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16 **UNITED STATES DISTRICT COURT**
17 **NORTHERN DISTRICT OF CALIFORNIA**

18 SIPCO, LLC
19 Plaintiff,
20 v.
21 AEON LABS, LLC, AEOTEC, INC., and
22 AEOTEC LIMITED
23 Defendants.

Case No. 3:18-cv-05713-SK

Magistrate Judge Sallie Kim

**FIRST AMENDED COMPLAINT FOR
PATENT INFRINGEMENT**

24 Plaintiff SIPCO, LLC (“SIPCO” or “Plaintiff”), for its First Amended Complaint against
25 Aeon Labs LLC (“Aeon”) , Aeotec, Inc., and Aeotec Limited. alleges the following:

26 **NATURE OF THE ACTION**

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

THE PARTIES

1
2 2. Plaintiff is a limited liability company organized and existing under the
3 laws of the State of Georgia with a place of business at 20638 Duxbury Terrace,
4 Ashburn, Virginia 20147.

5 3. Aeon is a California limited liability company. Upon information and
6 belief, Winston Cheng is the sole owner of Aeon. The address of both Aeon and Winston
7 Cheng is 1228 Norvell Street, El Cerrito, California 94530. Upon information and belief,
8 Aeon sells and offers to sell Z-Wave compliant home automation products in the United
9 States under the Aeotec brand name.

10
11 4. Aeotec, Inc. is a Delaware corporation. Upon information and belief,
12 Winston Cheng is president and sole officer of Aeotec, Inc. Also upon information and
13 belief, Aeotec, Inc. has a headquarters in Silicon Valley, California, and sells and offers
14 to sell Z-Wave compliant home automation products in the United States under the
15 Aeotec brand name.

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17 5. Defendant Aeotec Limited is a corporation organized under the laws of
18 China with an address at FLAT/RM 704, 7/F, Bright Way Tower, 33 Mong Kok Road,
19 DL, Hong Kong, China. Upon information and belief, Aeotec Limited makes Z-Wave
20 compliant home automation products outside of the United States under the Aeotec brand
21 name and for third parties as an original equipment manufacturer. Also upon information
22 and belief, Aeotec Limited at least offers to sell Z-Wave compliant home automation
23 products in the United States under the Aeotec brand name at least through the website it
24 administers, Aeotec.com.

25
26 6. Upon information and belief, all three defendants are engaged in the same
27 acts of infringement at least because all three defendants offer to sell the same infringing
28 products in the United States.

JURISDICTION AND VENUE

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2 7. This is an action for patent infringement arising under the Patent Laws of
3 the United States, Title 35 of the United States Code.

4 8. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and
5 1338(a).

6 9. Venue is proper in this District under 28 U.S.C. §§ 1391(b), (c) and/or
7 1400(b) with respect to defendants Aeon and Aeotec, Inc.. On information and belief,
8 defendants Aeon and Aeotec, Inc. have committed and are committing acts of
9 infringement in this judicial district, and have a regular and established place of business
10 at 1228 Norvell Street, El Cerrito CA 94530.

11 10. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391(b), (c)(3)
12 and/or 1400(b) with respect to defendant Aeotec Limited. On information and belief,
13 defendant Aeotec Limited may be sued in any judicial district because it is organized and
14 existing under the laws of China, has a place of business at RM 704, 33 Mong Kok Road,
15 Hong Kong, has no place of business in the United States and is thus not a resident of the
16 United States.

17 11. On information and belief, all defendants are subject to this Court's general
18 and specific personal jurisdiction because they have sufficient minimum contacts within
19 the State of California, pursuant to due process and/or the California Long Arm Statute,
20 Section 410.10 of the Code of Civil Procedure, because they have purposefully availed
21 themselves of the privileges of conducting business in the State of California, and
22 because Plaintiff's causes of action arise directly from the defendants' business contacts
23 and other activities in the State of California, including regularly doing or soliciting
24 business and deriving substantial revenue from products provided to individuals in this
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1 District. The exercise of jurisdiction over the defendants would not offend traditional
2 notions of fair play and substantial justice.

3 **SIPCO AND THE PATENTS-IN-SUIT**

4
5 12. SIPCO is a small research, development and technology company originally based
6 in Atlanta, Georgia. T. David Petite was its founding member.

7 13. In the 1990s, through his own individual research and development efforts, Mr.
8 Petite invented a large number of wireless control and distribution technology applications. The
9 inventions resulting from Mr. Petite's efforts include, but are not limited to, various ways of
10 moving data as economically and seamlessly as possible over both wired and wireless networks.

