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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY  
NEWARK DIVISION**

RAIN COMPUTING, INC.,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. 18-17573
	)	Jury Trial Demanded
LG ELECTRONICS, INC., LG	)	
ELECTRONICS U.S.A., INC., and LG	)	
ELECTRONICS MOBILECOMM	)	
U.S.A, INC.,	)	
	)	
Defendants.	)	
_____	)	

**COMPLAINT**

Plaintiff Rain Computing, Inc., by and through its undersigned attorneys, files this Complaint against LG Electronics, Inc., LG Electronics U.S.A., Inc., and LG Electronics MobileComm U.S.A, Inc. (collectively, "LG" or "Defendants"). The "Asserted Patent," attached hereto as Exhibit 1 and incorporated herein by reference, is U.S. Patent No. 9,805,349, first filed

November 22, 2007 and issued October 31, 2017, after a successful appeal to the Patent Trial and Appeal Board, *Ex parte Chang*, Appeal No. 2015-003805 (Aug. 23, 2017). Rain Computing alleges as follows:

### **THE PARTIES**

1. Rain Computing is a Delaware corporation with its principal place of business at One Broadway, 14<sup>th</sup> Floor, Cambridge, Massachusetts 02142.
2. Rain Computing, founded in 2007, is so named to contrast its technology and services from the more common “cloud computing” offerings of other companies. Whereas “cloud computing” connects end-users of “local” computing devices to remote “server” computers (often to execute software applications at such servers), Rain Computing’s then-new paradigm of delivery (“raining”) enables software applications to execute “natively” on a subscribed end-user’s computer in the manner disclosed and claimed in the Asserted Patent. Rain Computing develops software deployment systems based on this paradigm to support independent software vendors, enterprise information technology departments, and end-users -- which allows, among other things, conditions such as payment terms to be set through a subscription and local-coupling scheme. Among other advantages, this allows the vendor and end-user to “meter” use securely at a price that is a fraction of the price previously charged for a copy of the software package.
3. Upon information and belief, LG Electronics, Inc. is a Korean entity with a principal executive office at LG Twin Towers, 20 Yeouido-dong, Yeongdeungpo-gu, Seoul 150-721, South Korea.
4. Upon information and belief, LG Electronics U.S.A., Inc., a wholly owned subsidiary of LG Electronics, Inc., is a Delaware corporation with its principal place of business at 1000

Sylvan Avenue, Englewood Cliffs, New Jersey 07632.

5. Upon information and belief, LG Electronics MobileComm U.S.A, Inc., a wholly owned subsidiary of LG Electronics, Inc., is a California corporation with its principal place of business at 1000 Sylvan Avenue, Englewood Cliffs, New Jersey 07632.

### **NATURE OF THE ACTION**

6. This is an action for patent infringement arising under the Patent Laws of the United States, 35 U.S.C. § 1, *et seq.*

### **JURISDICTION AND VENUE**

7. The Court has subject matter jurisdiction over the action pursuant to 28 U.S.C §§ 1331 and 1338(a), as the action states substantial claims arising under the Patent Laws of the United States, 35 U.S.C. § 1, *et seq.*

8. Upon information and belief, personal jurisdiction is proper in this Court as to Defendant LG Electronics, Inc. because the entity, directly or through its subsidiaries or other intermediaries, imports, distributes, offers for sale, and/or sells its products, including infringing smart televisions and smartphones, in this District.

9. Upon information and belief, personal jurisdiction is proper in this Court as to Defendant LG Electronics U.S.A., Inc. because the corporation has its principal place of business in this District and, directly or through intermediaries, imports, distributes, offers for sale, and/or sells its products, including infringing smart televisions, in this District.

10. Upon information and belief, personal jurisdiction is proper in this Court as to Defendant LG Electronics MobileComm U.S.A, Inc. because the corporation has its principal place of business in this District and, directly or through intermediaries, imports, distributes, offers for sale, and/or sells its products, including infringing smartphones, in this District.

