

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

VISTA PEAK VENTURES, LLC,

Plaintiff,

v.

**HKC CORPORATION LIMITED, HKC
OVERSEAS LIMITED, and
CHONGQING HKC
OPTOELECTRONICS
TECHNOLOGY CO., LTD.,**

Defendants.

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JURY TRIAL DEMANDED

CIVIL ACTION NO. _____

PLAINTIFF’S COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Vista Peak Ventures, LLC (“VPV”) files this Complaint against Defendants HKC Corporation Limited (“HKC Corp.”), HKC Overseas Limited (“HKC Overseas”), Chongqing HKC Optoelectronics Technology Co., Ltd. (“Chongqing HKC”) for infringement of U.S. Patent No. 7,046,327 (“the ’327 patent”), U.S. Patent No. 6,549,259 (“the ’259 patent”), U.S. Patent No. 6,812,528 (“the ’528 patent”), U.S. Patent No. 6,870,593 (“the ’593 patent”), U.S. Patent No. 7,006,065 (“the ’065 patent”), U.S. Patent No. 6,657,619 (“the ’619 patent”), U.S. Patent No. 7,593,070 (“the ’070 patent”), and U.S. Patent No. 6,594,143 (“the ’143 patent”), collectively, the “Asserted Patents.” HKC Corp., HKC Overseas, and Chongqing HKC are referred to herein collectively as “Defendants.”

THE PARTIES AND RELATED BACKGROUND

1. Vista Peak Ventures, LLC is a Texas limited liability company, located at 1400 Preston Rd, Suite 472, Plano, TX 75093.

2. Upon information and belief, HKC Corporation Limited (“HKC Corp.”) was established in 2001 under its former name Huike (Shenzhen) Co., Ltd. *See Group Profile*, HKC: CHONGQING HKC OPTOELECTRONICS TECHNOLOGY Co. LTD., <http://www.hkcqjy.com.cn/index.php?s=/Home/Article/content/id/75.html> (last visited Oct. 27, 2020). Predecessors of HKC Corp. have operated in the computer monitor and TV business since 1997. *See About HKC*, HKC, <http://www.hkcelec.com/about.asp?id=36> (last visited Oct. 27, 2020). HKC Corp. is a limited liability company formed under the laws of the People’s Republic of China (“PRC”). HKC Corp.’s principal place of business is located at 5th and 7th Floor of Factory Building 1, Jiuzhou Yangguang, Factory Buildings 1, 2, 3, of HKC Industrial Park, Privately Operated Industrial Park, Shuitian Village, Shiyao Sub-district, Baoan District, Shenzhen City, 518000, PRC.

3. Upon information and belief, Defendant Chongqing HKC Optoelectronics Technology Co., Ltd. (“Chongqing HKC”) was jointly formed under the laws of the PRC in April 2015 by HKC Corp., the Chongqing Strategic Fund, and Chongqing Ba’nan Economic Park Construction Industry Co., Ltd. *See Company Profile*, HKC: CHONGQING HKC OPTOELECTRONICS TECHNOLOGY Co. LTD., <http://www.hkcqjy.com.cn/index.php?s=/Home/Article/content/id/67.html> (last visited Oct. 27, 2020). Chongqing HKC’s principal place of business is located at No. 1 Shijing Rd., Jieshi, Banan District, Chongqing, 401320, PRC.

4. Upon information and belief, Defendant HKC Overseas Limited (“HKC Overseas”) was formed in Hong Kong under the laws of the PRC in about 2009. *See About HKC*, HKC, <http://www.hkcelec.com/about.asp?id=36> (last visited Oct. 27, 2020). HKC Overseas’ principal place of business is located at Flat/Rm 1003 North Point Asia-Pac Centre 10 North Point

Rd North Point, Hong Kong, PRC. HKC Overseas also utilizes the following addresses: 1) 5th. F, Building 1, Huike Industrial Park, Minying Industrial Park, Shuitian Country, Shiyan, Baoan District, Shenzhen, Guangdong, 518108, PRC, and 2) Unit 8 28/F W50 50 Wong Chukhand Rd Wong Chuk Hang, Hong Kong, PRC.

5. Upon information and belief, Defendants are engaged in research and development, manufacturing, importation, distribution, sales, and related technical services for thin-film transistor liquid-crystal display (“TFT-LCD”) products and components, including, but not limited to, LCD panels and backlight modules (referred to collectively as the “HKC Products”). These HKC Products are incorporated into electronic devices such as TVs and computer monitors and are imported into the United States, distributed to retailers, and sold to end-users via the internet and in brick and mortar stores in the Eastern District of Texas.

6. Upon information and belief, Sceptre, Inc. (“Sceptre”) is a California corporation with its principal place of business located at 16800 Gale Ave City of Industry, CA 91745. Sceptre provides wholesale distribution of the HKC Products in the U.S. The HKC Products are incorporated into electronic devices that are provided to U.S. customers and end user consumers in the U.S., including, but not limited to, Sceptre-branded monitors and TVs.

7. Upon information and belief, Defendants along with their parents, subsidiaries, and U.S.-based distributors and customers such as Sceptre, have operated as agents of one another and vicariously as arms of the same business group to work in concert together and enter into agreements that are nearer than arm’s length to conduct business in the United States, including in Texas and this judicial district. *See Trois v. Apple Tree Auction Center, Incorporated*, 882 F.3d 485, 490 (5th Cir. 2018) (“A defendant may be subject to personal jurisdiction because of the activities of its agent within the forum state....”); *see also Cephalon, Inc. v. Watson*

Pharmaceuticals, Inc., 629 F.Supp.2d 338, 348 (D. Del. 2009) (“The agency theory may be applied not only to parents and subsidiaries, but also to companies that are ‘two arms of the same business group,’ operate in concert with each other, and enter into agreements with each other that are nearer than arm's length.”). For example, Defendants along with their parents, subsidiaries, distributors, and customers including Sceptre, have manufactured, imported, delivered, received distributed, offered for sale, and sold Sceptre-branded TVs that utilize infringing HKC products in the United States, including in the Eastern District of Texas. Thus, Defendants do business in the U.S., the state of Texas, and in the Eastern District of Texas.

JURISDICTION AND VENUE

8. This action arises under the patent laws of the United States, namely 35 U.S.C. §§ 271, 281, and 284-285, among others.

9. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

10. Upon information and belief, Defendant HKC Corp. is subject to this Court’s specific and general personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute, due at least to its substantial business in this State and judicial district, including: (A) at least part of its own infringing activities alleged herein; and (B) regularly doing or soliciting business, engaging in other persistent conduct, and/or deriving substantial revenue from infringing goods offered for sale, sold, and imported and services provided to Texas residents vicariously through and/or in concert with its alter egos, intermediaries, connected persons, joint venture parties, agents, associates, distributors, importers, customers, subsidiaries, and/or consumers. For example, HKC Corp. manufactures and supplies the HKC Products, including, but not limited to,

LCD products and components for Sceptre-branded TVs and computer monitors, for import, distribution, and sale in the U.S. market, including in the Eastern District of Texas.

11. This Court has personal jurisdiction over HKC Corp., directly or through alter egos, intermediaries, connected persons, joint venture parties, agents, associates, business partners, distributors, importers, customers, subsidiaries, and/or consumers, such as co-defendants in this action Chongqing HKC and HKC Overseas, and its customer Sceptre. HKC Corp., via at least the activities of co-defendants Chongqing HKC and HKC Overseas and of U.S.-based distributor and customer Sceptre, has committed acts of direct and/or indirect patent infringement within Texas, and elsewhere within the United States giving rise to this action and/or has established minimum contacts with Texas. Upon information and belief, the HKC Products accused of infringing the Asserted Patents are manufactured, assembled, and/or packaged and tested outside the U.S. by HKC Corp. HKC Corp., alone and in consort with others, also imports the accused HKC Products into the U.S., distributes such products in the U.S., offers to sell such products in the U.S., and/or sells them in the U.S., including selling them prior to importation. HKC Corp., acting alone or in consort with others, has placed and continues to place the HKC Products accused of infringing the Asserted Patents into the stream of commerce that ends with sales of those products in the United States. In doing so, HKC Corp. knew or reasonably should have known that its products would be and are now being distributed, marketed, and sold in Texas, including in this District. Personal jurisdiction, therefore, over HKC Corp. would not offend traditional notions of fair play and substantial justice.

12. In the alternative, the Court has personal jurisdiction over HKC Corp. under Federal Rule of Civil Procedure 4(k)(2), because the claims for patent infringement in this action arise

under federal law, HKC Corp. is not subject to the jurisdiction of the courts of general jurisdiction of any state, and exercising jurisdiction over HKC Corp. is consistent with the U.S. Constitution.

13. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391 because, among other things, HKC Corp. is not a resident in the United States, and thus may be sued in any judicial district, including this one, pursuant to 28 U.S.C. § 1391(c)(3). *See also In re HTC Corporation*, 889 F.3d 1349, 1357 (Fed. Cir. 2018) (“The Court’s recent decision in *TC Heartland* does not alter” the alien-venue rule.).

14. Upon information and belief, HKC Corp. has significant ties to, and presence in, the State of Texas and the Eastern District of Texas, making venue in this judicial district both proper and convenient for this action.

15. Upon information and belief, Defendant Chongqing HKC is subject to this Court’s specific and general personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute, due at least to its substantial business in this State and judicial district, including: (A) at least part of its own infringing activities alleged herein; and (B) regularly doing or soliciting business, engaging in other persistent conduct, and/or deriving substantial revenue from infringing goods offered for sale, sold, and imported and services provided to Texas residents vicariously through and/or in concert with its alter egos, intermediaries, connected persons, joint venture parties, agents, associates, distributors, importers, customers, subsidiaries, and/or consumers. For example, Chongqing HKC manufactures and supplies the HKC Products including, but not limited to, LCD products and components for Sceptre branded TVs and computer monitors, for import, distribution, and sale in the U.S. market, including in the Eastern District of Texas.

