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14 **UNITED STATES DISTRICT COURT**
15 **CENTRAL DISTRICT OF CALIFORNIA**
16 **WESTERN DIVISION**

17 KONINKLIJKE PHILIPS N.V., and
18 PHILIPS NORTH AMERICA LLC,

19 *Plaintiffs,*

20 v.

21 TTE TECHNOLOGY, INC., TCL CORP.,
22 TCL ELECTRONICS HOLDINGS LTD.,
23 TCL KING ELECTRICAL APPLIANCES
24 (HUIZHOU) CO. LTD., TCL MOKA
25 INT'L LTD., TCL OVERSEAS
26 MARKETING LTD., and TCL
INDUSTRIES HOLDINGS CO., LTD.,

27 *Defendants.*

Case No. 2:20-cv-1406

**COMPLAINT FOR PATENT
INFRINGEMENT**

JURY TRIAL DEMANDED

1 **COMPLAINT FOR PATENT INFRINGEMENT**

2 Koninklijke Philips N.V. (“Philips N.V.”) and Philips North America LLC (“Philips
3 North America”) (collectively, “Philips”), by their undersigned counsel, hereby allege,
4 with knowledge with respect to their own acts and on information and belief as to other
5 matters, the following in support of its Complaint against Defendants TTE Technology,
6 Inc. (d/b/a TCL USA) (“TCL USA”), TCL Corp., TCL Electronics Holdings Ltd. (f/k/a
7 TCL Multimedia Technology Holdings Ltd.) (“TCL Electronics”), TCL King Electrical
8 Appliances (Huizhou) Co. Ltd. (“TCL King”), TCL Moka Int’l Ltd. (“TCL Moka”), TCL
9 Overseas Marketing Ltd. (“TCL Marketing”), and TCL Industries Holdings Co., Ltd.
10 (“TCL Holdings”) (collectively, the “TCL Group” or “TCL”).

11 **NATURE OF THE ACTION**

12 1. Philips brings this action to compel TCL to stop infringing Philips’s patents
13 and to compensate Philips for TCL’s past infringement.

14 2. Originally founded in 1891, Philips is now a world leader in technology and
15 innovation across many technological fields. For more than 100 years, Philips has
16 dedicated significant resources to research and development for the advancement of
17 technology used around the world. Philips strives to help the world through innovative
18 and relevant products serving both consumers and professionals with the goal of
19 improving the lives of billions of people. <https://www.usa.philips.com/>.

20 3. Philips also shares its innovation with others through, for example, its
21 pioneering role in offering access to its technology through licensing. In this way, Philips
22 has been able to share its innovations with many other companies. Licensing revenues
23 fund further research at Philips. Philips’s patent portfolio currently includes more than
24 60,000 patents.

25 4. For more than three quarters of a century, Philips has developed technology
26 improving televisions and set-top boxes for delivering and displaying content to users.
27 Exemplary products in this field pertain to television receivers and television display
28

1 devices, including ultra-high-definition televisions, media-receivers, and cable, satellite,
2 terrestrial or set-top boxes.

3 5. While some of Philips's patents are asserted in this action, Philips has many
4 others covering televisions and related technology. The patented technologies asserted in
5 this action enable and enhance customer demand for products such as, for example: UHD
6 televisions and televisions able to present copyrighted content with HDCP 2.x (HDCP
7 refers to High-bandwidth Digital Content Protection) with locality check.

8 6. TCL was founded in the People's Republic of China in the early 1980s and
9 continues as a partially state-owned enterprise of the Chinese government. TCL
10 launched in North America in 2014 and portrays itself as "America's Fastest-Growing
11 TV Brand." See, e.g., <https://tcl.com/eu/en/aboutTCL/the-group.html>;
12 <https://www.tclusa.com/about-us/our-story>.

13 7. TCL branded televisions are available with a variety of features and
14 technology. For instance, TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED TV
15 includes 4K UHD pictures utilizing LEDs and HDMI HDCP 2.x with locality check:
16



26 Source: [https://www.tclusa.com/products/home-theater/6-series/tcl-55-class-6-series-4k-](https://www.tclusa.com/products/home-theater/6-series/tcl-55-class-6-series-4k-uhd-hdr-roku-smart-tv-55r617)
27 [uhd-hdr-roku-smart-tv-55r617](https://www.tclusa.com/products/home-theater/6-series/tcl-55-class-6-series-4k-uhd-hdr-roku-smart-tv-55r617)
28

1 8. For years, Philips has repeatedly offered to license rights in the Asserted
2 Patents¹ to TCL, but TCL has repeatedly refused to accept Philips's offers to license.
3 TCL's past and continuing sales of its devices i) willfully infringe Philips's Asserted
4 Patents and ii) impermissibly take the significant benefits of Philips's patented
5 technologies without compensation to Philips. TCL's refusal to accept a royalty-bearing
6 license under the Asserted Patents has forced Philips to seek remediation to stop TCL's
7 continuing willful infringement of the Asserted Patents and to be compensated for TCL's
8 past willful infringement of the Asserted Patents.

9 PARTIES

10 9. Plaintiff Koninklijke Philips N.V. (formerly known as Koninklijke Philips
11 Electronics N.V.) is a corporation duly organized and existing under the laws of The
12 Netherlands, with its principal place of business at High Tech Campus 5, 5656 AE
13 Eindhoven, The Netherlands.

14 10. Plaintiff Philips North America LLC (formerly known as Philips Electronics
15 North America Corporation) is a limited liability company duly organized and existing
16 under the laws of Delaware. Philips North America LLC has subsidiaries with facilities
17 and employees in this District.

18 11. Defendant TTE Technology, Inc. ("TCL USA") is a Delaware corporation,
19 having its principal place of business at 1860 Compton Avenue, Corona, California
20 92881 within this District. TCL USA provides sales, distribution, research, and
21 development support in North America as part of the TCL Group and for its parents, *e.g.*,
22 TCL Corp. As part of the TCL Group, TCL USA makes, uses, sells, offers for sale,
23 and/or imports televisions accused of infringement in this Complaint within the State of
24 California and this District. TCL USA operates in agency as part of the TCL Group and
25 the other Defendants.

26
27
28 ¹ The "Asserted Patents" refer to the patents identified below as forming the basis of Counts I-III.

1 12. Defendant TCL Corp. is a Chinese enterprise, and is located at 9/F, TCL
2 Industry Building, No. 6, Eling South Road, Huicheng District, Huizhou, Guangdong,
3 516008, China.