11 14. Through the 1990s and early 2000s investors contributed tens of millions of
12 dollars for technology development and implementation of networks. Clients included Georgia
13 Power, Alabama Power, Newnan Utilities GA, Johnson Controls, Synovus Bank, and Grand
14 Court Lifestyles residential living facilities.

15
16 15. After proving that the technology worked in the field, several companies competed
17 to purchase an exclusive license to Mr. Petite's technology for the market known as "smart grid."
18 Landis+Gyr (<http://www.landisgyr.com/>) (previously Siemens Metering) took an exclusive
19 license to the smart grid technology in 2002 and in 2005 purchased rights to the technology for
20 utility applications for \$30,000,000. Mr. Petite's technology has been deployed in millions of
21 meters deployed across North America and throughout the world.

22
23 16. SIPCO retained the rights to the mesh network patents, and for use of the
24 technology outside of the utility space. It still maintains ownership of the software, firmware,
25 hardware and patent portfolio that resulted from Mr. Petite's research and development efforts.

26 17. SIPCO's patent portfolios (of which the patents in suit are a part) include
27 inventions that are widely recognized as pioneering in various fields of use. As a result, more
28

1 than 100 corporations have taken licenses to them. Licensees include companies operating in the
2 vertical markets of Industrial Controls, Lighting, Smart Grid, Building Automation, Network
3 Backhaul, Home Appliance, Home Automation and Entertainment, Sensor Monitoring, and
4 Internet Service Provisioning. Licensed products include products using standard wireless mesh
5 protocols such as ZigBee and Z-Wave.

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7 18. SIPCO is the exclusive owner of all rights, title, and interest in the patents in suit,
8 including the right to exclude others and to enforce, sue and recover damages for past and future
9 infringement thereof.

10 **COUNT 1: INFRINGEMENT OF U.S. PATENT NO. 6,836,737**

11 19. The allegations set forth in the foregoing paragraphs 1 through 18 are incorporated
12 by reference into this claim for relief.

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14 20. On December 28, 2004, U.S. Patent No. 6,836,737 (“the ‘737 Patent”), entitled
15 “Systems And Methods For Providing Remote Monitoring of Consumption for a Utility Meter,”
16 was duly and legally issued by the United States Patent and Trademark Office. A true and
17 correct copy of the ‘737 Patent is attached as Exhibit 1. Related U.S. application data is set forth
18 on the face of the patent.

19 21. Plaintiff is the assignee and owner of all rights, title, and interest in and to
20 the ‘737 Patent, including the right to assert all causes of action arising under the ‘737
21 Patent and the right to any remedies for infringement of the ‘737 Patent.

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23 22. The defendants, individually and collectively, have infringed and continue
24 to infringe the ‘737 Patent under 35 U.S.C. § 271, literally or under the doctrine of
25 equivalents, by making, using, selling, offering for sale, and/or importing into the United
26 States, infringing products without authorization (hereafter “the ‘737 Patent Accused
27 Products”). At a minimum, the ‘737 Patent Accused Products include all Z-Wave
28 compliant Home Energy Meter and Switch products made, used, sold, offered for sale,

1 and/or imported into the United States by the defendants as Original Equipment
2 Manufacturers for third parties, and all Z-Wave compliant Home Energy Meter and
3 Switch products made, used, sold, offered for sale, and/or imported into the United States
4 by the defendants under the Aeotec brand label. Accused Aeotec Products include,
5 without limitation, Aeotec Home Energy Meter Gen5, Aeotec Home Energy Meter G2 1
6 Phase, Aeotec Micro Switch, Aeotec Micro Smart Switch 2E, Aeotec Nano Switch,
7 Aeotec Dual Nano Switch, Aeotec Smart Switch Gen5, Aeotec Smart Switch 6, Aeotec
8 Heavy Duty Smart Switch, and all white-labeled versions of same that are made, used,
9 sold, offered for sale, and/or imported into the United States.
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11 23. The defendants directly infringed and continue to directly infringe,
12 individually and collectively, at least claim 1 of the ‘737 Patent by making, using, selling,
13 offering to sell, and/or importing into the United States the ‘737 Patent Accused Products
14 which satisfy, literally or under the doctrine of equivalents, each and every limitation of
15 claim 1 of the ‘737 Patent.¹ The correspondence between the limitations of claim 1 of the
16 ‘737 Patent and the Aeotec Home Energy Meter Gen5 is shown in the exemplary claim
17 chart attached hereto as Exhibit 2, which is incorporated into this paragraph by reference
18 in its entirety. Adherence to the portions of the Z-Wave Specifications cited in the claim
19 chart of Exhibit 2 is required for a product to be certified as Z-Wave compliant.
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22 Therefore, each of the ‘737 Patent Accused Products infringes claim 1 of the ‘737 Patent
23 for the same reasons the Aeotec Home Energy Meter Gen5 infringes the claim.

