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9 MAGNACROSS LLC, a Texas limited liability company

10 **UNITED STATES DISTRICT COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**

12 **MAGNACROSS LLC,**

13 Plaintiff,

14 v.

15 **NETIS SYSTEMS USA CORP.,**

16 Defendant.

PATENT

Case No. _____

**ORIGINAL COMPLAINT FOR
PATENT INFRINGEMENT
AGAINST NETIS SYSTEMS
USA CORP.**

DEMAND FOR JURY TRIAL

17 **ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT**

18 Plaintiff Magnacross LLC, files this Original Complaint for Patent
19 Infringement against Netis Systems USA Corp., and would respectfully show the
20 Court as follows:
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I. THE PARTIES

1. Plaintiff Magnacross LLC (“Magnacross” or “Plaintiff”) is a Texas limited liability company with its principal place of business at 5900 South Lake Forest Drive, Suite 300, McKinney, Texas 75070.

2. On information and belief, Defendant Netis Systems USA Corp. (“Defendant”) is a corporation organized and existing under the laws of California, with a place of business at 721 Brea Canyon Rd, Ste 10, Walnut, CA 91789. Defendant’s agent for service of process is Gang Dai, 62 Country Mile Rd, Pomona, CA 91766

II. JURISDICTION AND VENUE

3. This action arises under the patent laws of the United States, Title 35 of the United States Code. This Court has subject matter jurisdiction of such action under 28 U.S.C. §§ 1331 and 1338(a).

4. On information and belief, Defendant is subject to this Court’s specific and general personal jurisdiction, pursuant to due process and the California Long-Arm Statute, due at least to its business in this forum, including at least a portion of the infringements alleged herein. Furthermore, Defendant is subject to this Court’s specific and general personal jurisdiction because Defendant is a California corporation.

5. Without limitation, on information and belief, within this state, Defendant has used the patented inventions thereby committed acts of patent

1 infringement alleged herein. In addition, on information and belief, Defendant has
2 derived revenues from its infringing acts occurring within California. Further, on
3 information and belief, Defendant is subject to the Court's general jurisdiction,
4 including from regularly doing or soliciting business, engaging in other persistent
5 courses of conduct, and deriving substantial revenue from goods and services
6 provided to persons or entities in California. Further, on information and belief,
7 Defendant is subject to the Court's personal jurisdiction at least due to its sale of
8 products and/or services within California. Defendant has committed such
9 purposeful acts and/or transactions in California such that it reasonably should
10 know and expect that it could be haled into this Court as a consequence of such
11 activity.
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16 6. Venue is proper in this district under 28 U.S.C. § 1400(b). On
17 information and belief, Defendant is a California corporation. Under the patent
18 venue analysis, Defendant resides only in this District. On information and belief,
19 from and within this District Defendant has committed at least a portion of the
20 infringements at issue in this case.
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23 7. For these reasons, personal jurisdiction exists and venue is proper in
24 this Court under 28 U.S.C. § 1400(b).
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26 **III. COUNT I**
(PATENT INFRINGEMENT OF UNITED STATES PATENT NO. 6,917,304)

27 8. Plaintiff incorporates the above paragraphs herein by reference.
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1 9. On July 12, 2005, United States Patent No. 6,917,304 (“the ‘304
2 Patent”) was duly and legally issued by the United States Patent and Trademark
3 Office. The ‘304 Patent is titled “Wireless Mutliplex [*sic*] Data Transmission
4 System.” The PCT application leading to the ‘304 Patent was filed on April 3,
5 1998. A true and correct copy of the ‘304 Patent is attached hereto as Exhibit A
6 and incorporated herein by reference.
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9 10. Magnacross is the assignee of all right, title and interest in the ‘304
10 patent, including all rights to enforce and prosecute actions for infringement and to
11 collect damages for all relevant times against infringers of the ‘304 Patent.
12 Accordingly, Magnacross possesses the exclusive right and standing to prosecute
13 the present action for infringement of the ‘304 Patent by Defendant.
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16 11. The invention in the ‘304 Patent relates to methods and apparatuses
17 for the wireless transmission of data through a communications channel from at
18 least two local data sensors to a data processor. (Ex. A at col. 1:4-7). Prior to the
19 filing of the initial application in 1997, the inventors of the ‘304 patent recognized
20 that there were problems with the efficiency of transmitting data from sensors to
21 data processors. (Ex. A at col. 1:4-7; col. 2:5-13). Conventional methods usually
22 had data transmitted from data sensors to the data processors using cables that put
23 limitations on the convenience and operations of the equipment. (*Id.* at col. 1:37-
24 40). Attempts were made to achieve wireless transmission from the data sensors to
25 data processors; however, these attempts had shortcomings. One main issue with
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1 the conventional wireless transmission systems is they resulted in inefficient
2 bandwidth utilization. (*Id.* at col. 1:50 – 2:1). For example, in a system in which
3 there are sensors that require high data transmission rates and sensors that require
4 lower data transmission rates, a conventional system would set aside the same
5 amount of bandwidth for both types of sensors necessarily resulting in
6 overutilization or underutilization of bandwidth requirements. (*See id.*).