4 13. TCL Corp. is a parent of Defendants TCL Electronics, TCL King, TCL
5 Moka, TCL Marketing, TCL Holdings and TTE. TCL Corp. and the other named
6 Defendants operate in agency with each other as a group, the TCL Group. (*See, e.g.*,
7 <https://tcl.com/eu/en/aboutTCL/the-group.html>). TCL Corp. with TCL Group induces its
8 subsidiaries, affiliates, retail partners, and customers in the making, using, selling,
9 offering for sale, and/or importing of the products accused of infringement within this
10 District.

11 14. TCL Corp. in agency with the TCL Group provides a distribution channel of
12 infringing products within this District and the U.S. nationally.

13 15. Defendant TCL Electronics Holdings Ltd. (f/k/a TCL Multimedia
14 Technology Holdings Ltd.) (“TCL Electronics”) is an enterprise in the Grand Cayman,
15 the Cayman Islands, and is located at 7/F, TCL Building, 22 Science Park E, Hong Kong
16 Science Park, Hong Kong. TCL Electronics operates in agency as part of the TCL
17 Group. TCL Electronics is the parent of Defendants TCL King and TCL Moka, and TCL
18 Electronics operates the aforementioned subsidiaries along with itself as the TCL Group.
19 TCL Electronics with TCL Group, either itself and/or through the activities of its
20 subsidiaries, makes, uses, sells, offers for sale, and/or imports throughout the United
21 States, including within this District, products, such as televisions, accused of
22 infringement.

23 16. Defendant TCL King Electrical Appliances (Huizhou) Co. Ltd. (“TCL
24 King”) is a Chinese enterprise, and is located at 78 Zhongkai Development Zone
25 Huizhou, 516006, China. TCL King regularly imports and inserts into the stream of
26 commerce televisions and related goods, such that infringing televisions will be offered
27 for sale and sold in the State of California and this District. TCL King imports infringing
28

1 televisions through the Port of Los Angeles and the Port of Long Beach in this District.
2 TCL King operates in agency as part of the TCL Group.

3 17. Defendant TCL Moka Int'l Ltd. ("TCL Moka") is a Chinese enterprise, and
4 is located at 13/F, TCL Tower, 8 Tai Chung Road, Tsuen Wan, New Territories Hong
5 Kong. TCL Moka regularly imports and inserts into the stream of commerce televisions
6 and components of televisions, such that infringing televisions will be offered for sale
7 and sold in the State of California and this District. TCL Moka imports infringing
8 televisions through the Port of Los Angeles and the Port of Long Beach in this District.
9 TCL Moka operates in agency as part of the TCL Group.

10 18. Defendant TCL Overseas Marketing Ltd. ("TCL Marketing") is a Chinese
11 enterprise, and is located at 13/F, TCL Tower, 8 Tai Chung Road, Tsuen Wan, New
12 Territories Hong Kong. TCL Marketing regularly imports and inserts into the stream of
13 commerce televisions and components of televisions, such that infringing televisions will
14 be offered for sale and sold in the State of California and this District. TCL Marketing
15 imports infringing televisions through the Port of Los Angeles and the Port of Long
16 Beach in this District. TCL Marketing operates in agency as part of the TCL Group.

17 19. Defendant TCL Industries Holdings Co., Ltd. ("TCL Holdings") is a
18 Chinese enterprise, and is located at 13/F, TCL Tower, 8 Tai Chung Road, Tsuen Wan,
19 New Territories Hong Kong.

20 20. TCL Holdings is a parent of Defendants TCL Electronics, TCL King, TCL
21 Moka and TTE. TCL Holdings and the other named Defendants operate in agency with
22 each other as a group, the TCL Group. (See, e.g., [https://tcl.com/eu/en/aboutTCL/the-](https://tcl.com/eu/en/aboutTCL/the-group.html)
23 [group.html](https://tcl.com/eu/en/aboutTCL/the-group.html) "The group has 75,000 employees, 28 Research and Development
24 laboratories and 22 production sites.") TCL Holdings with TCL Group induces its
25 subsidiaries, affiliates, retail partners, and customers in the making, using, selling,
26 offering for sale, and/or importing throughout the United States, including within this
27 District, products, such as televisions, accused of infringement.
28

1 21. TCL Holdings in agency with the TCL Group provides a distribution
2 channel of infringing products within this District and the U.S. nationally.

3 22. Defendants do business as a collective whole as the TCL Group. Defendants
4 share the same executives, management, advertising platforms, facilities, and distribution
5 chains, and operate as a unitary business venture under common ownership to
6 manufacture and distribute the products accused of infringement. Defendants are jointly
7 and severally liable for the acts of patent infringement alleged herein, and the actions of
8 each Defendant can be attributed to the other Defendants.

9 **JURISDICTION AND VENUE**

10 23. This is a civil action for patent infringement arising under the Patent Laws of
11 the United States, Title 35, United States Code § 100, *et seq.*, including 35 U.S.C. § 271.

12 24. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331, 1338(a),
13 2201, and 2202.

14 25. This Court has personal jurisdiction over TCL USA because it has a regular
15 and established place of business in the State of California and this District.

16 26. This Court has general and specific personal jurisdiction over Defendants
17 because Defendants have, directly or through intermediaries, committed acts within this
18 State and this District giving rise to this action and/or have established minimum contacts
19 with this forum as a result of business conducted within this State and this District and
20 subsidiaries registered to do business in this State as agents, such that the exercise of
21 jurisdiction would not offend traditional notions of fair play and substantial justice.
22 Defendants have placed, and are continuing to place, infringing products into the stream
23 of commerce, via an established distribution channel, with the knowledge and/or
24 understanding that such products are sold in the State of California, including in this
25 District. Defendants have derived substantial revenues from its infringing acts occurring
26 within the State of California and within this District. TCL Group's presence in this
27 District, including through TCL USA, requires it to pay taxes in the State of California.
28

1 TCL Group, including though TCL USA, is licensed to do business in the State of
2 California.

3 27. Personal jurisdiction is proper because Defendants have committed acts of
4 infringement in this District. This Court has personal jurisdiction over Defendants
5 because, *inter alia*, this action arises from activities Defendants directed towards the State
6 of California and this District.

7 28. Exercising personal jurisdiction over Defendants in this District would not
8 be unreasonable given Defendants' contacts in this District, the interest in this District of
9 resolving disputes related to products sold herein, and the harm that would occur to
10 Plaintiffs.

11 29. In addition, Defendants have knowingly induced and continue to knowingly
12 induce infringement within this District by advertising, marketing, offering for sale
13 and/or selling devices pre-loaded with infringing functionality within this District, to
14 consumers, customers, manufacturers, distributors, resellers, partners, and/or end users,
15 and providing instructions, user manuals, advertising, and/or marketing materials which
16 facilitate, direct or encourage the use of infringing functionality with knowledge thereof.