16. This Court has personal jurisdiction over Chongqing HKC, directly or through alter egos, intermediaries, connected persons, joint venture parties, agents, associates, business partners,

distributors, importers, customers, subsidiaries, and/or consumers, such as co-defendants in this action HKC Corp. and HKC Overseas, and its customer Sceptre. Chongqing HKC, via at least the activities of co-defendants HKC Corp. and HKC Overseas and of U.S.-based distributor and customer Sceptre, has committed acts of direct and/or indirect patent infringement within Texas, and elsewhere within the United States giving rise to this action and/or has established minimum contacts with Texas. Upon information and belief, the HKC Products accused of infringing the Asserted Patents are manufactured, assembled, and/or packaged and tested outside the U.S. by Chongqing HKC. Chongqing HKC, alone and in consort with others, also imports the accused HKC Products into the U.S., distributes such products in the U.S., offers to sell such products in the U.S., and/or sells them in the U.S., including selling them prior to importation. Chongqing HKC, acting alone or in consort with others, has placed and continues to place the HKC Products accused of infringing the Asserted Patents into the stream of commerce that ends with sales of those products in the United States. In doing so, Chongqing HKC knew or reasonably should have known that its products would be and are now being distributed, marketed, and sold in Texas, including in this District. Personal jurisdiction, therefore, over Chongqing HKC would not offend traditional notions of fair play and substantial justice.

17. In the alternative, the Court has personal jurisdiction over Chongqing HKC under Federal Rule of Civil Procedure 4(k)(2), because the claims for patent infringement in this action arise under federal law, Chongqing HKC is not subject to the jurisdiction of the courts of general jurisdiction of any state, and exercising jurisdiction over Chongqing HKC is consistent with the U.S. Constitution.

18. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391 because, among other things, Chongqing HKC is not a resident in the United States, and thus may be sued

in any judicial district, including this one, pursuant to 28 U.S.C. § 1391(c)(3). *See also In re HTC Corporation*, 889 F.3d 1349, 1357 (Fed. Cir. 2018) (“The Court's recent decision in *TC Heartland* does not alter” the alien-venue rule.).

19. Upon information and belief, Chongqing HKC has significant ties to, and presence in, the State of Texas and the Eastern District of Texas, making venue in this judicial district both proper and convenient for this action.

20. Upon information and belief, Defendant HKC Overseas is subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute, due at least to its substantial business in this State and judicial district, including: (A) at least part of its own infringing activities alleged herein; and (B) regularly doing or soliciting business, engaging in other persistent conduct, and/or deriving substantial revenue from infringing goods offered for sale, sold, and imported and services provided to Texas residents vicariously through and/or in concert with its alter egos, intermediaries, connected persons, joint venture parties, agents, associates, distributors, importers, customers, subsidiaries, and/or consumers. For example, HKC Overseas manufactures and supplies the HKC Products including, but not limited to, LCD products and components for Sceptre-branded TVs and computer monitors, for import, distribution, and sale in the U.S. market, including in the Eastern District of Texas.

21. This Court has personal jurisdiction over HKC Overseas, directly or through alter egos, intermediaries, connected persons, joint venture parties, agents, associates, business partners, distributors, importers, customers, subsidiaries, and/or consumers, such as co-defendants in this action Chongqing HKC and HKC Corp., and its customer Sceptre. HKC Overseas, via at least the activities of co-defendants Chongqing HKC and HKC Corp. and of U.S.-based distributor and customer Sceptre, has committed acts of direct and/or indirect patent infringement within Texas,

and elsewhere within the United States giving rise to this action and/or has established minimum contacts with Texas. Upon information and belief, the HKC Products accused of infringing the Asserted Patents are manufactured, assembled, and/or packaged and tested outside the U.S. by HKC Overseas. HKC Overseas, alone and in consort with others, also imports the accused HKC Products into the U.S., distributes such products in the U.S., offers to sell such products in the U.S., and/or sells them in the U.S., including selling them prior to importation. HKC Overseas, acting alone or in consort with others, has placed and continues to place the HKC Products accused of infringing the Asserted Patents into the stream of commerce that ends with sales of those products in the United States. In doing so, HKC Overseas knew or reasonably should have known that its products would be and are now being distributed, marketed, and sold in Texas, including in this District. Personal jurisdiction, therefore, over HKC Overseas would not offend traditional notions of fair play and substantial justice.

22. In the alternative, the Court has personal jurisdiction over HKC Overseas under Federal Rule of Civil Procedure 4(k)(2), because the claims for patent infringement in this action arise under federal law, HKC Overseas is not subject to the jurisdiction of the courts of general jurisdiction of any state, and exercising jurisdiction over HKC Overseas is consistent with the U.S. Constitution.

23. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391 because, among other things, HKC Overseas is not a resident in the United States, and thus may be sued in any judicial district, including this one, pursuant to 28 U.S.C. § 1391(c)(3). *See also In re HTC Corporation*, 889 F.3d 1349, 1357 (Fed. Cir. 2018) (“The Court's recent decision in *TC Heartland* does not alter” the alien-venue rule.).

24. Upon information and belief, HKC Overseas has significant ties to, and presence in, the State of Texas and the Eastern District of Texas, making venue in this judicial district both proper and convenient for this action.

25. Upon information and belief, Defendants along with their parents, subsidiaries, and other related companies (i.e., associates, business partners, distributors and customers which have a significant business presence in the U.S.) engaged and continue to engage in a concerted effort to import, distribute, sell, offer to sell, and use infringing products in the United States, including incorporating HKC Products into monitors and TVs marketed under at least the Scepter brands, among other brands of LCD products marketed in the United States. For example, HKC Corp. “relies on LCD panels for the coordinated development of the upstream and downstream industry chains.” *See Group Profile, HKC: CHONGQING HKC OPTOELECTRONICS TECHNOLOGY CO., LTD.*, <http://www.hkcqjy.com.cn/index.php?s=/Home/Article/content/id/75.html> (last visited Oct. 27, 2020). Furthermore, HKC Corp. and Chongqing HKC established an 8.5+ generation TFT-LCD panel project that adopted the a-Si (amorphous silicon) technology, which is one of the mainstream technologies for the TFT-LCD panel market. *See HKC G8.5+ Optoelectronics, HKC*, <http://www.hkcelec.com/about.asp?id=37> (last visited Oct. 27, 2020). HKC Overseas reports that each year, it reinvests more than 10% of its total sales to research and development to optimize its LCD processes. *Id.* HKC Overseas also maintains strategic relations with “panel suppliers like Panasonic, AUO, Samsung, etc.” *See About HKC, HKC*, <http://www.hkcelec.com/about.asp?id=1> (last visited Oct. 27, 2020). Import records further show that HKC Overseas imports Sceptre-branded products manufactured by Defendants directly to Defendants’ U.S.-based customer and distributor Sceptre in California. *See, e.g., Supply Chain Intelligence about: HKC Overseas Ltd., PANJIVA*, <https://panjiva.com/Hkc-Overseas-Ltd/33631206> (last visited Oct. 27, 2020). Upon

information and belief, such LCD products imported in the United States are assembled by Defendants, including incorporating the device housing, the LCD panel, the backlight module, and video controllers into a complete electronic device, e.g. a TV or monitor. Sceptre further touts that it “is a leading innovator for LCD/LED HDTV for over 29 years” and has achieved this status by “providing the latest research and development advances in LCD, LED and HDTV technology.” *See Sceptre Inc.*, LINKEDIN, <https://www.linkedin.com/company/sceptre-inc/about/> (last visited Oct. 27, 2020). Thus, Defendants and at least Sceptre have worked together to manufacture, import, distribute, offer for sale, and sell HKC Products in the U.S.

26. Defendants further have placed and continue to place into the stream of commerce using established distribution channels infringing products with the knowledge and understanding that such products are, will be, and continue to be sold, offered for sale, and/or imported into this judicial district and the State of Texas. For example, Defendants and Sceptre on behalf and for the mutual benefit of Defendants imported, offered for sale, advertised, and sold HKC Products incorporated into Sceptre-branded TVs and monitors including HKC PT320AT01-4 (an LCD panel incorporated into Sceptre E32) and HKC PT430CT01-1 (an LCD panel incorporated into Sceptre H43). Such infringing HKC Products also include the following backlight modules: HKC HK495WLEDM-DH08H (incorporated into Sceptre H50), HKC HK315LEDM-JH3MH (incorporated into Sceptre E32), and HKC HK430WLEDM-JH33H (incorporated into Sceptre H43). Such HKC Products have been and are sold in retail stores, both brick and mortar and online, within this judicial district and in Texas, in including via retailers Amazon, Walmart, and on Sceptre’s own website. *See Litecubes, LLC v. Northern Light Products, Inc.*, 523 F.3d 1353, 1369-70 (Fed. Cir. 2008) (“[T]he sale [for purposes of § 271] occurred at the location of the buyer.”); *see also Semcon IP Inc. v. Kyocera Corporation*, No. 2:18-cv-00197-JRG, 2019 WL 1979930, at

*3 (E.D. Tex. May 3, 2019) (denying accused infringer’s motion to dismiss because plaintiff sufficiently plead that purchases of infringing products outside of the United States for importation into and sales to end users in the U.S. may constitute an offer to sell under § 271(a)).

THE ASSERTED PATENTS AND TECHNOLOGY

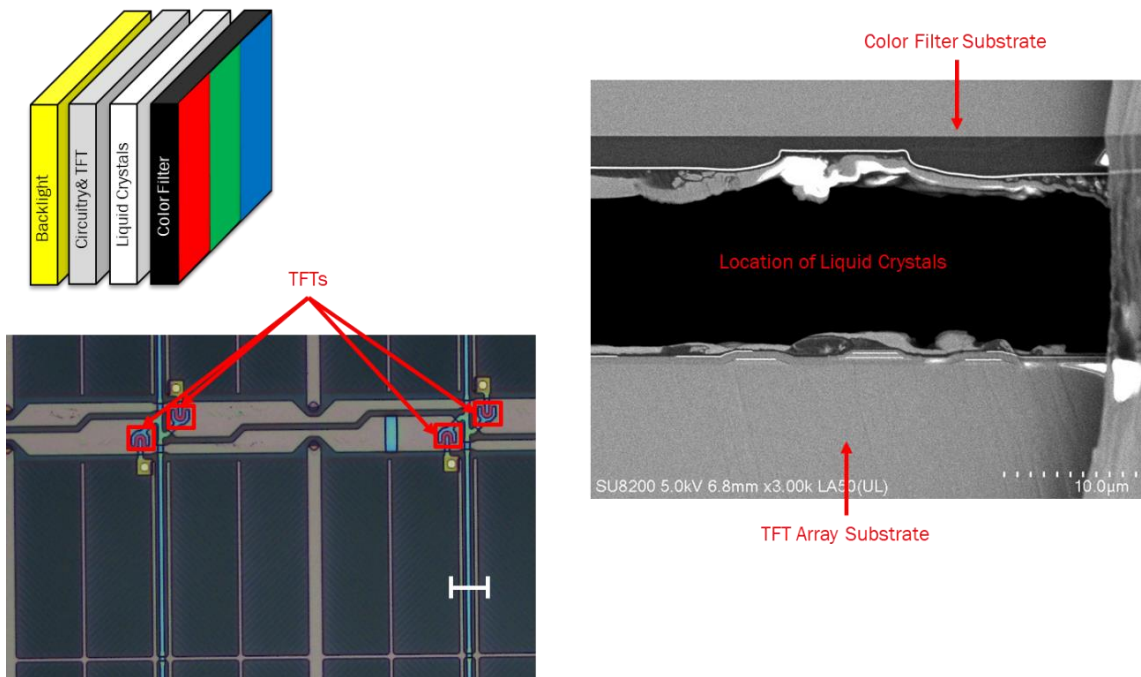
27. Upon information and belief, a significant portion of operating revenue of Defendants is derived from the manufacture and sale of TFT-LCD flat panel displays, which are imported into the United States, distributed, and ultimately sold to U.S. consumers. For example, HKC Corp. “relies on LCD panels for the coordinated development of the upstream and downstream industry chains.” *See Group Profile, HKC: CHONGQING HKC OPTOELECTRONICS TECHNOLOGY Co., LTD.*, <http://www.hkcqjy.com.cn/index.php?s=/Home/Article/content/id/75.html> (last visited Oct. 27, 2020). Defendants’ U.S.-based customer and distributor Sceptre receives HKC Products incorporated into Sceptre-branded TVs and monitors and distributes and sells those products to Defendants’ customers and consumers in the U.S.