9 12. The inventors therefore created a method and system by which data
10 sensors with substantially different data rates required for data transmission would
11 have the data transmitted over an asymmetrically divided communication channel
12 such that the data from the sensors is allocated to ones or groups of the sub-
13 channels based on the data carrying capacities of the sub-channels. (*See id.* at col.
14 7:30-45; col. 8:20-35). For example, a data sensor with higher data rate
15 requirements was assigned a sub-channel or group of sub-channels with a higher
16 data rate capacity and a data sensor with lower data rate requirements was assigned
17 a sub-channel with a lower data rate capacity. (*E.g., see id.* at col. 5:22-26).

21 13. **Direct Infringement.** Upon information and belief, Defendant has
22 been directly infringing at least claim 12 of the ‘304 patent in California and within
23 this District, and elsewhere in the United States, by actions comprising making,
24 using, selling, and/or offering for sale an apparatus for wireless transmission of
25 data in digital and/or analog format through a communications channel from at
26 least two local data sensors to a data processing means, including without
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1 limitation Defendant's Netis Systems 300 Mbps Wireless N Router WF2419
2 ("Accused Instrumentality").

3
4 14. On information and belief, the Accused Instrumentality is an
5 apparatus for wireless transmission of data in digital format through a
6 communications channel, for example, the 2.4 GHz channel, between
7 approximately 2.4 GHz and 2.5 GHz. (E.g.,

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9 [https://web.archive.org/web/20160301185358/http://www.netis-
11 systems.com/en/products/300mbps%20wireles%20n%20router/66.html](https://web.archive.org/web/20160301185358/http://www.netis-
10 systems.com/en/products/300mbps%20wireles%20n%20router/66.html)). Data

12 sensors, such as data sensors that use the IEEE 802.11b/g and IEEE 802.11n
13 wireless specifications to transmit over a wireless local area network, are capable
14 of being and are wirelessly connected to the Accused Instrumentality to transmit
15 data through the communication channel to a data processing means. (E.g.,

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17 [https://web.archive.org/web/20160301185358/http://www.netis-
19 systems.com/en/products/300mbps%20wireles%20n%20router/66.html](https://web.archive.org/web/20160301185358/http://www.netis-
18 systems.com/en/products/300mbps%20wireles%20n%20router/66.html)). Upon

20 information and belief, the Accused Instrumentality has a multiplexer adapted to
21 divide the communications channel into sub-channels and has a transmitter to
22 transmit data through the sub-channels. For example, upon information and belief,
23 the Accused Instrumentality divides the 2.4 GHz channel into multiple sub-
24 channels through which data can be transmitted. The multiplexer is adapted to
25 divide the communications channel asymmetrically such that the data carrying
26 capacities of the sub-channels are unequal. For example, the data carrying
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1 capacity for channels of the Accused Instrumentality using the 802.11b/g
2 specification is unequal to the data carrying capacity for channels using the
3 802.11n.
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5 15. On information and belief, the Accused Instrumentality has a
6 controller that allocates data from the local data sensors to ones or groups of the
7 communications sub-channels in accordance with the substantially different data
8 rate requirements of the local sensors. (E.g.,
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10 <https://web.archive.org/web/20160301185358/http://www.netis->
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12 [systems.com/en/products/300mbps%20wireless%20n%20router/66.html](https://web.archive.org/web/20160301185358/http://www.netis-systems.com/en/products/300mbps%20wireless%20n%20router/66.html)). For
13 example, the data sensors that use the 802.11b/g specification can have a
14 substantially different data rate requirement than data sensors using the 802.11n
15 specification and the data from the data sensors are allocated to the channels for
16 the appropriate specification.
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18 16. On information and belief, Defendant infringed claim 12 through
19 making, using (including through testing and demonstrations), selling, and/or
20 offering for sale products, including the Accused Instrumentality, that are used
21 with 802.11b/g and 802.11n wireless sensors.
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23 17. Plaintiff has been damaged as a result of Defendant's infringing
24 conduct. Defendant is thus liable to Plaintiff for damages in an amount that
25 adequately compensates Plaintiff for such Defendant's infringement of the '304
26 patent, *i.e.*, in an amount that by law cannot be less than would constitute a
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1 reasonable royalty for the use of the patented technology, together with interest and
2 costs as fixed by this Court under 35 U.S.C. § 284.

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4 18. On information and belief, Defendant has had at least constructive
5 notice of the '304 patent by operation of law, and there are no marking
6 requirements that have not been complied with.

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8 **IV. JURY DEMAND**

9 Plaintiff, under Rule 38 of the Federal Rules of Civil Procedure, requests a
10 trial by jury of any issues so triable by right.

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12 **V. PRAYER FOR RELIEF**

13 WHEREFORE, Plaintiff respectfully requests that the Court find in its favor
14 and against Defendant, and that the Court grant Plaintiff the following relief:

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16 a. Judgment that one or more claims of United States Patent No.
17 6,917,304 have been infringed, either literally and/or under the
18 doctrine of equivalents, by Defendant;
- 19 b. Judgment that Defendant account for and pay to Plaintiff all damages
20 to and costs incurred by Plaintiff because of Defendant's infringing
21 activities and other conduct complained of herein, and an accounting
22 of all infringements and damages not presented at trial;
- 23 c. That Plaintiff be granted pre-judgment and post-judgment interest on
24 the damages caused by Defendant's infringing activities and other
25 conduct complained of herein;
- 26 d. That Plaintiff be granted such other and further relief as the Court may
27 deem just and proper under the circumstances.
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1 October 31, 2019

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JURY DEMAND

Plaintiff, under Rule 38 of the Federal Rules of Civil Procedure, requests a trial by jury of any issues so triable by right.

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