

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

UNILOC 2017 LLC, Plaintiff, v. CARDO SYSTEMS, INC., Defendant.	Case No. 2:18-cv-00510-JRG
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AMENDED COMPLAINT

Plaintiff, Uniloc 2017 LLC (“Uniloc”), for its amended complaint against defendant, Cardo System, Inc. (“Cardo”), alleges:

THE PARTIES

1. Uniloc 2017 LLC is a Delaware limited liability company.
2. Cardo is a Delaware corporation.

JURISDICTION

3. 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 and 1338(a).

CLAIM FOR PATENT INFRINGEMENT

4. Uniloc is the owner, by assignment, of U.S. Patent No. 6,405,027 (“the ’027 Patent”), entitled GROUP CALL FOR A WIRELESS MOBILE COMMUNICATION DEVICE USING BLUETOOTH, which issued June 11, 2002, on an application filed December 8, 1999. A copy of the ’027 Patent was attached as Exhibit A to the original Complaint, Dkt. No. 1.

5. The '027 Patent describes in detail, and claims in various ways, inventions developed by Philips Electronics N.A. Corporation in 1999 for improved wireless mobile communications.

6. Prior to the invention, it was known to include multiparty call functionality in networks, PBXs, multi-line wired phones, and cordless base stations. But before this invention, no one had devised a way to include that functionality in mobile phones or entirely wireless communication terminals.

7. At that time, various efforts were being made by others in the industry to design a technology specification to develop a low-cost, low-power radio-based cable replacement that would enable short-range wireless communication. One of those groups, the Bluetooth Special Interest Group (SIG), released its Version 1.0 specification.

8. Competing technologies, such as IEEE 802.11b, HomeRF, and 3G slowed the acceptance of the proposed Bluetooth specification.

9. The Bluetooth specification did not consider the possibility of a group call functionality to allow a phone to use a Bluetooth link to conference a second phone into a cellular call with a remote third phone.

10. Nor did the Bluetooth specification consider the possibility of a group call functionality to allow three or more phones to participate in a group conversation implemented entirely via Bluetooth intercom links.

11. As of the date of the invention, it was not routine, conventional, or well-known to use the technology of the recently issued Bluetooth specification for any telephone functions. The first Bluetooth mobile phone for even a two-party call was not publicly introduced until 2000, after the filing date of the application for the '027 Patent.

12. The '027 Patent claims a mobile communication device that, unlike the prior art, was programmed to use a direct device-to-device wireless link (or links) implemented in accordance with the recently issued Bluetooth specification, to enable the local side (or sides) of a multiparty call.

13. Because the programmed functions did not exist in the mobile phone prior art, the programming of the claimed devices was neither generic nor conventional.

14. By introducing this nonconventional approach, the invention of the '027 Patent increased the functionality of mobile phones themselves and mobile phone networks by giving them the ability – which they did not previously have – to implement multiparty call functionality.

15. The claimed advance of the '027 Patent was not “combining calls to make conference calls,” but rather a specific method of enabling (previously unavailable) multi-party call functionality in mobile phones or entirely wireless communication terminals.

16. The Patent Office issued the '027 Patent on a first-action allowance, concluding:

The prior art of record fails to suggest or teach the possibility of a group call functionality to allow a first wireless or mobile phone to use a Bluetooth link to conference a second wireless or mobile phone into a cellular call with a third wireless or mobile phone, or to allow three or more phones to participate in a group conversation call implemented entirely via Bluetooth Intercom links as recited in claims 1 and 12.

17. The claims of the '027 Patent are not directed to mathematical concepts, such as formulas, equations, and calculations.

18. The claims of the '027 Patent are not directed to methods of organizing human activity, including economic practices, like insurance; or commercial interactions, like contracts and advertising.

19. The claims of the '027 Patent are not directed to mental processes that can be performed by the human mind, like observation, evaluation, and judgment.

20. Cardo imports, uses, offers for sale, and sells in the United States electronic devices implementing Bluetooth technology, including products designated PACKTALK, and FREECOM (collectively, "Accused Infringing Devices").

21. The Accused Infringing Devices are mobile communication devices capable of at least two wireless communication links.

22. A first device communicates with a second device via a first wireless communication link. The first or second device then communicates with a remote mobile phone via a second communication link.

23. Once the first and second communication links are established, the first and second devices are joined into a conference call with the remote mobile phone.

24. Cardo has infringed, and continues to infringe, claims of the '027 Patent in the United States by making, using, offering for sale, selling, and importing the Accused Infringing Devices. Cardo installed the infringing functionality in its product because it intended that its customers use that functionality.

25. Cardo instructs its customers to use the Accused Infringing Devices in a manner that Cardo knows causes them to infringe the '027 Patent. Cardo provides this instruction through videos, demonstrations, brochures, and installation and user guides, such as the attached Exhibit B.

26. Cardo also actively induces infringement by failing to remove or distinguish infringing features of the Accused Infringing Devices.

27. Cardo has also infringed, and continues to infringe, the '027 Patent by offering to sell, selling, and importing the Accused Infringing Devices, which devices are used to infringe the '027 Patent, and constitute a material part of the invention. Cardo knows portions of the software in the Accused Infringing Devices that provides the infringing functionality were especially written solely for use to implement what it now knows is infringement of the '027 Patent, as described above. Cardo also knows those portions have no use, other than for infringement.

28. Cardo has been on notice of the '027 Patent since, at the latest, the service of the complaint upon it in 2:18-cv-00393, and service of Uniloc's Infringement Contentions. By the time of trial, Cardo will have known and intended (since receiving such notice) that its continued actions would actively induce and contribute to the infringement of the '027 Patent by others, including its customers. Despite that knowledge, and as further evidence of its intent, Cardo has refused to discontinue its infringing acts, as has also induced infringement by failing to remove the infringing features from the Accused Infringing Devices or otherwise place a non-infringing limit on their use.

29. Cardo may have infringed the '027 Patent through other software and devices utilizing the same or reasonably similar functionality, including other versions of the Accused Infringing Products.

30. Uniloc has been damaged by Cardo's infringement of the '027 Patent.

PRAYER FOR RELIEF

Uniloc requests that the Court enter judgment against Cardo:

(A) declaring that Cardo has infringed the '027 Patent;

- (B) awarding Uniloc its damages suffered as a result of Cardo's infringement of the '027 Patent;
- (C) awarding Uniloc its costs, attorneys' fees, expenses, and interest, and
- (D) granting Uniloc such further relief as the Court finds appropriate.

Date: March 4, 2019

Respectfully submitted,

/s/ Kevin Gannon

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ATTORNEYS FOR THE PLAINTIFF

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.

/s/ Kevin Gannon

Kevin Gannon