17 30. Personal jurisdiction also exists specifically over each of the Defendants
18 because each, directly or through affiliates, subsidiaries, agents, or intermediaries,
19 transacts business in this State or purposefully directed at this State (including, without
20 limitation, business locations located in this District and/or retail stores including Best
21 Buy and Walmart) by making, importing, offering to sell, selling, and/or having sold
22 infringing products within this State and District or purposefully directed at this State or
23 District, including through the Port of Los Angeles and the Port of Long Beach.

24 31. Personal jurisdiction also exists specifically over each of the Defendants
25 because they have overlapping executives, interlocking corporate structures, and close
26 relationships as manufacturer, importer, and distributor of the products accused of
27 infringement.
28

1 32. To the extent any foreign Defendant is not subject to jurisdiction in any
2 state's court of general jurisdiction, exercising jurisdiction over the defendant in this
3 State and this District would be consistent with due process and this State's long-arm
4 statute and under national contacts in light of facts alleged in this Complaint.

5 33. In addition, each of the Defendants, directly or through affiliates,
6 subsidiaries, agents, or intermediaries, places infringing products into the stream of
7 commerce knowing they will be sold and used in the State of California, and
8 economically benefits from the retail sale of infringing products in this State. For
9 example, Defendants' products have been sold and are available for sale in this District at
10 Best Buy and Walmart retail stores, and are also available for sale and offered for sale in
11 this District through online retailers such as Best Buy, Walmart, and Amazon.
12 Defendants also advertise their infringing products to consumers in California and this
13 District through the TCL USA website. *See, e.g.*,
14 <https://www.tclusa.com/products/home-theater>.

15 34. Venue is proper under 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b) because
16 Defendants are registered in the State of California and reside in this District, or are
17 foreign entities amenable to suit in any U.S. district, including substantial additional
18 activities in this District as alleged herein (*see, e.g.*, paragraphs 11-22). Defendants have
19 also engaged and continue to engage in infringing acts in the State of California and this
20 District such as alleged herein (*see, e.g.*, paragraphs 26-33).

21 35. Venue is proper over TCL USA because (1) it has committed acts of direct
22 and indirect infringement in this District, (2) it has a regular and established place of
23 business in this District including a principal place of business at 1860 Compton Avenue,
24 Corona, California 92881 and other warehousing facilities in the State of California,
25 and/or (3) it has transacted business in this District, including offering to sell, selling,
26 having sold and/or importing products that infringe at least one of the Asserted Patents.

27 36. Venue is proper over Defendants TCL Corp., TCL Electronics, TCL King,
28 TCL Moka, TCL Marketing, and TCL Holdings at least because (1) this is the District in

1 which a substantial part of the events giving rise to the claim occurred, (2) they are not
2 resident in the United States, and (3) they are all subject to personal jurisdiction in this
3 District.

4 **FACTUAL BACKGROUND**

5 **Philips Background, Innovation Leadership and Asserted Patents**

6 37. Philips is a world-renowned company that engages in research and
7 development in numerous technological fields. One of these fields pertains to televisions
8 and set-top boxes for delivering and displaying content to users. Exemplary products in
9 this field include television receivers and television display devices, including high-
10 definition televisions, media-receivers, and cable, satellite, terrestrial or set-top boxes.
11 The Asserted Patents derive from Philips's efforts in this field and claim protection for,
12 among other things, delivering and displaying content.

13 **U.S. Patent No. 7,052,152**

14 38. On May 30, 2006, the United States Patent and Trademark Office
15 ("USPTO") issued U.S. Patent No. 7,052,152 (the '152 patent) to inventors Gerard
16 Harbers and William D. Collins, III. The '152 patent bears the title "LCD Backlight
17 Using Two-Dimensional Array LEDs." A true and accurate copy of the '152 patent is
18 attached as Exhibit A.

19 39. Plaintiff Philips North America is the owner and assignee of all rights, title, and
20 interest in the '152 Patent, and holds the right to sue and recover damages for
21 infringement thereof, including current and past infringement.

22 **U.S. Patent No. 9,590,977**

23 40. On March 7, 2017, the USPTO issued U.S. Patent No. 9,590,977 (the '977
24 Patent) to inventor Franciscus L. A. J. Kamperman. The '977 Patent bears the title
25 "Secure Authenticated Distance Measurement." A true and accurate copy of the '977
26 patent is attached as Exhibit B.

1 41. Plaintiff Philips N.V. is the owner and assignee of all rights, title, and
2 interest in the '977 Patent, and holds the right to sue and recover damages for
3 infringement thereof, including current and past infringement.

4 **U.S. Patent No. 10,298,564**

5 42. On May 21, 2019, the USPTO issued U.S. Patent No. 10,298,564 (the '564
6 Patent) to inventor Franciscus L. A. J. Kamperman. The '564 Patent bears the title
7 "Secure Authenticated Distance Measurement." A true and accurate copy of the '564
8 patent is attached as Exhibit C.

9 43. Plaintiff Philips N.V. is the owner and assignee of all rights, title, and
10 interest in the '564 Patent, and holds the right to sue and recover damages for
11 infringement thereof, including current and past infringement.

12 **TCL Background and Infringement**

13 44. While other manufacturers using the patented technology have taken
14 licenses to the Asserted Patents (or foreign family patents), Defendants have refused to
15 agree to any licensing terms to date and continue to infringe the claims of the Asserted
16 Patents. TCL has received multiple communications from Philips concerning the
17 Asserted Patents and its infringement since approximately 2012, but it has failed to cease
18 its infringing activities or to provide any response to Philips. Such communications
19 included letters to top management at TCL and representatives including identification of
20 infringement.

21 45. Instead of curtailing its infringement, TCL has increased its infringement
22 since learning of the Asserted Patents and commencing its infringement.

23 46. Defendants have refused to accept a license to any of the Asserted Patents.
24 Instead, Defendants knowingly and intentionally have continued to make, use, sell, offer
25 to sell, and import infringing products.

26 **Accused Products**

27 47. Defendants are, and have been, engaged in manufacturing and/or having
28 manufactured, selling and/or offering to sell within the United States, using in the United

1 States, and/or importing into the United States televisions containing functionality
2 covered by one or more claims of the Asserted Patents (“the Accused Devices”).