24 Additional details relating to the ‘737 Patent Accused Products and their infringement of
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27 ¹ Plaintiff reserves the right to identify additional asserted claims and accused products as this
28 litigation proceeds. For example, Plaintiff expressly reserves the right to identify additional
asserted claims and accused products in its infringement contentions to be served during the
discovery process.

1 the '737 Patent are within the possession, custody or control of the defendants and their
2 customers and users.

3 24. Plaintiff offers this preliminary identification and description of
4 infringement without the benefit of discovery or claim construction in this action, and
5 expressly reserves the right to augment, supplement, and revise its identification and
6 description of infringement based on additional information obtained through discovery
7 or otherwise.

9 25. The defendants' acts of infringement involving the '737 Patent have caused
10 damage to Plaintiff, and Plaintiff is entitled to recover from the defendants, jointly and
11 severally, the damages it has sustained as a result of the defendants' wrongful acts in an
12 amount subject to proof at trial, but in no event less than a reasonable royalty.

13 **COUNT 2: INFRINGEMENT OF U.S. PATENT NO. 8,924,588**

14 26. The allegations set forth in the foregoing paragraphs 1 through 18 are
15 incorporated by reference into this claim for relief.

17 27. On December 30, 2014, U.S. Patent No. 8,924,588 ("the '588 Patent"),
18 entitled "Systems And Methods For Controlling Communication Between A Host
19 Computer and Communication Devices," was duly and legally issued by the United
20 States Patent and Trademark Office. A true and correct copy of the '588 Patent is
21 attached as Exhibit 3. Related U.S. application data is set forth on the face of the patent.

23 28. Plaintiff is the assignee and owner of all rights, title, and interest in and to
24 the '588 Patent, including the right to assert all causes of action arising under the '588
25 Patent and the right to any remedies for infringement of the '588 Patent.

26 29. The defendants, individually and collectively, have infringed and continue
27 to infringe the '588 Patent under 35 U.S.C. § 271, literally or under the doctrine of
28 equivalents, by making, using, selling, offering for sale, and/or importing into the United

1 States, infringing products without authorization (hereafter “the ‘588 Patent Accused
2 Products”). The ‘588 Patent Accused Products include the Z-Stick, which is made, used,
3 sold, offered for sale, and/or imported into the United States by the defendants under the
4 Aeotec brand label.

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6 30. The defendants directly infringed and continues to directly infringe,
7 individually and collectively, at least claim 1 of the ‘588 Patent by making, using, selling,
8 offering to sell, and/or importing into the United States the ‘588 Patent Accused
9 Products, which satisfies, literally or under the doctrine of equivalents, each and every
10 claim limitation of claim 1 of the ‘588 Patent.² The correspondence between the
11 limitations of claim 1 of the ‘588 Patent and the ‘588 Patent Accused Products is shown
12 in the exemplary claim chart attached hereto as Exhibit 4, which is incorporated by
13 reference herein in its entirety. Adherence to the portions of the Z-Wave Specifications
14 cited in the claim chart of Exhibit 4 is required for a product to be certified as Z-Wave
15 compliant. Therefore, each of the ‘588 Patent Accused Products infringes claim 1 of the
16 ‘588 Patent for the same reasons the Aeotec Z-Stick infringes the claim. Additional
17 details relating to the ‘588 Patent Accused Products and their infringement are within the
18 possession, custody or control of the defendants and their customers and users.
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21 31. Plaintiff offers this preliminary identification and description of
22 infringement without the benefit of discovery or claim construction in this action, and
23 expressly reserves the right to augment, supplement, and revise its identification and
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27 ² Plaintiff reserves the right to identify additional asserted claims and accused products as this
28 litigation proceeds. For example, Plaintiff expressly reserves the right to identify additional
asserted claims and accused products in its infringement contentions to be served during the
discovery process.

1 description of infringement based on additional information obtained through discovery
2 or otherwise.