28. The Asserted Patents cover TFT-LCD TVs and monitors, their components, and processes related to the same, including, but not limited to, infringing TFT-LCD panels and backlight modules made by Defendants (referred to collectively as the “Accused Panels”). Such Accused Panels are, for example, incorporated into Sceptre-branded products, for importation, distribution, and sale in the U.S. Examples of Defendants’ Accused Panels are HKC TFT-LCD panel model no. PT320AT01-4 and backlight module HKC HK315LEDM-JH3MH incorporated into Sceptre E32, HKC panel model no. HKC PT430CT01-1 and backlight module HKC HK430WLEDM-JH33H incorporated into Sceptre H43, and backlight module HKC HK495WLEDM-DH08H incorporated into Sceptre H50. The labels for panel and backlight

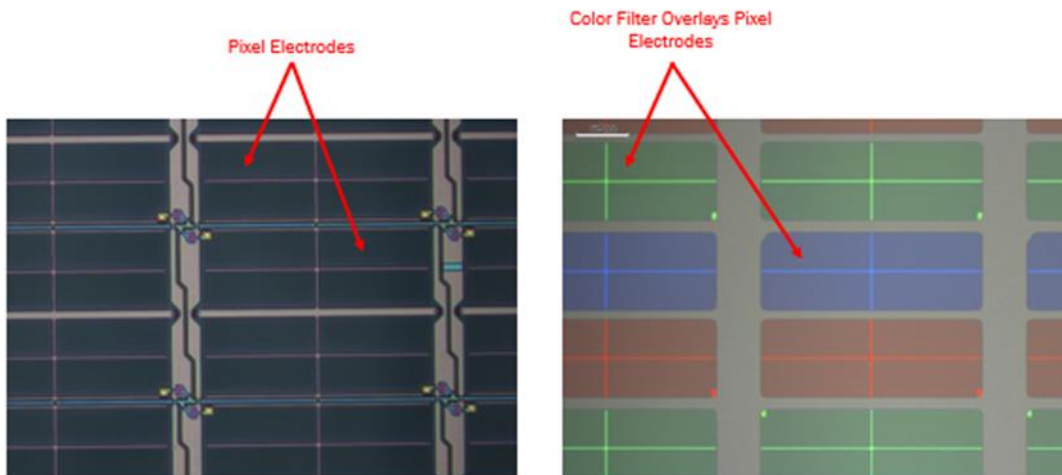
module model nos. PT320AT01-4 and HKC HK315LEDM-JH3MH utilized in the Sceptre E32 product are shown below:



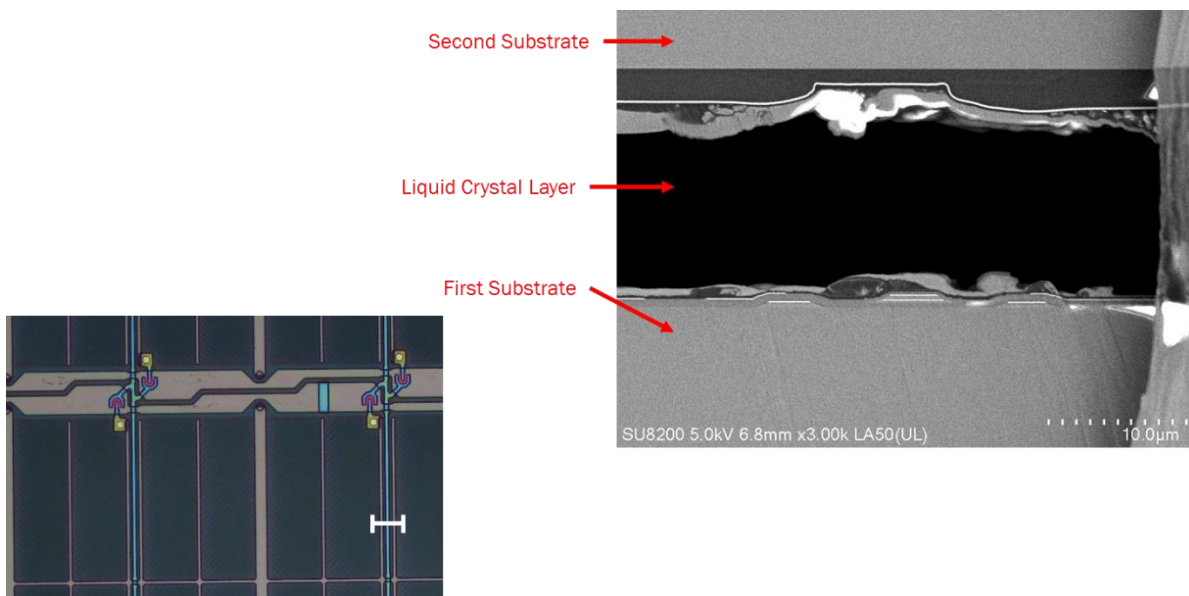
29. Typically, a TFT-LCD has the following structure shown below, comprising of a backlight, a TFT/circuitry layer, a liquid crystal layer, and a color filter:



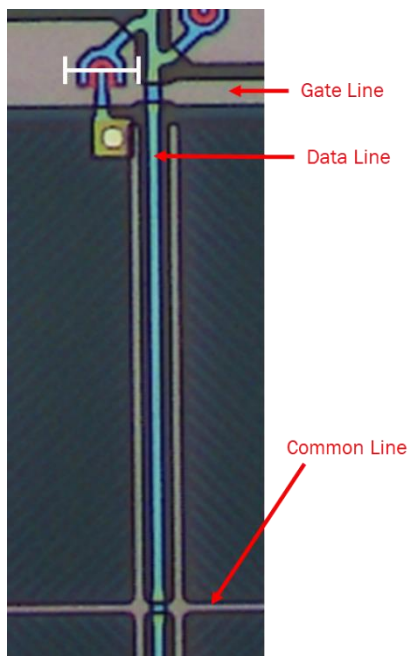
30. Each TFT acts as a switch that operates its respective individual pixel using the circuitry lines. In that way, the pixels can be turned on and off to create an image on an LCD by allowing or preventing light to pass through. The individual pixels are more apparent when a color filter layer overlays the circuits as shown in the image below for the HKC TFT-LCD panel model no. PT320AT01-4.



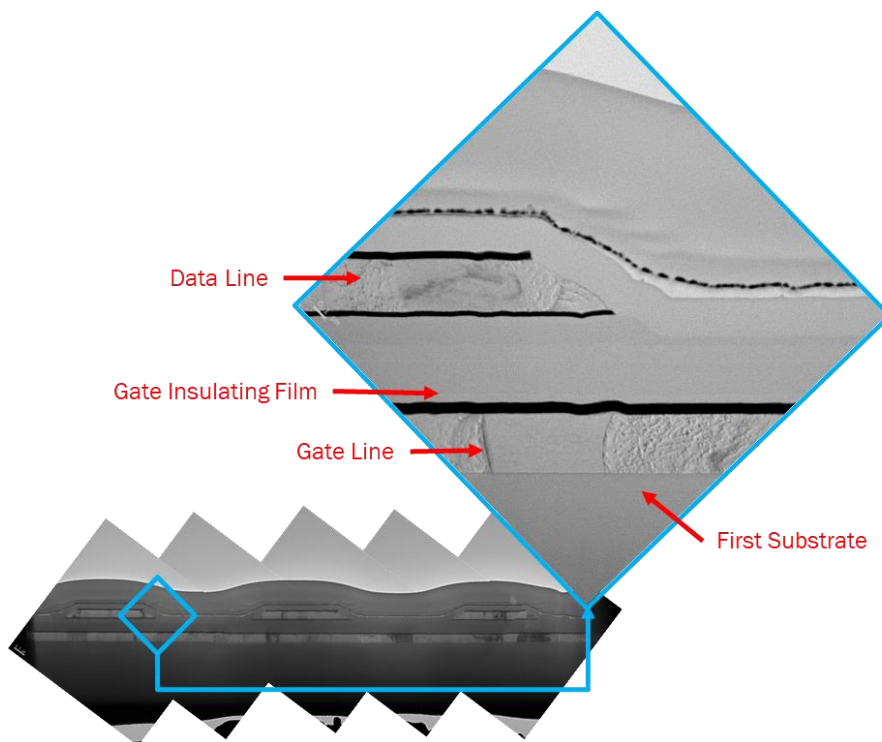
31. The Accused Panels have an active matrix type liquid crystal display device with two opposing insulating substrates and liquid crystal in-between, as illustrated below in reference to HKC TFT-LCD panel model no. PT320AT01-4.