3 48. Non-limiting examples of the Accused Devices manufactured, sold, offered
4 for sale, used, and/or imported by or for Defendants include various TCL-branded 4K
5 UHD LED televisions having HDMI with HDCP 2.x., including, without limitation, TCL
6 55R617 55-Inch 4K Ultra HD Roku Smart LED TV. These televisions have been sold
7 and/or offered for sale within this District, without limitation, through retail stores and/or
8 online retailers, such as Walmart and Amazon. *See, e.g.*,

9 https://www.walmart.com/ip/TCL-55R617-55-Inch-4K-Ultra-HD-Roku-Smart-LED-TV-2018-Model/226776819?wmlspartner=wlp&selectedSellerId=149&adid=22222222227000000000&w0=&w1=g&w2=c&w3=42423897272&w4=pla-51320962143&w5=9059754&w6=&w7=&w8=&w9=pla&w10=108214235&w11=online&w12=226776819&veh=sem&gclid=EAIAIQobChMInsno9aOJ5wIVjJ-zCh3ngwg3EAQYASABEGKAV_D_BwE and <https://www.amazon.com/TCL-55R617-55-Inch-Ultra-Smart/dp/B079N9HDNQ>.

16 49. Defendants purposefully direct sales and offers for sale of the Accused
17 Devices, including those specifically identified below, toward the State of California,
18 including this District.

19 50. Defendants maintain established distribution channels within the United
20 States that permit Defendants to ship the Accused Devices, including those specifically
21 identified in this Complaint, to the State of California, including this District.

22 **COUNT I**

23 **INFRINGEMENT OF U.S. PATENT NO. 7,052,152**

24 51. The allegations of each of the foregoing paragraphs are incorporated by
25 reference as if fully set forth herein.

26 52. The '152 Patent is valid and enforceable.

27 53. Defendants, in violation of 35 U.S.C. § 271, have infringed and continue to
28 infringe at least claim 16 of the '152 Patent by making, using, offering to sell, selling,

1 and/or importing the Accused Devices that embody and/or practice the features claimed
2 in the '152 Patent, either literally and/or under the doctrine of equivalents, either
3 individually and/or jointly with their customers selling, offering to sell, and/or using the
4 Accused Devices. Defendants' Accused Devices include, but are not limited to, TCL-
5 branded 4K UHD LED televisions. Exemplary infringing TCL-branded 4K UHD LED
6 televisions include, without limitation, TCL 55R617 55-Inch 4K Ultra HD Roku Smart
7 LED TV and the like.

8 54. The Accused Devices infringe one or more claims of the '152 Patent. For
9 example, claim 16 of the '152 Patent is directed to a display device that includes a
10 housing, an array of LEDs arranged in a rectangular grid having a ratio of height to a
11 pitch of the LEDs between approximately 0.3 to 1.2, and a diffuser. The Accused
12 Devices embody the claimed invention, without limitation, by including the claimed
13 backlight structure with LEDs arranged in a pitch falling within the claimed range.
14 Defendants' Accused Devices infringe each element of at least claim 16 of the '152
15 Patent, either literally and/or under the doctrine of equivalents.

16 55. As an example, TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED TV
17 infringes claim 16 of the '152 Patent under 35 U.S.C. § 271. TCL 55R617 55-Inch 4K
18 Ultra HD Roku Smart LED TV is a display device having a display housing including
19 reflective surfaces and a top opening through which a liquid crystal display ("LCD")
20 panel is backlit. The TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED TV further
21 comprises LEDs, arranged in an array, supported on a reflective bottom surface in the
22 housing. The LEDs utilized in the TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED
23 TV television are arranged in a rectangular array such that the LED-to-LED distance is
24 larger than the width of a single LED. An LED-to-LED pitch of the LEDs utilized in the
25 TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED TV is approximately 52 mm.
26 Therefore, the height-to-pitch ratio is approximately 0.37, which is between
27 approximately 0.3 and 1.2. Accordingly, the TCL 55R617 55-Inch 4K Ultra HD Roku
28 Smart LED TV satisfies each limitation of claim 16 of the '152 Patent.

1 56. As yet a further example, the method of constructing the TCL 55R617 55-
2 Inch 4K Ultra HD Roku Smart LED TV infringes claim 30 of the '152 Patent under 35
3 U.S.C. § 271(g) by offering to sell, selling, or using within the United States a product
4 which is made by the patented process. Similar to and in addition to the analysis
5 provided in connection with claim 16, the construction process for the TCL 55R617 55-
6 Inch 4K Ultra HD Roku Smart LED TV includes providing a housing including reflective
7 surfaces and a top opening through which a LCD panel is backlit, providing LEDs,
8 arranged in an array, supported on a reflective bottom surface in the housing, where the
9 LEDs utilized in the TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED TV are
10 arranged in an array such that the LED-to-LED distance is larger than the width of a
11 single LED. An LED-to-LED pitch of the LEDs utilized in the TCL 55R617 55-Inch 4K
12 Ultra HD Roku Smart LED TV is approximately 52 mm. Therefore, the height-to-pitch
13 ratio is approximately 0.37, which is between 0.3 and 1.2. Further, the product made by
14 the patent process is not materially changed by subsequent processes and does not
15 become a trivial and nonessential component of another product. Accordingly, the TCL
16 55R617 55-Inch 4K Ultra HD Roku Smart LED TV satisfies each limitation of claim 30
17 of the '152 Patent.

18 57. Defendants have had actual knowledge of the '152 Patent at least by virtue
19 of correspondence and communications from Philips at least as early as February 2012
20 and continuing thereafter through the present, providing notice of the '152 Patent,
21 offering to discuss licensing of the '152 Patent, and detailing Defendants' infringement.
22 Defendants have also had actual notice of their infringement at least as early as the filing,
23 service, and communication of this complaint.

24 58. Philips is entitled to recover damages under 35 U.S.C. § 284 to adequately
25 compensate for Defendants' infringement. Defendants' ongoing infringement is willful
26 and deliberate, as Defendants became aware of the infringing nature of the Accused
27 Devices at least by February 2012 and continuing thereafter through the present.
28

1 59. Philips has been and continues to be damaged and irreparably harmed by
2 Defendants' infringement of the '152 Patent. This irreparable harm will continue unless
3 this Court enjoins Defendants.

4 60. Defendants' conduct in infringing the '152 Patent renders this case
5 exceptional within the meaning of 35 U.S.C. § 285.

6 **COUNT II**

7 **INFRINGEMENT OF U.S. PATENT NO. 9,590,977**

8 61. The allegations of each of the foregoing paragraphs are incorporated by
9 reference as if fully set forth herein.

10 62. The '977 Patent is valid and enforceable.

