### IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS WACO DIVISION

Civil Action No. 6:20-cv-667
Jury Trial Requested

#### PLAINTIFF'S ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Gallio IP LLC ("Gallio" or "Plaintiff") files this Original Complaint against Defendant Xerox Corporation ("Xerox" or "Defendant") for infringement of U.S. Patent No. 10,176,332 (the "'332 patent"). The '332 patent is referred to herein as the "patent-in-suit."

#### THE PARTIES

- Plaintiff is a Texas limited liability company with a place of business in Dallas,
  Texas.
- 2. Defendant is a corporation organized and existing under the laws of New York with a principal place of business in Norwalk, Connecticut. Defendant may be served with process through its registered agent Prentice Hall Corporation System, 211 E. 7<sup>th</sup> Street, Suite 620, Austin, TX 78701.

#### **JURISDICTION AND VENUE**

3. This is an action for patent infringement arising under the patent laws of the United States, Title 35, United States Code. Jurisdiction as to these claims is conferred on this Court by 35 U.S.C. §§1331 and 1338(a).

- 4. Upon information and belief, this Court has personal jurisdiction over Defendant in this action because Defendant has committed acts within this District giving rise to this action and has established minimum contacts with this forum such that the exercise of jurisdiction over Defendant would not offend traditional notions of fair play and substantial justice. Defendant, directly and/or through subsidiaries or intermediaries (including distributors, retailers, and others), has committed and continues to commit acts of infringement in this District by, among other things, offering to sell and selling products and/or services that infringe the patents-in-suit. Moreover, Defendant is registered to do business in the State of Texas, has offices and facilities in the State of Texas and this District, and actively directs its activities to customers located in the State of Texas and this District.
- 5. On information and belief, Defendant has directly financially benefitted from doing business with the State of Texas. Defendant has entered into contracts with the State of Texas valued at millions of dollars. For example, Defendant has entered into contracts (*see, e.g.*, DIR-CPO-4412) with the State of Texas whereby Defendant is paid by the State of Texas to provide Xerox products and services.
- 6. On information and belief, Defendant has also directly benefitted from doing business with cities located within this District. For example, Defendant has entered into contracts with the City of Austin valued at millions of dollars whereby Defendant is paid by the City of Austin to provide Xerox products and services (*see, e.g.*, MA-5600-NC140000016).
- 7. Venue is proper in this District under 28 U.S.C. § 1400(b) because Defendant has committed acts of infringement, including inducing acts of patent infringement by others, in the District and has regular and established places of business within the District, including at least 6836 Austin Center Blvd, Suite 300, Austin, TX 78731.

#### **THE PATENT-IN-SUIT**

- 8. The '332 patent is titled "Server, Data Output System, Data Output Method, and Output Terminal." The inventions claimed in the patent-in-suit generally relate to a new and novel systems and methods for securing information intended for output at a shared output terminal (e.g., a shared office printer) from inadvertent disclosure or theft and preventing, among other things, inadvertent output of information (e.g., accidental printing of a document at an office printer). A copy of the patent-in-suit is attached hereto as Exhibit A.
- 9. The '332 patent issued on January 8, 2019, and stems from Application No. 11/452,281.
- 10. The patent-in-suit suit claims priority to Japanese patent application 2005-184854, filed on June 24, 2005.
- 11. The named inventors on the patent-in-suit are Nobuyuki Nonaka and Toshimi Koyama.
- 12. Each claim of the patent-in-suit is directed to patent eligible subject matter and is presumed valid.

## **COUNT I** (Infringement of U.S. Patent No. 10,176,332)

- 13. Plaintiff incorporates paragraphs 1 through 12 herein by reference.
- 14. This cause of action arises under the patent laws of the United States, and in particular, 35 U.S.C. §§ 271, et seq.
- 15. Plaintiff is the owner of the '332 patent with all substantial rights to the '332 patent including the exclusive right to enforce, sue, and recover damages for past and future infringement.

#### **DIRECT INFRINGEMENT (35 U.S.C. §271(a))**

- 16. Defendant has, and continues to, infringe one or more claims of the '332 patent in this judicial district and elsewhere in Texas and the United States.
- 17. Defendant has infringed, and continues to infringe, either by itself or via an agent, at least claim 1 of the '332 patent by, among other things, making, selling, offering for sale, and/or using systems that implement Xerox Secure Access (the "Accused Systems").
- 18. Attached hereto as Exhibit B, and incorporated herein by reference, is a claim chart illustrating how Accused Systems infringe the '332 patent.<sup>1</sup>