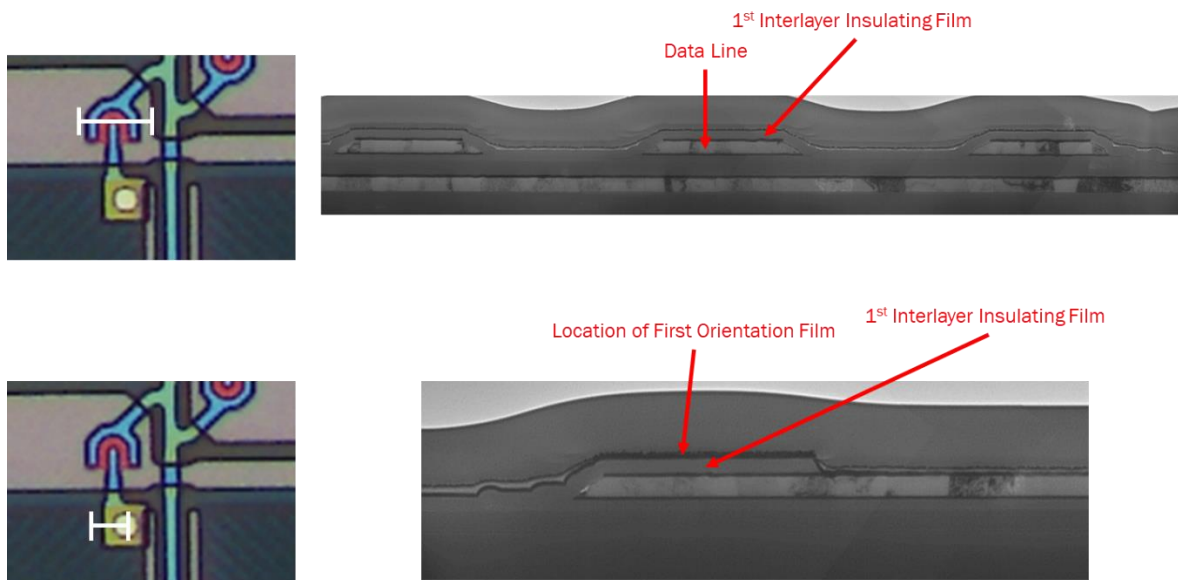
32. As shown below, the TFT-LCD Accused Panel contains a first substrate with a gate line, a common line parallel to the gate line.



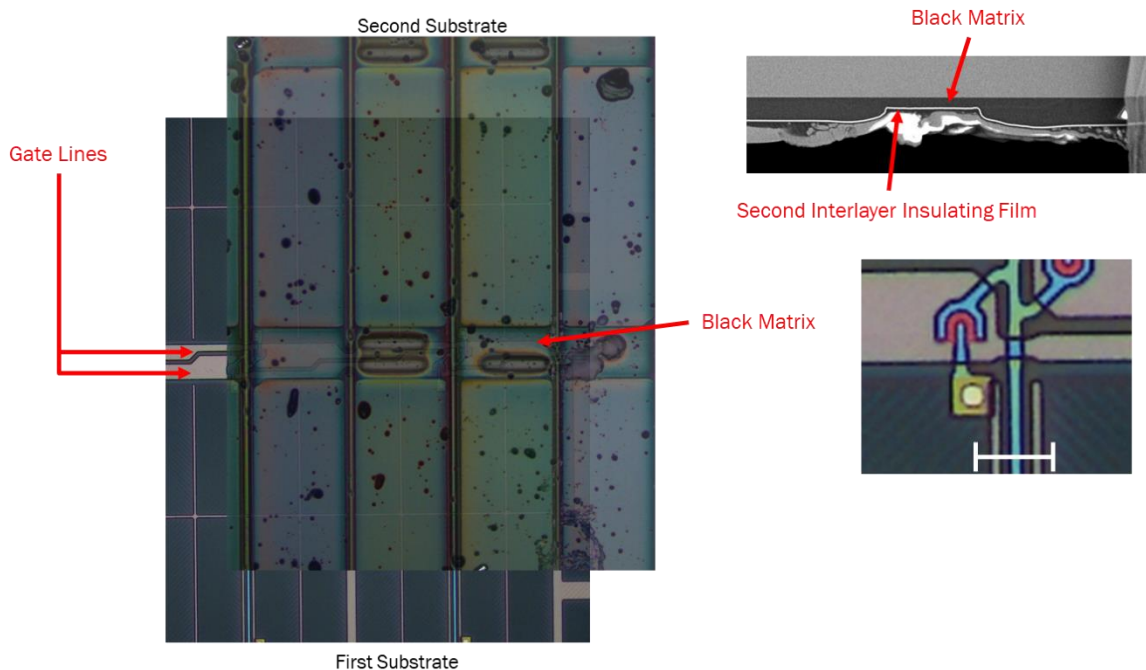
33. The Accused Panel has a data line intersecting the gate line with a gate insulating film between.



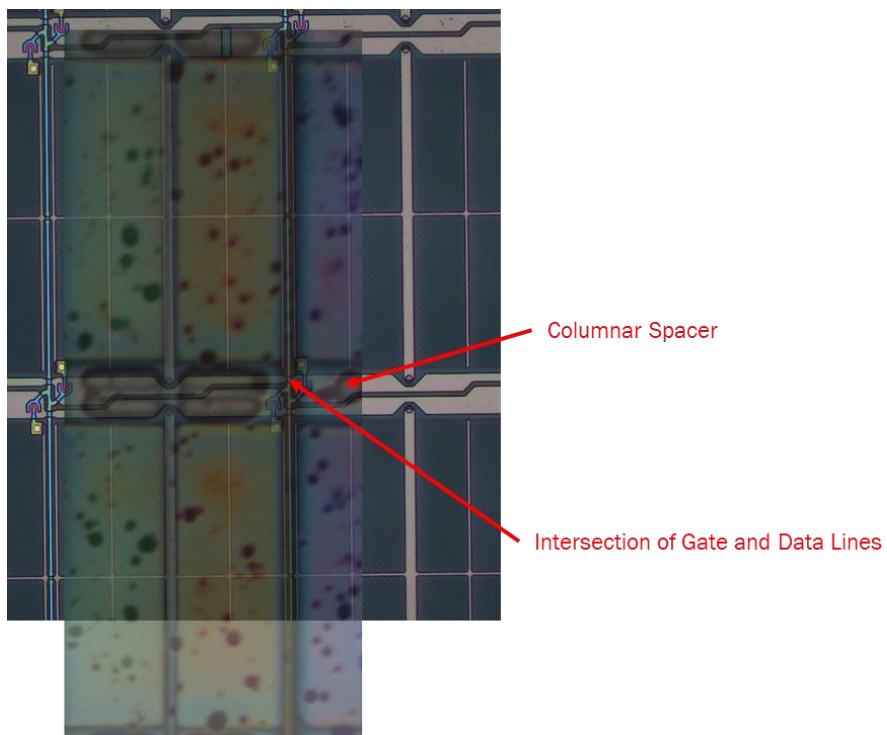
34. The Accused Panel also has a first interlayer film coating the data line and a first orientation film coating the first interlayer insulating film, as shown below.



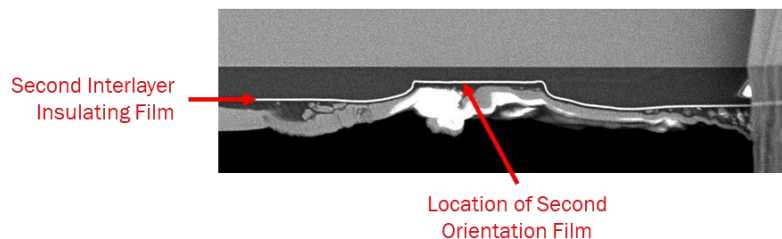
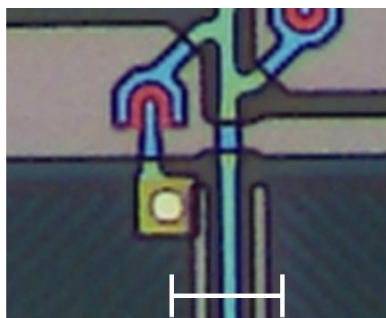
35. As shown below, the Accused Panel has a second substrate with a light shielding film (e.g., black matrix) opposite to a gate line and a second interlayer insulating film coating the light shielding film.



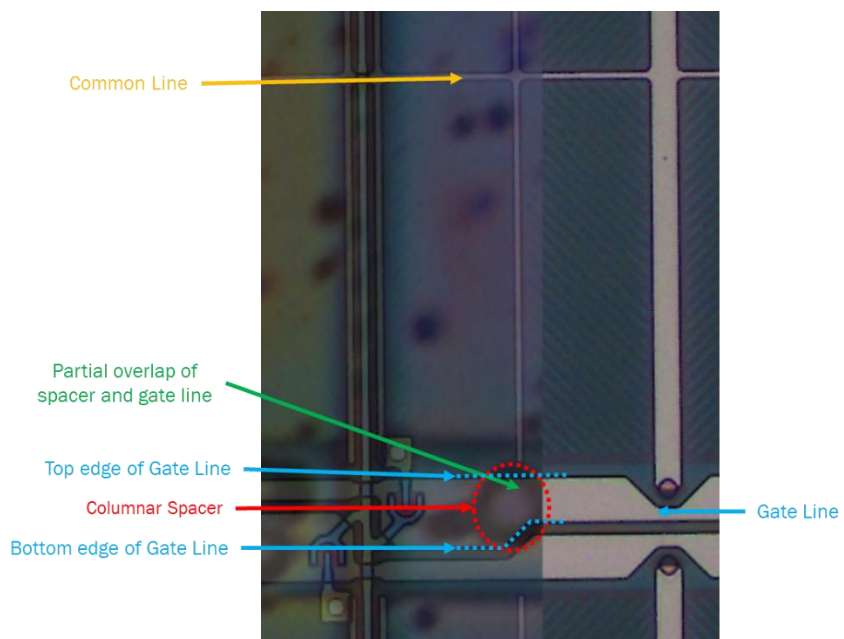
36. The Accused Panel shown below has a columnar spacer located above the gate line apart from the intersection of the gate and data lines.