11 63. Defendants, in violation of 35 U.S.C. § 271, have infringed and continue to
12 infringe at least claim 26 of the '977 Patent by making, using, offering to sell, selling,
13 and/or importing the Accused Devices that embody and/or practice the features claimed
14 in the '977 Patent, either literally and/or under the doctrine of equivalents, either
15 individually and/or jointly with their customers selling, offering to sell, and/or using the
16 Accused Devices. Defendants' Accused Devices include, but are not limited to, TCL-
17 branded televisions having HDMI with HDCP 2.x as well as methods associated
18 therewith. Exemplary infringing TCL-branded televisions having HDMI with HDCP 2.x
19 include, without limitation, TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED TV.

20 64. The Accused Devices as well as methods associated therewith infringe one
21 or more claims of the '977 Patent. For example, claim 26 of the '977 Patent is directed to
22 a method for a second device controlling of receiving a protected content. The Accused
23 Devices perform the claimed method, without limitation, by sending a certificate to a first
24 device, the certificate providing information regarding the second device responsive to a
25 request; receiving a first signal from the first device after the first device determines
26 based on the certificate whether the second device is compliant with a set of compliance
27 rules, wherein the second signal is derived using a secret known by the first device;
28 sending a second signal to the first device after receiving the first signal; generating a

1 secure authenticated channel using the secret, the secret being transmitted using a transfer
2 protocol, said transfer protocol selected the group consisting of a key transport protocol, a
3 key management protocol and a key exchange agreement; receiving over the secure
4 authenticated channel the protected content after the first device determines that the
5 second signal is derived using the secret and a time between a transmission of the first
6 signal and receipt of the second signal by the first device is less than a predetermined
7 time. The Accused Devices embody the claimed invention, without limitation, by
8 including functionality that supports technology for streaming multimedia between
9 devices, including hardware and software that perform secure, authenticated distance
10 measurements in compliance with at least the HDCP 2.0 specification or higher. This
11 hardware and software and methods associated therewith infringes each element of at
12 least claim 26 of the '977 Patent, either literally and/or under the doctrine of equivalents.

13 65. For example, the HDCP-2.2-enabled TCL 55R617 55-Inch 4K Ultra HD
14 Roku Smart LED TV infringes claim 26 of the '977 Patent under 35 U.S.C. § 271.
15 Specifically, the HDCP-2.2-enabled TCL 55R617 55-Inch 4K Ultra HD Roku Smart
16 LED TV performs a method of controlling receiving protected content. Furthermore, the
17 HDCP-2.2-enabled TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED TV sends a
18 certificate to a first device, where the certificate provides information regarding the
19 second device. For example, during the Authentication and Key Exchange stage, the
20 second device / HDCP receiver device sends its public certificate to the first device /
21 HDCP transmitter device; furthermore, the first device / HDCP transmitter device verifies
22 the public certificate of the receiver device using a public key from an authenticating
23 agency. The Accused Devices further receive a first signal from the first device after the
24 first device determines based on the certificate whether the second device is compliant
25 with a set of compliance rules, wherein the second signal is derived using a secret known
26 by the first device. For example, the Accused Devices receive a first signal from a first
27 device after the first device determines, based on information obtained from the
28 certificate, that the receiving device is compliant. If the certificate is verified, the first

1 device / HDCP transmitter device retrieves the stored master key (*e.g.*, k_m) and sends an
2 encrypted message with the master key (*e.g.*, k_m) to the second device / HDCP receiver
3 device. The Accused Devices further send a second signal to the first device after
4 receiving the first signal. For example, after the Authentication and Key Exchange stage,
5 where the HDCP receiver device sends its public certificate to the HDCP transmitter
6 device, the first device / HDCP transmitter device verifies the public certificate of the
7 receiver device using a public key from an authenticating agency. If the certificate is
8 verified, the HDCP transmitter device retrieves the stored master key (*e.g.*, k_m) and sends
9 an encrypted message with the master key (*e.g.*, k_m) to the HDCP receiver device.
10 Furthermore, the HDCP authentication protocol includes a locality check, which
11 performs a round trip time measurement between a first communication device and a
12 second communication device. A first signal (*e.g.*, r_n) is transmitted to the second device
13 at a first time and a second signal (*e.g.*, L') is transmitted to the first device at a second
14 time. The HDCP round trip time measurement further generates a third signal (*e.g.*, L)
15 using a common secret (*e.g.*, the master key k_m). The HDCP round trip time
16 measurement further determines whether the second signal and the third signal are
17 identical (*e.g.*, $L=L'$). The HDCP round trip time measurement further generates the
18 round trip time as the difference between the first time and the second time, checking
19 whether the round trip time is within a predefined interval (*e.g.*, 20 ms as in section 2.3 of
20 HDCP 2.2). Further, the receiver device sends its public certificate to the transmitter
21 device and the transmitter device verifies the public certificate of the receiver device
22 using a public key from an authenticating agency. Finally, after authenticating the
23 second device, the master key or common secret is encrypted and securely exchanged
24 from the transmitter device to the receiver device. In addition, the common secret used in
25 the method implemented by HDCP 2.2, as included in the HDCP-2.2-enabled TCL
26 55R617 55-Inch 4K Ultra HD Roku Smart LED TV, is used for generating a secure
27 channel between the HDCP transmitter device and the HDCP receiver device. In
28 addition, the HDCP-2.2-enabled TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED

1 TV is further arranged to use the secret to generate a secure authenticated channel
2 between the first device and the second device and to use the secure authenticated
3 channel to receive the protected content. Accordingly, the HDCP-2.2-enabled TCL
4 55R617 55-Inch 4K Ultra HD Roku Smart LED TV satisfies each limitation of claim 26
5 of the '977 Patent.

6 66. Defendants have indirectly infringed and continue to indirectly infringe at
7 least claim 26 of the '977 Patent under 35 U.S.C. § 271(b), either literally and/or under
8 the doctrine of equivalents, by actively inducing their customers to sell, offer to sell,
9 and/or use the Accused Devices to directly infringe the '977 Patent. This includes
10 Defendants taking active steps to encourage and facilitate others' direct infringement of
11 the '977 Patent with knowledge or willful blindness. These affirmative acts include,
12 without limitation, advertising, marketing, promoting, offering for sale and/or selling the
13 above-referenced devices, with software containing infringing functionality, to
14 consumers, customers, manufacturers, distributors, resellers, partners, and/or end users,
15 and providing instructions, user manuals, advertising, and/or marketing materials that
16 facilitate, direct, or encourage the direct infringement of the '977 Patent by others with
17 knowledge thereof.