#### INDIRECT INFRINGEMENT (INDUCEMENT - 35 U.S.C. §271(b))

- 19. Based on the information presently available to Plaintiff, absent discovery, and in the alternative and in addition to direct infringement, Plaintiff contends that Defendant has, and continues to, indirectly infringe one or more claims of the '332 patent by inducing direct infringement by customers and end users of systems that implement Xerox Secure Access (*e.g.*, as illustrated in Exhibit B).
- 20. Defendant has had knowledge of the '332 patent and its infringements since at least April 29, 2020 when it was contacted by Gallio's licensing agent and provided with a chart illustrating Defendant's infringement of the '332 patent and its relevance to the Accused Systems. Defendant also has knowledge of the '332 patent and its infringements based on this complaint.
- 21. On information and belief, despite having knowledge of the '332 patent, Defendant has specifically intended for persons who acquire and use the Accused Systems, including

<sup>&</sup>lt;sup>1</sup> The chart attached as Exhibit B is illustrative and provided for purposes of satisfying Plaintiff's pleading obligations and should not be construed as limiting. Plaintiff will serve infringement contentions in this case in accord with the Local Rules, Court orders, and schedule entered by the Court.

Defendant's customers, to make and/or use such systems in a way that infringes the '332 patent, including at least claim 1, and Defendant knew or should have known that its actions were inducing infringement.

- 22. Defendant instructs and encourages customers and end users to use the Accused Systems in a manner that infringes the '332 patent. For example, Defendant provides service agents and instructional materials to assist customers and/or end users with making or using the Accused Systems (e.g., Xerox Secure Access Unified ID System Administration Guide, *available* at <a href="http://download.support.xerox.com/pub/docs/SECUREACCESS/userdocs/anyos/en-GB/EN-SecureAccess Admin-v1.6.pdf">http://download.support.xerox.com/pub/docs/SECUREACCESS/userdocs/anyos/en-GB/EN-SecureAccess Admin-v1.6.pdf</a>).
- 23. Defendant is liable for its infringements of the '332 patent pursuant to 35 U.S.C. § 271.
- 24. Plaintiff has been damaged as a result of Defendant's infringing conduct described in this Count. Defendant is, thus, liable to Plaintiff in an amount that adequately compensates Plaintiff for Defendant's infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

# **COUNT II** (Willful Infringement)

- 25. Plaintiff incorporates paragraphs 1 through 24 herein by reference.
- 26. Defendant was aware of the '332 patent before this complaint was filed.
- 27. On April 29, 2020 Plaintiff's licensing agent contacted Defendant and provided Defendant with a chart illustrating Defendant's infringement of the '332 patent and its relevance to the Accused Systems.
- 28. Defendant has been, or should have been, aware of its infringement of the '332 patent since at least its receipt and review of the April 29, 2020 communication.

- 29. On information and belief, despite being aware of the '332 patent and its infringement of the '332 patent, Defendant has not changed or otherwise altered the Accused Systems or its practices in an effort to avoid infringing the '332 patent.
- 30. Defendant did not even respond to the April 29, 2020 communication informing it of its infringements. Rather, despite having notice of the '332 patent, Defendant has, and continues to, infringe the '332 patent, directly and/or indirectly, in complete disregard to Plaintiff's patent rights.
- 31. Defendant has acted recklessly and/or egregiously, and continues to willfully, wantonly, and deliberately engage in acts of infringement of the '332 patent, justifying a finding of willful infringement and an award to Plaintiff of increased damages under 35 U.S.C. § 284, and attorneys' fees and costs incurred under 35 U.S.C. § 285.

#### **JURY DEMAND**

Plaintiff requests a trial by jury pursuant to Rule 38 of the Federal Rules of Civil Procedure.

#### **PRAYER FOR RELIEF**

Plaintiff asks that the Court find in its favor and against Defendant and that the Court grant Plaintiff the following relief:

- a. Judgment that one or more claims of the '332 patent have been infringed, either literally and/or under the doctrine of equivalents, by Defendant;
- b. Judgment that one or more claims of the '332 patent have been willfully infringed, either literally and/or under the doctrine of equivalents, by Defendant;
- c. Judgment that Defendant account for and pay to Plaintiff all damages and costs incurred by Plaintiff because of Defendant's infringing activities and other conduct complained of herein, including an accounting for any sales or damages not presented at trial;

- d. Judgment that Defendant account for and pay to Plaintiff a reasonable, ongoing, post judgment royalty because of Defendant's infringing activities, including continuing infringing activities, and other conduct complained of herein;
- e. That Plaintiff be granted pre-judgment and post judgment interest on the damages caused by Defendant's infringing activities and other conduct complained of herein;
- f. Find this case exceptional under the provisions of 35 U.S.C. § 285 and award enhanced damages;
- g. That Plaintiff be granted such other and further relief as the Court may deem just and proper under the circumstances.

Dated: July 23, 2020 Respectfully submitted,

/s/ Ryan Griffin

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