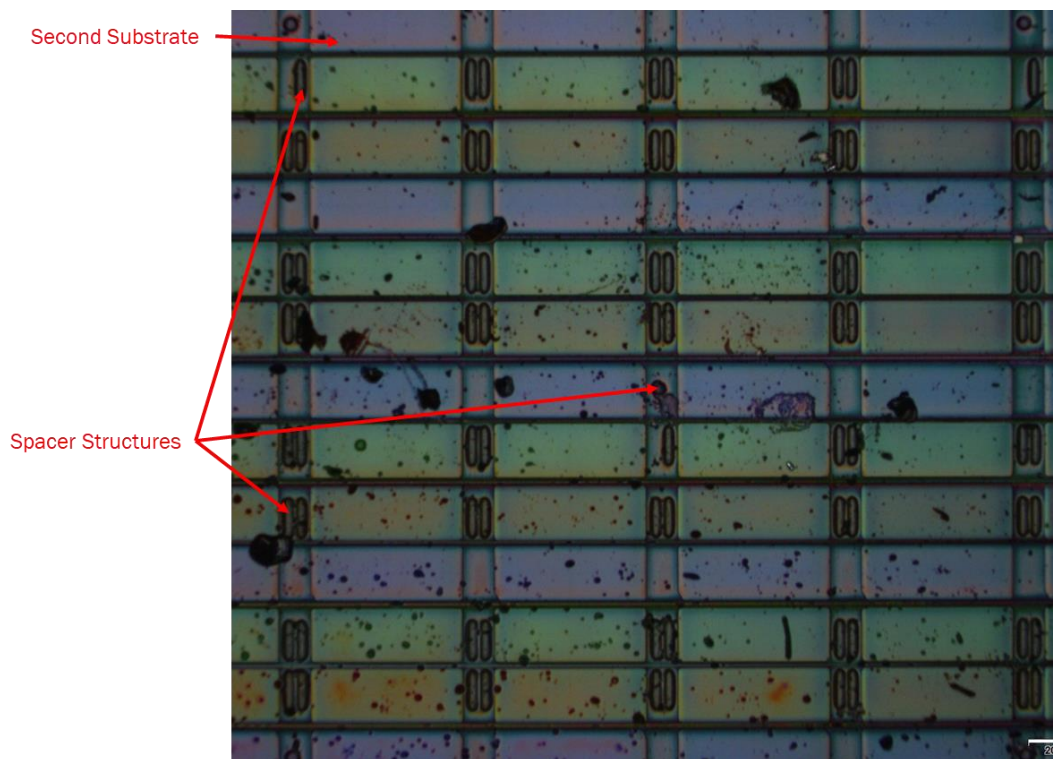
37. The Accused Panel also includes a second orientation film coating the second insulating film and the columnar spacer, as shown below.



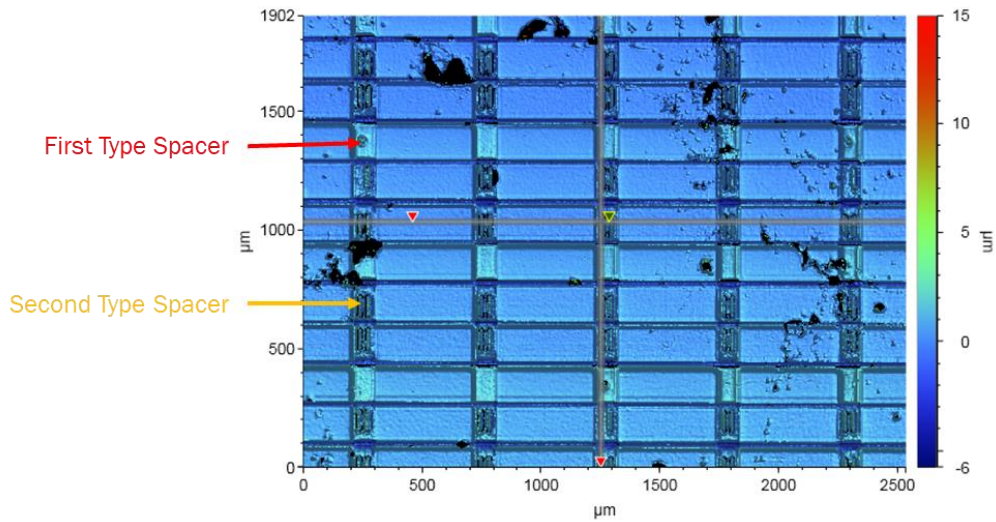
38. As shown below, the columnar spacer is shifted away from a gate line toward a common line.



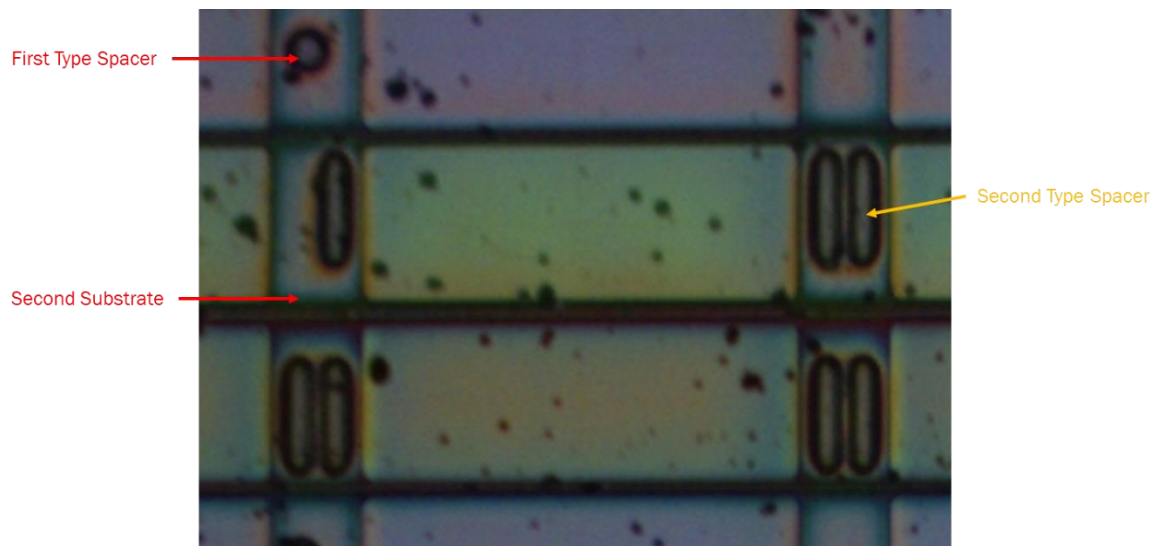
39. The Asserted Patents also cover Accused Panels, such as HKC TFT-LCD panel model no. PT320AT01-4, that include a substrate with a spacer structure.



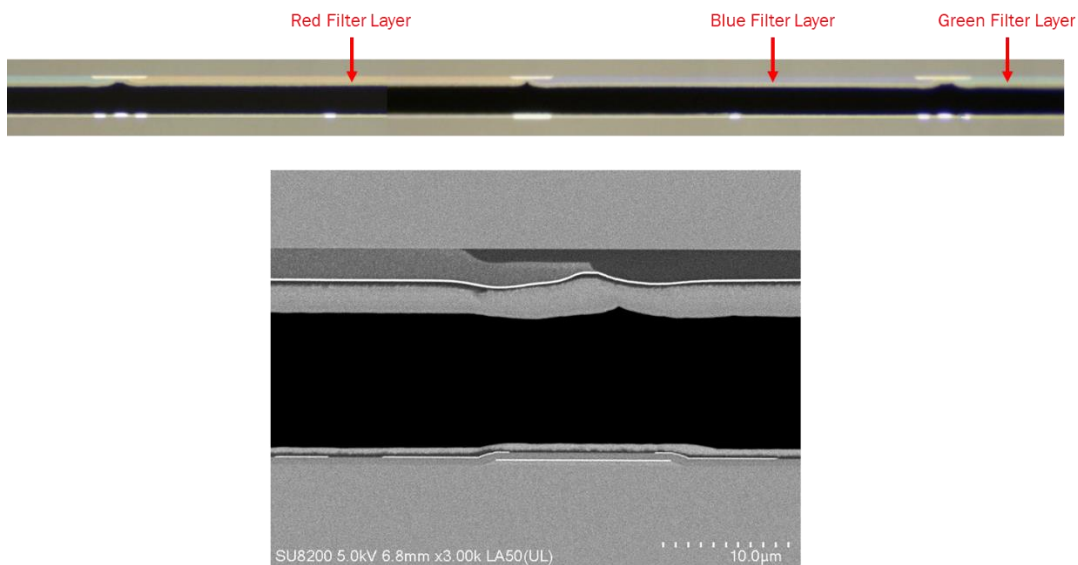
40. As shown in the analysis below, the spacer structure includes two types of spacers with one that is shorter than the other.



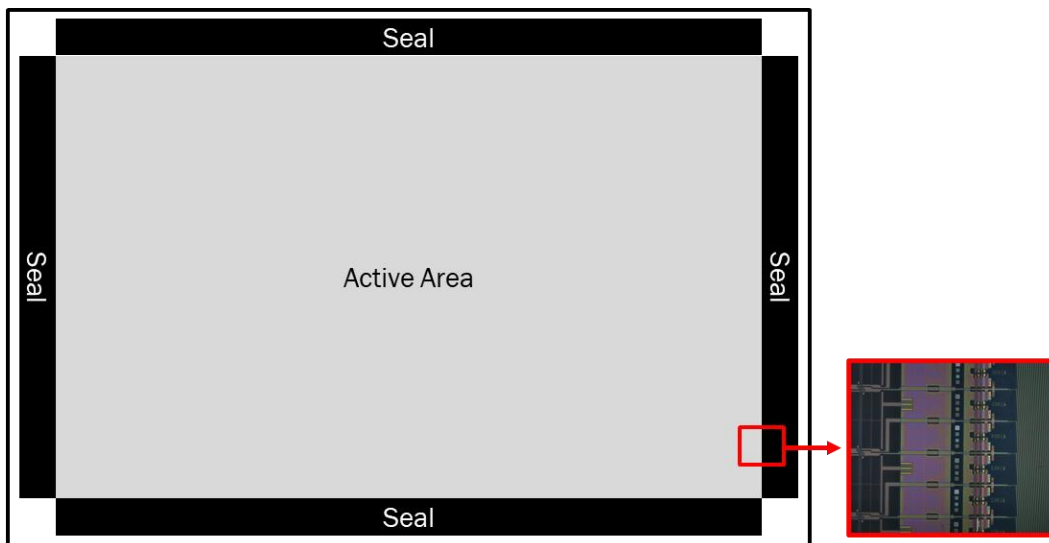
41. The first type spacer is over a red filter layer and the second type spacer is over a blue/green filter layer, as shown below.