11. Venue is proper in this District under 28 U.S.C. §§ 1391(b), 1391(c) and 1400(b).

**U.S. PATENT NO. 9,805,349**

12. Hsuanyeh Chang, Ph.D. (“Dr. Chang”), is the named inventor of the Asserted Patent.

13. The Asserted Patent has been assigned to Rain Computing. Dr. Chang is the founder of Rain Computing.

14. Prior to 2007, Dr. Chang invented new processes for deploying software. At that time, a conventional channel for a user to obtain software for application on a computing device involved the user (a) walking into a brick-and-mortar store; (b) browsing a selection of boxes containing CD or DVD copies of software applications; (c) paying the full price for a copy of a software application that may be minimally used or bundled with unwanted software; (d) manually inserting the CD or DVD into the user’s computer optical drive to install the software in the computer system; and (e) then repeating the process perhaps a year later when an updated version of the software application was released. Even with the alternative channel by which a user downloaded a software application from a web distribution source, the user generally paid a one-time fee to possess and use that downloaded copy of a software application, regardless of the amount of actual usage. The one-time fee for either distribution channel, set to reflect the value of the software and its unlimited (until obsolescence) use, is unattractive to and sometimes prohibitive for the infrequent user. Dr. Chang invented improved systems and methods for controlling access of software deployed over computer networks based on user subscription and identification coupling with the user device and claimed this in part in the Asserted Patent. Among other applications of the claimed invention is the technological conditioning of full deployment (through execution) of software according to the user subscription, which may

include payment or other benefit to the operator of the system for uses limited by, for example, subscription time periods.

**COUNT I: INFRINGEMENT OF U.S. PATENT NO. 9,805,349**

15. Rain Computing incorporates the allegations of paragraphs 1 through 14, above.

16. LG markets and sells smart televisions using webOS (including but not limited to LG's 4K Ultra HD, Super UHD and OLED televisions) and mobile devices (including but not limited to LG's V40, V35 and G7 smartphones) that allow users of those products to select software applications for delivery, in the case of its smart TV's, through LG's Content Store, and, in the case of its mobile devices, through its SmartWorld app. In product promotions and on its websites, LG describes the LG Content Store as a "portal to limitless premium content and apps" and LG SmartWorld as "a service that provides applications for LG mobile and tablet users."

17. LG controls access to the LG Content Store and LG SmartWorld by requiring a user to agree to LG's Terms of Use ("TOU") before that user can receive apps offered through the LG Content Store or LG SmartWorld. Users of LG smart TVs with webOS and LG smartphones who desire use of the apps available through the LG Content Store or LG SmartWorld must download and install those apps (*e.g.*, Spotify on the LG Content Store or Daycon on LG SmartWorld) on the user's LG smart TV with webOS or LG smartphone. LG further establishes the manner in which the user performs such download and installation by requiring the user to access the LG Content Store or LG SmartWorld to do so.

18. Upon information and belief, Defendants have infringed, and continue to infringe, at least claims 1, 9, 12, and 14-17 of the Asserted Patent in violation of 35 U.S.C. § 271(a) by making, using, offering to sell and/or selling in the United States, and/or importing into the United States smart TVs that use webOS and mobile devices that provide use of LG's Content Store or its

SmartWorld app, and at least each of the products identified in Paragraph 16 meet each and every element of at least claims 1, 9, 12, and 14-17 of the Asserted Patent, either literally or equivalently.

19. The infringement by Defendants of the Asserted Patent has injured Plaintiff and will cause Plaintiff added irreparable injury and damage in the future unless Defendants are enjoined from infringing said patent.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff Rain Computing respectfully requests a judgment:

- A. That Defendants have infringed and are infringing the Asserted Patent;
- B. That Defendants be ordered to pay Plaintiff damages adequate to compensate for Defendants' infringement of the Asserted Patent, in accordance with 35 U.S.C. § 284;
- C. That the Court permanently enjoin Defendants from making, having made, selling, offering for sale, distributing and/or using products that infringe the Asserted Patent, in the United States; and
- D. That Plaintiff be awarded such other and further relief as this Court may deem just and proper.

**DEMAND FOR JURY TRIAL**

Plaintiff Rain Computing hereby demands trial by jury on all claims and issues so triable.

Respectfully submitted,

Dated: 12/26/18

By: /s/Thomas F. Meagher  
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