18 67. Defendants have contributed to the infringement of, and continue to
19 contribute to the infringement of, at least claim 26 of the '977 Patent under 35 U.S.C.
20 § 271(c), either literally and/or under the doctrine of equivalents, by selling, offering to
21 sell, and/or importing within or into the United States the Accused Devices, including
22 those that implement secure authenticated distance measurement to stream content. The
23 hardware and software used to perform this distance measurement constitute a material
24 part of the invention of the '977 Patent, are known by Defendants to be especially made
25 or adapted for use in infringing the patent, and are not a staple article or commodity of
26 commerce suitable for substantial non-infringing use.

27 68. The claims of the '977 Patent, when viewed as a whole from the perspective
28 of a person of ordinary skill in the art, including as an ordered combination, address

1 difficult technical challenges in the field of authenticating receiving devices and securely
2 measuring distance between transmitting and receiving devices for the purposes of
3 securely distributing content between transmitting and receiving devices. A person of
4 ordinary skill in the art would recognize that the claims of the '977 Patent were not well
5 known, routine, or conventional at the time of the invention, almost eighteen years ago,
6 and represent specific improvements over the prior art and prior existing systems and
7 methods.

8 69. As would be recognized by a person of ordinary skill in the art, at the time
9 the inventions claimed in the '977 Patent were conceived, there were no systems that
10 authenticated receiving devices, established secure channels between transmitting and
11 receiving devices, securely measured distance between the transmitting and receiving
12 devices, and allowed content access by receiving devices if the measured distance was
13 within a predetermined threshold. For example, digital content distribution was at
14 nascent stages and the prevailing methods of storing such content was via CDs and
15 DVDs. *See* Ex. B, col. 1, ll. 42-62. While secure methods of transport had been
16 developed (*id.* col. 2, ll. 12-16), there was no consideration in such methods for
17 authentication of content ownership and measuring the distance over which the content
18 owner wished to transmit the content. *Id.* col. 2, ll. 26-28. As a use case example, there
19 was no known way for a neighbor to visit his neighbor and view the content he owns on
20 his neighbor's television. *Id.* col. 2, ll. 20-25.

21 70. As such, as of the priority date of the '977 Patent, there was no ready way
22 for content owners to be able to authenticate a receiving device, establish a secure
23 channel between their transmitting and receiving devices, and securely measure distance
24 between the transmitting and receiving devices such that their content can be accessed by
25 the receiving devices if within an allowed distance. *Id.* col. 2, ll. 26-28, 39-41.

26 71. A person of ordinary skill in the art would recognize that the claims of the
27 '977 Patent are directed to specific improvements in the secure transmission of digital
28 content. Among other things, the claimed inventions improve functionality of content

1 storage and delivery devices by allowing more flexible content access capabilities while
2 maintaining the security and integrity of the underlying content. The claimed inventions
3 provide systems for authenticating receiver devices and establishing a secure channel
4 between transmitting and receiver devices. The claimed inventions provide systems for
5 securely measuring the distance between transmitting and receiving devices by using
6 transmission times and shared secret keys. The claimed systems provide systems that
7 allow access of content over a secure channel if the securely measured distance is within
8 a predetermined distance.

9 72. To achieve such inventions, the inventor did more than simply apply current
10 technology to an existing problem. The invention, as embodied in at least claim 26, was
11 a significant advancement in digital content transmission and these noted improvements
12 over the prior art represent meaningful limitations and/or inventive concepts based upon
13 the state of the art at the time of these inventions. Further, including in view of these
14 specific improvements, the inventions claimed in the '977 Patent, when viewed as a
15 whole, are not routine, well-understood, conventional, generic, existing, commonly used,
16 well-known, previously known, or typical almost eighteen years ago, including because
17 until the inventions of the claims of the '977 Patent, the claimed inventions were not
18 existing or even considered in the field.

19 73. The '977 Patent, and claim 26 in particular, comprises a non-conventional
20 and non-generic arrangement of components and method that is a technical improvement
21 to the storage and secure transmission of digital content to authenticated devices over a
22 limited distance, including those improvements noted above.

23 74. The inventions claimed in the '977 Patent are necessarily rooted in computer
24 technology, *i.e.*, the storage and secure transmission of digital content to authenticated
25 devices over a limited distance, and comprise technological improvements over prior
26 technologies in order to provide new functionality and overcome inefficiencies, including
27 those noted above. The claimed solutions amount to an inventive concept for particular
28 problems and inefficiencies noted above.

1 75. By virtue of the correspondence and communications from Philips, at least
2 as early as January 10, 2017 and continuing thereafter through the present, detailing
3 Defendants' infringement of U.S. Patent No. 8,886,939 (the '939 Patent) and offering to
4 discuss licensing of the '939 Patent and other patents, Defendants knew or should have
5 known of the '977 Patent, a continuation patent that claims priority to the '939 Patent,
6 upon its issuance, consistent with industry custom and practice. Defendants have also
7 had actual notice of their infringement at least as early as the filing, service, and
8 communication of this complaint.

9 76. Philips is entitled to recover damages under 35 U.S.C. § 284 to adequately
10 compensate for Defendants' infringement. Defendants' ongoing infringement is willful
11 and deliberate, as Defendants became or should have become aware of the infringing
12 nature of the Accused Devices upon the issuance of the '977 Patent and continuing
13 thereafter through the present including by correspondence and communications from
14 Philips.

15 77. Philips has been and continues to be damaged and irreparably harmed by
16 Defendants' infringement of the '977 Patent. This irreparable harm will continue unless
17 this Court enjoins Defendants.

18 78. Defendants' conduct in infringing the '977 Patent renders this case
19 exceptional within the meaning of 35 U.S.C. § 285.

20 **COUNT III**

21 **INFRINGEMENT OF U.S. PATENT NO. 10,298,564**

22 79. The allegations of each of the foregoing paragraphs are incorporated by
23 reference as if fully set forth herein.

24 80. The '564 Patent is valid and enforceable.

25 81. Defendants, in violation of 35 U.S.C. § 271, have infringed and continue to
26 infringe at least claim 14 of the '564 Patent by making, using, offering to sell, selling,
27 and/or importing the Accused Devices that embody and/or practice the features claimed
28 in the '564 Patent, either literally and/or under the doctrine of equivalents, either

1 individually and/or jointly with their customers selling, offering to sell, and/or using the
2 Accused Devices. Defendants' Accused Devices include, but are not limited to, TCL-
3 branded televisions having HDMI with HDCP 2.x. Exemplary infringing TCL-branded
4 televisions having HDMI with HDCP 2.x include, without limitation, TCL 55R617 55-
5 Inch 4K Ultra HD Roku Smart LED TV.