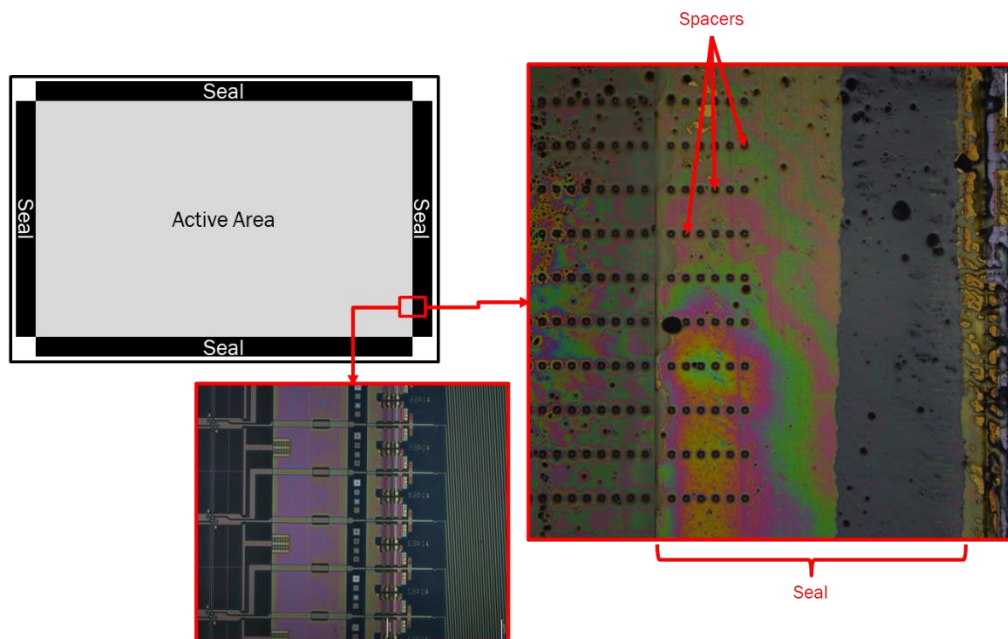
42. In the Accused Panel, the filter layers have the same height.



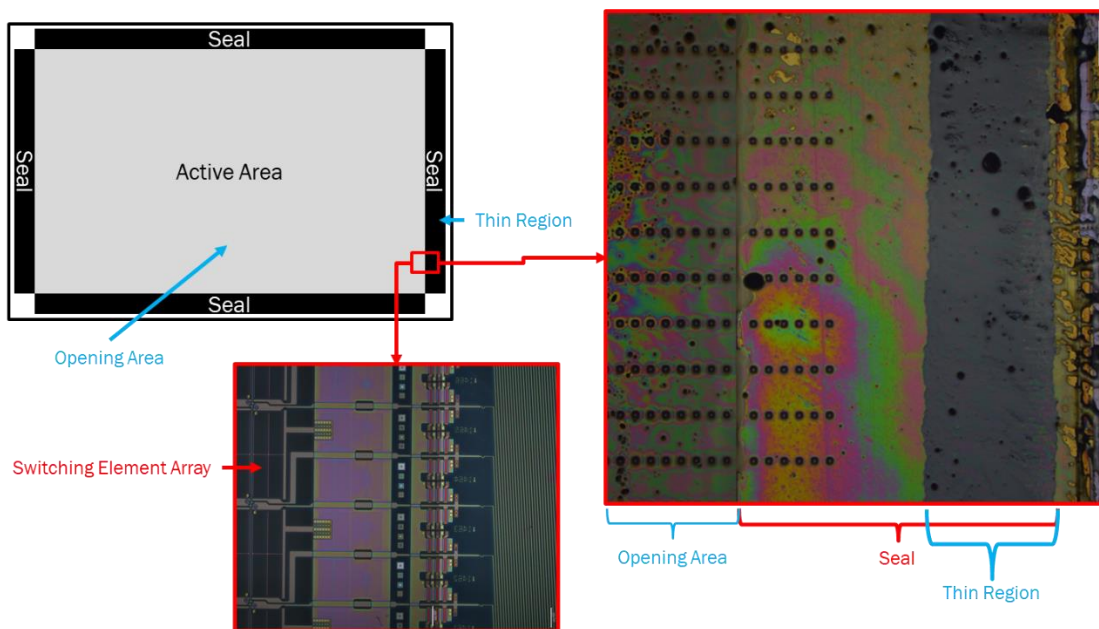
43. The Asserted Patents also cover Accused Panels, such as HKC TFT-LCD panel model no. PT320AT01-4, that include a seal along the periphery of a liquid crystal layer, as shown below.



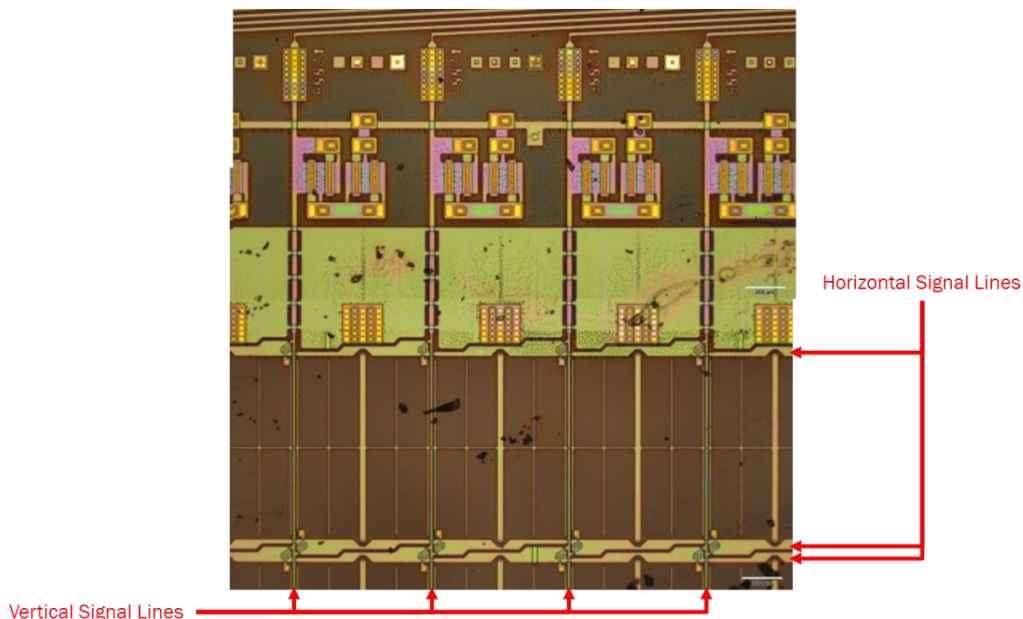
44. The Accused Panel shown below has a spacer in the seal to make a gap between the array substrate and the opposing substrate constant.



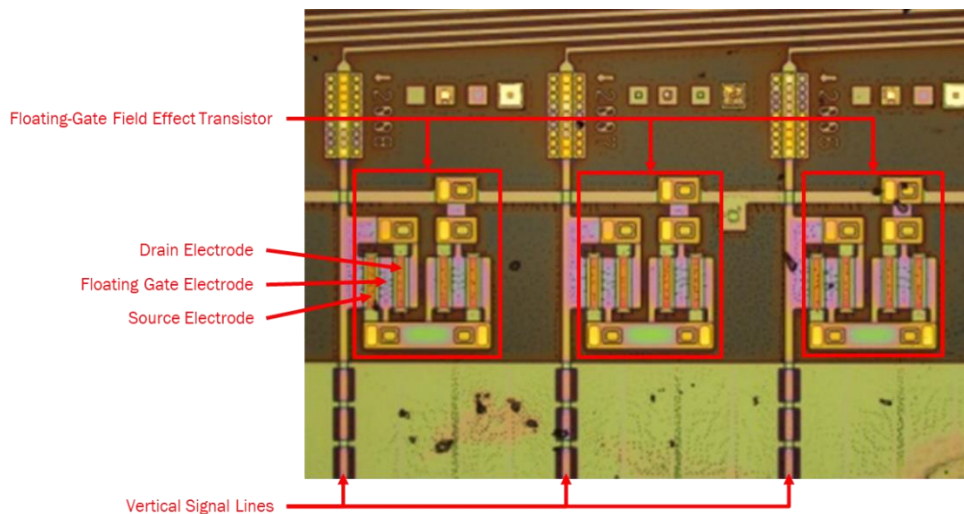
45. The Accused Panel also has a leveling layer formed on the switching element array. As shown below, the leveling layer has an opening area and a thin region at the seal.



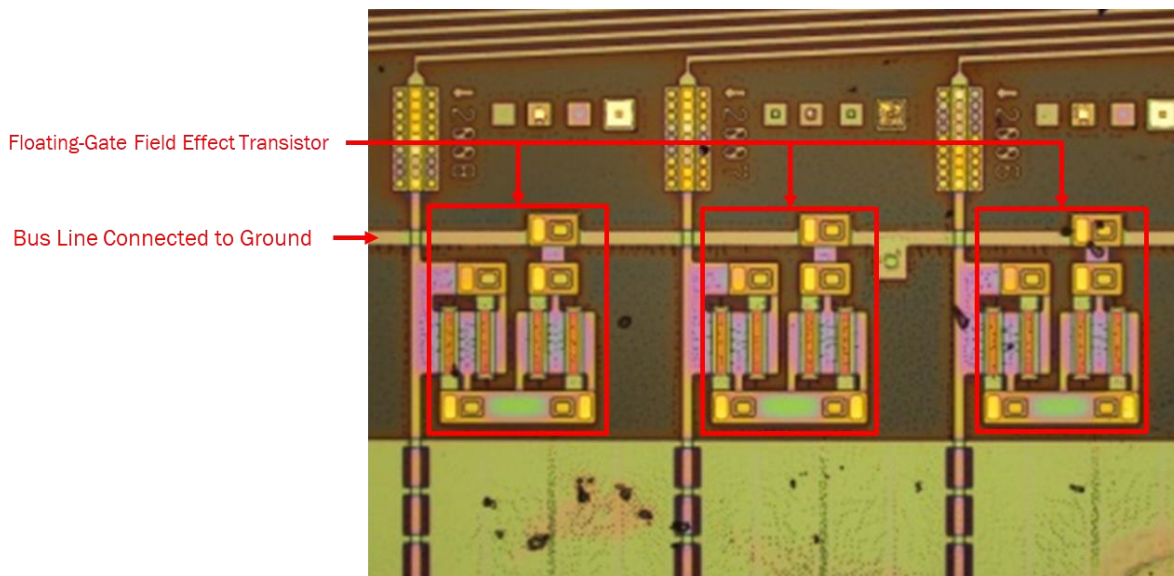
46. The Accused Panels, such as HKC TFT-LCD panel model no. PT320AT01-4 also includes, as shown below, a surge protection circuit having a plurality of horizontal signal lines (e.g., gate lines) intersecting the vertical lines (e.g., drain bus lines).