3 32. The defendants' acts of infringement involving the '588 Patent have caused
4 damage to Plaintiff, and Plaintiff is entitled to recover from the defendants, jointly and
5 severally, the damages it has sustained as a result of the defendants' wrongful acts in an
6 amount subject to proof at trial.
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8 **COUNT 3: INFRINGEMENT OF U.S. PATENT NO. 9,430,936**

9 33. The allegations set forth in the foregoing paragraphs 1 through 18 are
10 incorporated by reference into this claim for relief.

11 34. On August 30, 2016, U.S. Patent No. 9,430,936 ("the '936 Patent"),
12 entitled "Systems And Methods For Monitoring And Controlling Remote Devices," was
13 duly and legally issued by the United States Patent and Trademark Office. A true and
14 correct copy of the '936 Patent is attached as Exhibit 5. Related U.S. application data is
15 set forth on the face of the patent.
16

17 35. Plaintiff is the assignee and owner of all rights, title, and interest in and to
18 the '936 Patent, including the right to assert all causes of action arising under the '936
19 Patent and the right to any remedies for infringement of the '936 Patent.
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21 36. The defendants, individually and collectively, have infringed and continue
22 to infringe the '936 Patent under 35 U.S.C. § 271, literally or under the doctrine of
23 equivalents, by making, using, selling, offering for sale, and/or importing into the United
24 States, infringing products without authorization (hereafter "the '936 Patent Accused
25 Products"). At a minimum, the '936 Patent Accused Products include all Z-Wave
26 compliant Home Energy Meter, MultiSensor, Switch, and Garage Door Controller
27 products made, used, sold, offered for sale, and/or imported into the United States by the
28 defendants as Original Equipment Manufacturers for third parties, and all Z-Wave

1 compliant Home Energy Meter, MultiSensor, Switch, and Garage Door Controller
2 products made, used, sold, offered for sale, and/or imported into the United States by the
3 defendants under the Aeotec brand label. Accused Aeotec Products include, without
4 limitation, Aeotec Home Energy Meter Gen5, Aeotec Home Energy Meter G2 1 Phase,
5 Aeotec Micro Switch, Aeotec Micro Smart Switch 2E, Aeotec Nano Switch, Aeotec Dual
6 Nano Switch, Aeotec Smart Switch Gen5, Aeotec Smart Switch 6, Aeotec Heavy Duty
7 Smart Switch, Aeotec Garage Door Controller, and all white-labeled versions of same
8 that are made, used, sold, offered for sale, and/or imported into the United States.
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10 37. The defendants directly infringed and continue to directly infringe,
11 individually and collectively, at least claim 1 of the '936 Patent by making, using, selling,
12 offering to sell, and/or importing into the United States the '936 Patent Accused
13 Products, which satisfies, literally or under the doctrine of equivalents, each and every
14 limitation of claim 1 of the '936 Patent.³ The correspondence between the limitations of
15 claim 1 of the '936 Patent and the Aeotec Home Energy Meter Gen5 is shown in the
16 exemplary claim chart attached hereto as Exhibit 6, which is incorporated by reference
17 herein in its entirety. Adherence to the portions of the Z-Wave Specifications cited in the
18 claim chart of Exhibit 6 is required for a product to be certified as Z-Wave compliant.
19 Therefore, each of the '936 Patent Accused Products infringes claim 1 of the '936 Patent
20 for the same reasons the Aeotec Home Energy Meter Gen5 infringes the claim.
21 Additional details relating to the '936 Infringing Systems and their infringement are
22 within the possession, custody or control of the defendants and their customers and users.
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26 _____
27 ³ Plaintiff reserves the right to identify additional asserted claims and accused products as this
28 litigation proceeds. For example, Plaintiff expressly reserves the right to identify additional
asserted claims and accused products in its infringement contentions to be served during the
discovery process.

1 38. Plaintiff offers this preliminary identification and description of
2 infringement without the benefit of discovery or claim construction in this action, and
3 expressly reserves the right to augment, supplement, and revise its identification and
4 description of infringement based on additional information obtained through discovery
5 or otherwise.

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7 39. The defendants' acts of infringement involving the '936 Patent have caused
8 damage to Plaintiff, and Plaintiff is entitled to recover from the defendants, jointly and
9 severally, the damages it has sustained as a result of the defendants' wrongful acts in an
10 amount subject to proof at trial.

11 **COUNT 4: INFRINGEMENT OF U.S. PATENT NO. 8,964,708**

12 40. The allegations set forth in the foregoing paragraphs 1 through 18 are
13 incorporated by reference into this claim for relief.