6 82. The Accused Devices infringe one or more claims of the '564 Patent. For
7 example, claim 14 of the '564 Patent is directed to a device for determining whether data
8 stored on a first device can be accessed by performing secure authenticated distance
9 measurement. The Accused Devices embody the claimed invention, without limitation,
10 by including functionality that supports technology for streaming multimedia between
11 devices, including hardware and software that perform secure, authenticated distance
12 measurements in compliance with at least the HDCP 2.0 specification or higher. This
13 hardware and software infringes each element of at least claim 14 of the '564 Patent,
14 either literally and/or under the doctrine of equivalents.

15 83. For example, TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED TV
16 infringes claim 14 of the '564 Patent under 35 U.S.C. § 271. Specifically, an HDCP-2.2-
17 enabled TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED TV serves as a HDCP
18 receiver device or second device. The HDCP-2.2-enabled TCL 55R617 55-Inch 4K Ultra
19 HD Roku Smart LED TV, as an HDCP receiver device, is capable of receiving delivery
20 of a protected content from a first device or HDCP transmitter device. For example,
21 successful completion of an Authentication and Key Exchange and a locality check,
22 which performs a round trip time measurement, affirms to the HDCP transmitter device
23 that the HDCP receiver device is authorized to receive protected content. The HDCP-
24 2.2-enabled TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED TV includes a
25 processor circuit, which is capable of executing instructions, including to provide a
26 certificate to the first device prior to receiving a first signal from the first device and to
27 receive the first signal when the certificate indicates that the second device is compliant
28 with at least one compliance rule. For example, during the Authentication and Key

1 Exchange stage, the second device / HDCP receiver device sends its public certificate to
2 the first device / HDCP transmitter device; furthermore, the first device / HDCP
3 transmitter device verifies the public certificate of the receiver device using a public key
4 from an authenticating agency. If the certificate is verified, the first device / HDCP
5 transmitter device retrieves the stored master key (*e.g.*, k_m) and sends an encrypted
6 message with the master key (*e.g.*, k_m) to the second device / HDCP receiver device.
7 Furthermore, the processor circuit of the HDCP-2.2-enabled TCL 55R617 55-Inch 4K
8 Ultra HD Roku Smart LED TV is capable of creating a second signal (*e.g.*,
9 LC_Send_L_prime), which is derived from a secret known by itself / the second device.
10 The processor circuit of the HDCP-2.2-enabled TCL 55R617 55-Inch 4K Ultra HD Roku
11 Smart LED TV provides the second signal to the first device / HDCP transmitter device
12 after receiving the first signal, wherein the second signal is received by the first device /
13 HDCP transmitter device. For example, the HDCP-2.2-enabled TCL 55R617 55-Inch 4K
14 Ultra HD Roku Smart LED TV transmits the response (*e.g.*, LC_Send_L_prime), which
15 is sent to and received by the first device / HDCP transmitter device as part of the
16 Authentication and Key Exchange and locality check stages. Finally, the processor
17 circuit of the HDCP-2.2-enabled TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED
18 TV is capable of receiving the protected content from the first device / HDCP transmitter
19 device when it determines that the HDCP-2.2-enabled TCL 55R617 55-Inch 4K Ultra
20 HD Roku Smart LED TV is derived from the secret and a time between the sending of
21 the first signal and the receiving of the second signal is less than a predetermined time
22 (*e.g.*, 20 ms requirement of HDCP 2.2). Further, the secret is securely provided to the
23 second device by the first device. For example, the first device / HDCP transmitter
24 device retrieves the stored master key (*e.g.*, k_m) and sends the master key (*e.g.*, k_m) to the
25 second device / HDCP receiver device via a secure, encrypted message. In addition, the
26 HDCP-2.2-enabled TCL 55R617 55-Inch 4K Ultra HD Roku Smart LED TV is used for
27 generating a secure channel or communication path between the HDCP transmitter
28 device and the HDCP receiver device upon successful completion of the Authentication

1 and Key Exchange and locality check stages. Accordingly, the HDCP-2.2-enabled TCL
2 55R617 55-Inch 4K Ultra HD Roku Smart LED TV satisfies each limitation of claim 14
3 of the '564 Patent.

4 84. Defendants have indirectly infringed and continue to indirectly infringe the
5 '564 Patent under 35 U.S.C. § 271(b), either literally and/or under the doctrine of
6 equivalents, by actively inducing their customers to sell, offer to sell, and/or use the
7 Accused Devices to directly infringe the '564 Patent. This includes Defendants taking
8 active steps to encourage and facilitate others' direct infringement of the '564 Patent with
9 knowledge or willful blindness. These affirmative acts include, without limitation,
10 advertising, marketing, promoting, offering for sale and/or selling the above-referenced
11 devices, with software containing infringing functionality, to consumers, customers,
12 manufacturers, distributors, resellers, partners, and/or end users, and providing
13 instructions, user manuals, advertising, and/or marketing materials that facilitate, direct,
14 or encourage the direct infringement of the '564 Patent by others with knowledge thereof.

15 85. Defendants have contributed to the infringement of, and continue to
16 contribute to the infringement of the '564 Patent under 35 U.S.C. § 271(c), either literally
17 and/or under the doctrine of equivalents, by selling, offering to sell, and/or importing
18 within or into the United States the Accused Devices, including those that implement
19 secure authenticated distance measurement to stream content. The hardware and
20 software used to perform this distance measurement constitute a material part of the
21 invention of the '564 Patent, are known by Defendants to be especially made or adapted
22 for use in infringing the patent, and are not a staple article or commodity of commerce
23 suitable for substantial non-infringing use.

24 86. The claims of the '564 Patent, when viewed as a whole from the perspective
25 of a person of ordinary skill in the art, including as an ordered combination, address
26 difficult technical challenges in the field of authenticating receiving devices and securely
27 measuring distance between transmitting and receiving devices for the purposes of
28 securely distributing content between transmitting and receiving devices. A person of

1 ordinary skill in the art would recognize that the claims of the '564 Patent were not well
2 known, routine, or conventional at the time of the invention, almost eighteen years ago,
3 and represent specific improvements over the prior art and prior existing systems and
4 methods.

5 87. As would be recognized by a person of ordinary skill in the art, at the time of
6 the inventions claimed in the '564 Patent were conceived, there were no systems that
7 authenticated receiving devices, established secure channels between transmitting and
8 receiving devices, securely measured distance between the transmitting and receiving
9 devices, and allowed content access by receiving devices if the measured distance was
10 within a predetermined threshold. For example, digital content distribution was at
11 nascent stages and the prevailing methods of storing such content was via CDs and
12 DVDs. *See* Ex. C, col. 1, ll. 44-64. While secure methods of transport had been
13 developed (*id.* col. 2, ll. 13-17), there was no consideration in such methods for
14 authentication of content ownership and measuring the distance over which the content
15 owner wished to transmit the content. *Id.* col. 2, ll. 28-30. As a use case example, there
16 was no known way for a neighbor to visit his neighbor and view the content he owns on
17 his neighbor's television. *Id.* col. 2, ll. 22-27.