47. As shown below, the surge protection circuit has a plurality of floating-gate field effect transistors, each having a channel capacitance and including a floating gate electrode, a source electrode, and a drain electrode. The source and drain electrodes of the transistors are connected to the vertical signal lines.



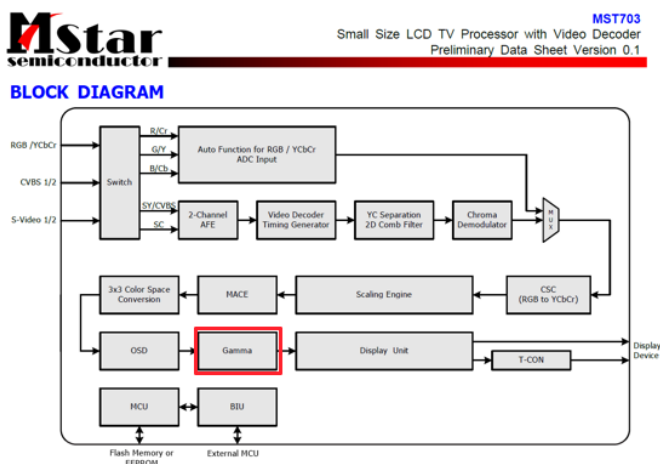
48. In the Accused Panel, the transistors respond to surge potentials on the vertical signal lines by turning on and establishing a low-impedance path to ground.



49. The Asserted Patents also cover Accused Panels, for example Sceptre model no. H43, that utilize an Mstar display controller MSD3553ZUC-005X with a driving circuit for the HKC TFT-LCD panel models nos. PT430CT01-1, as shown below.



50. Upon information and belief, the MSD3553NBCT-005X controller is expected to have features and components similar (or identical) as other MStar LCD processors, including the MST703 LCD processor. The driving circuit of the MST703 has a gamma compensating circuit in a display controller block, as shown below.



■ **Color Engine**

- Brightness, contrast, saturation, and hue adjustment
- 9-tap programmable multi-purpose FIR (Finite Impulse Response) filter
- Differential 3-band peaking engine
- Luminance Transient Improvement (LTI)
- Chrominance Transient Improvement (CTI)
- Black Level Extension (BLE)
- White Level Extension (WLE)
- Favor Color Compensation (FCC)
- 3-channel gamma curve adjustment

MST703 Preliminary Data Sheet, <<https://datasheetspdf.com/pdf-file/770936/Mstar/MST703/1>>

51. The driving circuit of the MStar LCD Processor applies a gamma compensation to a red, blue, and green (“RGB”) video signal.

Scaler Register (Bank=00, Registers 01h ~ 9Fh)			
Index	Name	Bits	Description
	GAMMA_EN	0	Gamma Enable. 0: Disable. 1: Enable.
91h	GAMMA_ADR_PORT	7:0	Default : 0x00
	GMA_ADR_PORT[7:0]	7:0	Gamma Address Port [7:0].
92h	GAMMA_DAT_PORT	7:0	Default : 0x00
	GMA_DAT_PORT[7:0]	7:0	Gamma Data Port [7:0].
93h	R_BIAS	7:0	Default : 0x00
	R_BIAS[7:0]	7:0	DC level in R channel positive part.
94h	R_RATIO	7:0	Default : 0x00
	R_RATIO[7:0]	7:0	Ratio in R channel positive part.
95h	G_BIAS	7:0	Default : 0x00
	G_BIAS[7:0]	7:0	DC level in G channel positive part.
96h	G_RATIO	7:0	Default : 0x00
	G_RATIO[7:0]	7:0	Ratio in G channel positive part.
97h	B_BIAS	7:0	Default : 0x00
	B_BIAS[7:0]	7:0	DC level in B channel positive part.
98h	B_RATIO	7:0	Default : 0x00
	B_RATIO[7:0]	7:0	Ratio in B channel positive part.



MST703 Preliminary Data Sheet, <<https://datasheetspdf.com/pdf-file/770936/Master/MST703/1>>

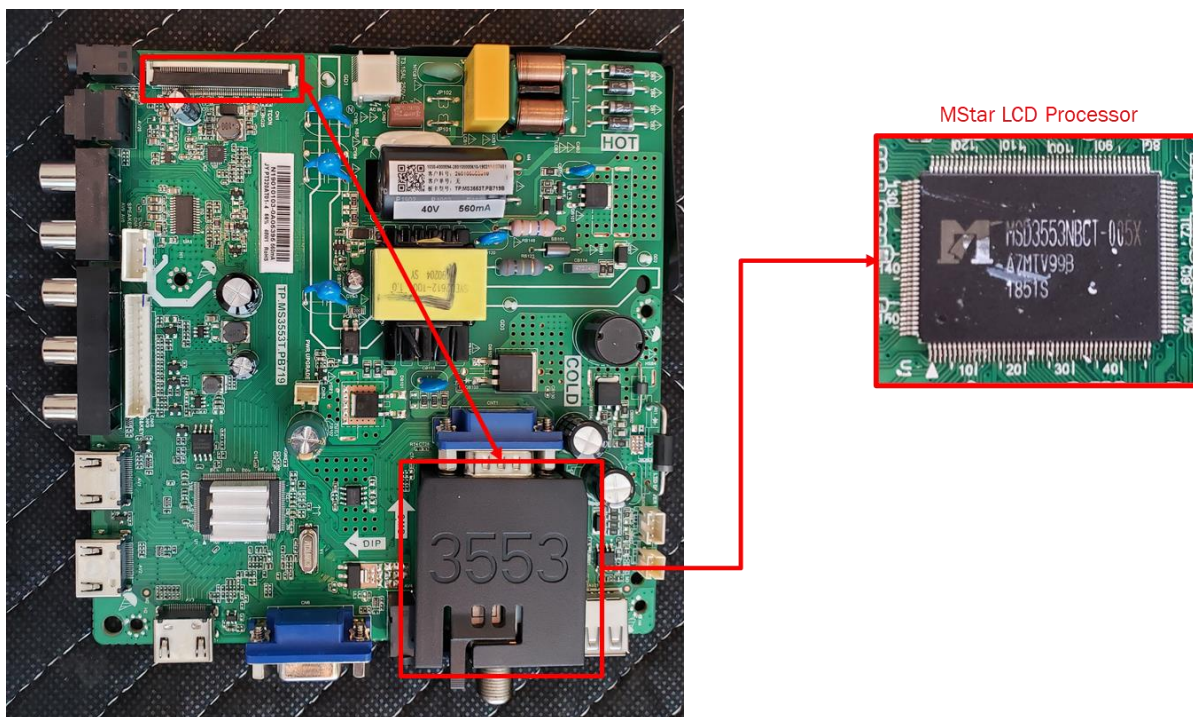
52. Reference voltages are supplied to the gamma compensating circuits.

Scaler Register (Bank=00, Registers 01h ~ 9Fh)			
Index	Name	Bits	Description
	GAMMA_EN	0	Gamma Enable. 0: Disable. 1: Enable.
91h	GAMMA_ADR_PORT	7:0	Default : 0x00
	GMA_ADR_PORT[7:0]	7:0	Gamma Address Port [7:0].
92h	GAMMA_DAT_PORT	7:0	Default : 0x00
	GMA_DAT_PORT[7:0]	7:0	Gamma Data Port [7:0].
93h	R_BIAS	7:0	Default : 0x00
	R_BIAS[7:0]	7:0	DC level in R channel positive part.
94h	R_RATIO	7:0	Default : 0x00
	R_RATIO[7:0]	7:0	Ratio in R channel positive part.
95h	G_BIAS	7:0	Default : 0x00
	G_BIAS[7:0]	7:0	DC level in G channel positive part.
96h	G_RATIO	7:0	Default : 0x00
	G_RATIO[7:0]	7:0	Ratio in G channel positive part.
97h	B_BIAS	7:0	Default : 0x00
	B_BIAS[7:0]	7:0	DC level in B channel positive part.
98h	B_RATIO	7:0	Default : 0x00
	B_RATIO[7:0]	7:0	Ratio in B channel positive part.



MST703 Preliminary Data Sheet, <<https://datasheetspdf.com/pdf-file/770936/Master/MST703/1>>

53. As shown below regarding the MStar LCD Processor, a data electrode driving circuit (red box) is present for driving the compensated red, green, and blue video signals. The reference voltages are generated to provide optimum gamma compensation.



54. The Asserted Patents also cover Sceptre TVs and monitors that utilize an Mstar display controller, for example Mstar model nos. MSD3553NBCT-005X and MSD3553ZUC-005X are utilized in Sceptre model nos. E32 and H43 with HKC panel nos. PT320AT01-4 and PT430CT01-1, respectively. These Accused Panels have a clamping circuit for an LCD, as shown below in the MST703 LCD processor, which is expected to have features and components similar (or identical) to other as other MStar LCD processors.

30h	CLAMP_CTRL	7:0	Default : 0x01	Access : R/W
	CLAMPDAC_CTRL[7:6]	7:6	00: Auto clamping control. 01: Auto clamping control, but polarity inverted. 10: Force clamping control by bit[5:0]. 11: Auto clamping control.	
	CLAMPDAC_CTRL[5:0]	5:0	Clamping control value.	

55. The clamping circuit of the Accused Panels have a plurality of clamp units for receiving input signals after a DC bias is deleted.

9Ch	ADC_MD_CTRL	7:0	Default : 0x00	Access : R/W
	ADC_DCTRL	7:6	Reserved for ADC DCTRL.	
	GSHIFT_R	5	1: Enable ADC R Gain Range Shift for VD Mode.	
	GSHIFT_G	4	1: Enable ADC G Gain Range Shift for VD Mode.	
	GSHIFT_B	3	1: Enable ADC B Gain Range Shift for VD Mode.	
	ADC_VCTRL	2:0	ADC Voltage Control (Recommend Setting = 3'b011).	

27h	REG_ADC	7:0	Default : 0x05	Access : R/W
	REG_RDAC_ICTRL	7:6	ADC R-DAC current control.	
	REG_ADC_IMODE	5:4	ADC current mode control.	
	-	3	Reserved.	
	REG_ADC_VCTRL	2:0	ADC bias voltage control.	
28h	REG_CLAMP	7:0	Default : 0x05	Access : R/W
	-	7:6	Reserved.	
	REG_REF_TST	5:4	ADC Reference circuit Test mode.	
	REG_VCLAMP_D	3:0	Select VD input Clamp voltage level.	

