of at least claim 1 of the '981 Patent to be performed.
- Sockeye is entitled to recover damages adequate to compensate it for such infringement in an amount no less than a reasonable royalty under 35 U.S.C. § 284.

COUNT II: INFRINGEMENT OF THE '342 Patent

- Sockeye incorporates the above paragraphs herein by reference.
- **Direct Infringement.** Vizio has been and continues to directly infringe at least claim 21 of the '342 Patent in this District and elsewhere in the United States by making the Vizio Smartcast found in the preamble of claim 21 "[t]he peripheral device control system according to claim 20." For example, the Vizio TV works in combination with the Smartcast. Upon information and belief,

Vizio directly also infringes both by using and internally testing the Vizio Smartcast. *See* Ex. J.

- 42. The Vizio Smartcast performs the steps of claim element 21(a): "means for receiving, at said peripheral device, a wireless communication containing said downloaded user information transmitted from said wireless device." For example, the casting circuitry allows the Netflix movie to be cast from the user's smartphone via a wireless connection to the casting circuitry for display on the Vizio TV. *See* Ex. K.
- 43. The Vizio Smartcast performs the steps of claim element 21(b): "means for employing, at said peripheral device, said downloaded user information." For example, the Vizio TV includes a screen and circuitry connecting the screen to the casting circuitry that allows the Netflix movie to be shown on the screen of the Vizio TV. *See* Ex. J.
- 44. **Induced Infringement.** Vizio has also actively induced, and continues to induce, the infringement of at least claim 21 of the '342 Patent by actively inducing its customers, including merchants and end-users, to use the Vizio product in an infringing manner as described above. Upon information and belief, Vizio has specifically intended that its customers use the Vizio product that infringes at least claim 21 of the '342 Patent by, at a minimum, providing access to, support for, training and instructions for its website to its customers to enable them to infringe at least claim 21 of the '342 Patent, as described above. Even where performance of the steps required to infringe at least claim 21 of the '342 Patent is accomplished by Vizio and a Vizio customer jointly, Vizio is responsible for the actions that cause each of the steps of at least claim 21 of the '342 Patent to be performed.
- 45. Sockeye is entitled to recover damages adequate to compensate it for such infringement in an amount no less than a reasonable royalty under 35 U.S.C. § 284.

JURY DEMAND 1 Under Rule 38(b) of the Federal Rules of Civil Procedure, Sockeye 2 respectfully requests a trial by jury on all issues so triable. 3 4 PRAYER FOR RELIEF 5 WHEREFORE, Sockeye asks this Court to enter judgment against Panasonic, granting the following relief: 6 A declaration that Vizio has infringed the Patent-in-Suit; 7 A. 8 В. An award of damages to compensate Sockeye for Panasonic's direct 9 infringement of the Patent-in-Suit; An award of damages, including trebling of all damages, sufficient to 10 C. remedy Panasonic's infringement of the Patent-in-Suit under 35 U.S.C. 11 § 284; 12 A declaration that this case is exceptional, and an award to Sockeye of 13 D. 14 reasonable attorneys' fees, expenses and costs under 35 U.S.C. § 285; An award of prejudgment and post-judgment interest; and 15 E. 16 Such other relief as this Court or jury may deem proper and just. 17 18 **DATED** on December 4, 2018 19 Respectfully submitted, 20 21 WATSON LLP 22 23 /s/ Coleman Watson 24 Coleman W. Watson, Esq., Florida Bar. No. 0087288 California Bar No. 266015 25 Georgia Bar No. 317133 New York Bar Reg. No. 4850004 26 Email: coleman@watsonllp.com 27 docketing@watsonllp.com WATSON LLP 28 601 S. Figueroa Street, Suite 4050

COMPLAINT FOR PATENT INFRINGEMENT-16