18 88. As such, as of the priority date of the '564 Patent, there was no ready way
19 for content owners to be able to authenticate a receiving device, establish a secure
20 channel between their transmitting and receiving devices, and securely measure distance
21 between the transmitting and receiving devices such that their content can be accessed by
22 the receiving devices if within an allowed distance. *Id.* col. 2, ll. 28-30, 40-42.

23 89. A person of ordinary skill in the art would recognize that the claims of the
24 '564 Patent are directed to specific improvements in the secure transmission of digital
25 content. Among other things, the claimed inventions improve functionality of content
26 storage and delivery devices by allowing more flexible content access capabilities while
27 maintaining the security and integrity of the underlying content. The claimed inventions
28 provide systems for authenticating receiver devices and establishing a secure channel

1 between transmitting and receiver devices. The claimed inventions provide systems for
2 securely measuring the distance between transmitting and receiving devices by using
3 transmission times and shared secret keys. The claimed systems provide systems that
4 allow access of content over a secure channel if the securely measured distance is within
5 a predetermined distance.

6 90. To achieve such inventions, the inventor did more than simply apply current
7 technology to an existing problem. The invention, as embodied in at least claim 14, was
8 a significant advancement in digital content transmission and these noted improvements
9 over the prior art represent meaningful limitations and/or inventive concepts based upon
10 the state of the art at the time of these inventions. Further, including in view of these
11 specific improvements, the inventions claimed in the '564 Patent, when viewed as a
12 whole, are not routine, well-understood, conventional, generic, existing, commonly used,
13 well-known, previously known, or typical almost eighteen years ago, including because
14 until the inventions of the claims of the '564 Patent, the claimed inventions were not
15 existing or even considered in the field.

16 91. The '564 Patent, and claim 14 in particular, comprises a non-conventional
17 and non-generic arrangement of components that is a technical improvement to the
18 storage and secure transmission of digital content to authenticated devices over a limited
19 distance, including those improvements noted above. Defendants have also had actual
20 notice of their infringement at least as early as the filing, service, and communication of
21 this complaint.

22 92. The inventions claimed in the '564 Patent are necessarily rooted in computer
23 technology, *i.e.*, the storage and secure transmission of digital content to authenticated
24 devices over a limited distance, and comprise technological improvements over prior
25 technologies in order to provide new functionality and overcome inefficiencies, including
26 those noted above. The claimed solutions amount to an inventive concept for particular
27 problems and inefficiencies noted above.
28

1 93. By virtue of the correspondence and communications from Philips, at least
2 as early as January 10, 2017 and continuing thereafter through the present, detailing
3 Defendants' infringement of the '939 Patent and offering to discuss licensing of the '939
4 Patent and other patents, Defendants knew or should have known of the '564 Patent, a
5 continuation patent that claims priority to the '939 Patent, upon its issuance, consistent
6 with industry custom and practice.

7 94. Philips is entitled to recover damages under 35 U.S.C. § 284 to adequately
8 compensate for Defendants' infringement. Defendants' ongoing infringement is willful
9 and deliberate, as Defendants became or should have become aware of the infringing
10 nature of the Accused Devices upon the issuance of the '564 Patent and continuing
11 thereafter through the present including by correspondence and communications from
12 Philips.

13 95. Philips has been and continues to be damaged and irreparably harmed by
14 Defendants' infringement of the '564 Patent. This irreparable harm will continue unless
15 this Court enjoins Defendants.

16 96. Defendants' conduct in infringing the '564 Patent renders this case
17 exceptional within the meaning of 35 U.S.C. § 285.

18 DAMAGES

19 97. TCL has refused to compensate Philips for TCL's infringement of Philips's
20 patents. Philips is entitled to monetary damages adequate to compensate Philips for
21 TCL's infringement in an amount not less than a reasonable royalty for the use made of
22 the patented inventions by TCL. The precise amount of damages will be determined
23 through discovery in this litigation and proven at trial.

24 98. Relative to products covered by the claims, Philips and licensees of the
25 Asserted Patents have complied with 35 U.S.C. § 287, and relative to licensees, Philips
26 has taken reasonable steps to ensure compliance with marking. Accordingly, although
27 TCL was notified of the Asserted Patents and its infringement at least as early as
28 February 2012 and continuing thereafter through the present, the period of recoverable

1 damages is not limited by such actual notice and Philips is entitled to monetary damages
2 beginning six years prior to commencement of this action.

3 **PRAYER FOR RELIEF**

4 WHEREFORE, Plaintiffs Koninklijke Philips N.V. and Philips North America LLC
5 respectfully ask this Court for an order granting the following relief:

6 (a) a judgment that Defendants have directly and jointly infringed, indirectly
7 infringed, induced others to infringe and/or contributed to others' infringement, either
8 literally and/or under the doctrine of equivalents, one or more claims of each of the
9 Asserted Patents;

10 (b) a permanent injunction under 35 U.S.C. § 283, enjoining Defendants and their
11 officers, directors, agents, servants, affiliates, employees, subsidiaries, parents, licensees,
12 assigns, and customers, and all others acting in concert or participation with them, from
13 further acts of direct and joint infringement, inducing infringement, and/or contributing to
14 infringement of the Asserted Patents;

15 (c) a judgment against Defendants for money damages sustained as a result of
16 Defendants' infringement of the Asserted Patents in an amount to be determined at trial
17 provided under 35 U.S.C. § 284, including enhanced damages due to, for example,
18 Defendants' willful infringement of the Asserted Patents and its intentional and willful
19 blindness;

20 (d) an accounting for infringing sales not presented at trial and an award by the
21 Court of additional damages for any such infringing sales;

22 (e) an award of pre-judgment and post-judgment interest on the damages caused by
23 Defendants' infringing activities and other conduct complained of herein;

24 (f) a finding that this case is an exceptional case under 35 U.S.C. § 285;

25 (g) an award of reasonable attorneys' fees and costs incurred in connection with
26 this action;

27 (h) a compulsory future royalty;
28

1 (i) any and all other relief as the Court finds just, equitable, and proper under the
2 circumstances.

3
4 **DEMAND FOR JURY TRIAL**

5 Plaintiff hereby respectfully requests trial by jury under Rule 38 of the Federal Rules
6 of Civil Procedure on all issues in this action so triable.

7
8 Dated: February 12, 2020

Respectfully Submitted,

9
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