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15 41. On February 24, 2015, U.S. Patent No. 8,964,708 ("the '708 Patent"),
16 entitled "Systems And Methods For Monitoring And Controlling Remote Devices," was
17 duly and legally issued by the United States Patent and Trademark Office. A true and
18 correct copy of the '708 Patent is attached as Exhibit 7. Related U.S. application data is
19 set forth on the face of the patent.

20 42. Plaintiff is the assignee and owner of all rights, title, and interest in and to
21 the '708 Patent, including the right to assert all causes of action arising under the '708
22 Patent and the right to any remedies for infringement of the '708 Patent.

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24 43. The defendants, individually and collectively, have infringed and continue
25 to infringe the '708 Patent under 35 U.S.C. § 271, literally or under the doctrine of
26 equivalents, by making, using, selling, offering for sale, and/or importing into the United
27 States, infringing products without authorization (hereafter "the '708 Patent Accused
28 Products"). At a minimum, the '708 Patent Accused Products include all Z-Wave

1 compliant Home Energy Meter, MultiSensor, Switch, and Garage Door Controller
2 products made, used, sold, offered for sale, and/or imported into the United States by the
3 defendants as Original Equipment Manufacturers for third parties, and all Z-Wave
4 compliant Home Energy Meter, MultiSensor, Switch, and Garage Door Controller
5 products made, used, sold, offered for sale, and/or imported into the United States by the
6 defendants under the Aeotec brand label. Accused Aeotec Products include, without
7 limitation, Aeotec Multisensor Gen5, Aeotec Multisensor 6, Aeotec Water Sensor 6,
8 Aeotec Home Energy Meter Gen5, Aeotec Home Energy Meter G2 1 Phase, Aeotec
9 Micro Switch, Aeotec Micro Smart Switch 2E, Aeotec Nano Switch, Aeotec Dual Nano
10 Switch, Aeotec Smart Switch Gen5, Aeotec Smart Switch 6, Aeotec Heavy Duty Smart
11 Switch, Aeotec Garage Door Controller, and all white-labeled versions of same that are
12 made, used, sold, offered for sale, and/or imported into the United States.
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15 44. The defendants directly infringed and continue to directly infringe,
16 individually and collectively, at least claim 1 of the '708 Patent by making, using, selling,
17 offering to sell, and/or importing into the United States the '708 Patent Accused
18 Products, which satisfy, literally or under the doctrine of equivalents, each and every
19 claim limitation of claim 1 of the '708 Patent.⁴ The correspondence between the
20 limitations of claim 1 of the '708 Patent and the Aeotec Multisensor 6 is shown in the
21 exemplary claim chart attached hereto as Exhibit 8, which is incorporated by reference
22 herein in its entirety. Adherence to the portions of the Z-Wave Specifications cited in the
23 claim chart of Exhibit 8 is required for a product to be certified as Z-Wave compliant.
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27 ⁴ Plaintiff reserves the right to identify additional asserted claims and accused products as this
28 litigation proceeds. For example, Plaintiff expressly reserves the right to identify additional
asserted claims and accused products in its infringement contentions to be served during the
discovery process.

1 Therefore, each of the '708 Patent Accused Products infringes claim 1 of the '936 Patent
2 for the same reasons the Aeotec Multisensor 6 infringes the claim. Additional details
3 relating to the '708 Accused Products and their infringement are within the possession,
4 custody or control of the defendants and their customers and users.

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6 45. The defendants' acts of infringement involving the '708 Patent have caused
7 damage to Plaintiff, and Plaintiff is entitled to recover from the defendants, jointly and
8 severally, the damages it has sustained as a result of the defendants' wrongful acts in an
9 amount subject to proof at trial.

10 **JURY DEMAND**

11 46. Plaintiff requests a jury trial of all issues in this action so triable.

12 **PRAYER FOR RELIEF**

13 WHEREFORE, Plaintiff prays for judgment as follows:

14 A. Declaring that the defendants have infringed the '737, '588, '936, and
15 '708 Patents.

16 B. Awarding damages arising out of the defendants' infringement of the
17 '737, '588, '936, and '708 Patents to SIPCO, together with prejudgment and post-
18 judgment interest, in an amount according to proof.

19 C. Awarding attorneys' fees to SIPCO pursuant to 35 U.S.C. § 285 or as
20 otherwise permitted by law.

21 D. Awarding such other costs and further relief as the Court may deem just
22 and proper.
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Dated: February 13, 2019

Respectfully submitted,

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