MST703 Preliminary Data Sheet, <<https://datasheetspdf.com/pdf-file/770936/Master/MST703/1>>

56. A predetermined clamping voltage is added to each color signal corresponding to a pedestal level (e.g., back porch).

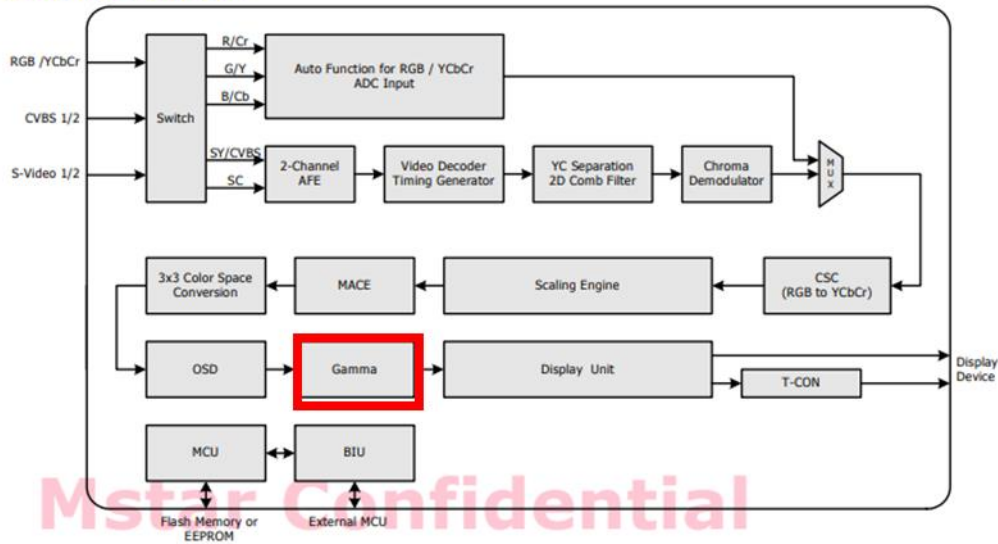
13h (0626h)	REG0626	7:0	Default : 0x00	Access : R/W
	-	7:4	Reserved.	
	ADCB_OCAL_EN	3	1=ADC B offset calibration update enable.	
	ADCG_OCAL_EN	2	1=ADC G offset calibration update enable.	
	ADCR_OCAL_EN	1	1=ADC R offset calibration update enable.	
	RGB_OFFSET_CAL_MODE	0	1=ADCA offset calibration long mode.	

48h	PGA_OFST	7:0	Default : 0x40	Access : R/W
	PGA_OFST	7:0	ADC VREF offset= $VREF_min / (VREF_max - VREF_min) * 4096 / 16$.	

MST703 Preliminary Data Sheet, <<https://datasheetspdf.com/pdf-file/770936/Master/MST703/1>>

57. The clamping circuit has gamma-correction circuits connected to the clamp units.

BLOCK DIAGRAM



Scaler Register (Bank=00, Registers 01h ~ 9Fh)				
Index	Name	Bits	Description	
	GAMMA_EN	0	Gamma Enable. 0: Disable. 1: Enable.	
91h	GAMMA_ADR_PORT	7:0	Default : 0x00	Access : R/W
	GMA_ADR_PORT[7:0]	7:0	Gamma Address Port [7:0].	
92h	GAMMA_DAT_PORT	7:0	Default : 0x00	Access : R/W
	GMA_DAT_PORT[7:0]	7:0	Gamma Data Port [7:0].	
93h	R_BIAS	7:0	Default : 0x00	Access : R/W
	R_BIAS[7:0]	7:0	DC level in R channel positive part.	
94h	R_RATIO	7:0	Default : 0x00	Access : R/W
	R_RATIO[7:0]	7:0	Ratio in R channel positive part.	
95h	G_BIAS	7:0	Default : 0x00	Access : R/W
	G_BIAS[7:0]	7:0	DC level in G channel positive part.	
96h	G_RATIO	7:0	Default : 0x00	Access : R/W
	G_RATIO[7:0]	7:0	Ratio in G channel positive part.	
97h	B_BIAS	7:0	Default : 0x00	Access : R/W
	B_BIAS[7:0]	7:0	DC level in B channel positive part.	
98h	B_RATIO	7:0	Default : 0x00	Access : R/W
	B_RATIO[7:0]	7:0	Ratio in B channel positive part.	

MST703 Preliminary Data Sheet, <<https://datasheetspdf.com/pdf-file/770936/Master/MST703/1>>

58. The clamp units supply a clamping voltage in response to a first control signal (e.g., setting a clamp selection).

12h (0624h)	REG0624	7:0	Default : 0x00	Access : R/W
	-	7:6	Reserved.	
	BMIDA[1:0]	5:4	0/1=select gnd-clamp/mid-clamp for ADC B. 00: 10h000. 01: 10h040. 10: 10h200.	
	GMIDA[1:0]	3:2	0/1=select gnd-clamp/mid-clamp for ADC G. 00: 10h000. 01: 10h040. 10: 10h200.	
	RMIDA[1:0]	1:0	0/1=select gnd-clamp/mid-clamp for ADC R. 00: 10h000. 01: 10h040. 10: 10h200.	

MST703 Preliminary Data Sheet, <<https://datasheetspdf.com/pdf-file/770936/Master/MST703/1>>

59. The clamp units supply a clamping voltage in response to a first control signal (e.g., setting a clamp selection). The clamp units generate a clamped color signal with a black level coinciding with a characteristic of the gamma-correction circuit.

16h	GRADCLR	7:0	Default : 0x00	Access : R/W
	FCLR	7	Gradual color by Frame Color. 0: Use RCLR, GCLR, BCLR as starting gradual color. 1: Use Frame Color as starting gradual color.	
	-	6	Reserved.	
	RCLR[1:0]	5:4	Red starting gradual Color. 00: Red color is 00h. 01: Red color is 55h. 10: Red color is AAh. 11: Red color is FFh.	
	GCLR[1:0]	3:2	Green starting gradual Color. 00: Green color is 00h. 01: Green color is 55h. 10: Green color is AAh. 11: Green color is FFh.	
	BCLR[1:0]	1:0	Blue starting gradual Color. 00: Blue color is 00h. 01: Blue color is 55h. 10: Blue color is AAh. 11: Blue color is FFh.	

48h	PGA_OFST	7:0	Default : 0x40	Access : R/W
	PGA_OFST	7:0	ADC VREF offset= $VREF_min / (VREF_max - VREF_min) * 4096 / 16$.	

MST703 Preliminary Data Sheet, <<https://datasheetspdf.com/pdf-file/770936/Master/MST703/1>>

60. Clamping voltage is added to the pedestal level in a predetermined timing of the input color signal in response to a second control signal (e.g., setting a second clamp selection).

12h (0624h)	REG0624	7:0	Default : 0x00	Access : R/W
	-	7:6	Reserved.	
	BMIDA[1:0]	5:4	0/1=select gnd-clamp/mid-clamp for ADC B. 00: 10h000. 01: 10h040. 10: 10h200.	
	GMIDA[1:0]	3:2	0/1=select gnd-clamp/mid-clamp for ADC G. 00: 10h000. 01: 10h040. 10: 10h200.	
	RMIDA[1:0]	1:0	0/1=select gnd-clamp/mid-clamp for ADC R. 00: 10h000. 01: 10h040. 10: 10h200.	

Timing Information

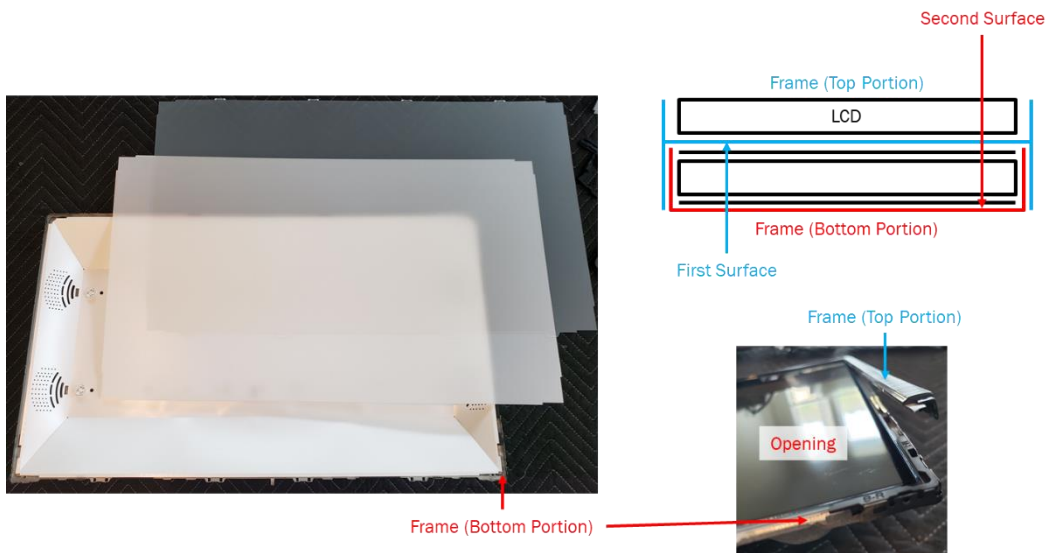
7Bh (06F6h)	REG06F6	7:0	Default : 0x00	Access : R/W
	RGB_SELF_CAL_REF_DLY[7:0]	7:0	The delay samples of ADCA calibration reference pulse after Hsync/Vsync.	
7Bh (06F7h)	REG06F7	7:0	Default : 0x00	Access : R/W
	RGB_SELF_CAL_REF_SEL[2:0]	7:5	[2:0]=1xx : ADCA using VSYNC as calibration reference pulse. [2:0]=01x : ADCA using HSYNC as calibration reference pulse. [2:0]=001 : ADCA using HSOUT as calibration reference pulse. [2:0]=000 : ADCA calibration reference always high.	
	RGB_SELF_CAL_REF_EDGE	4	1=ADCA calibration reference using trailing edge of hsync/vsync.	

MST703 Preliminary Data Sheet, <<https://datasheetspdf.com/pdf-file/770936/Master/MST703/1>>

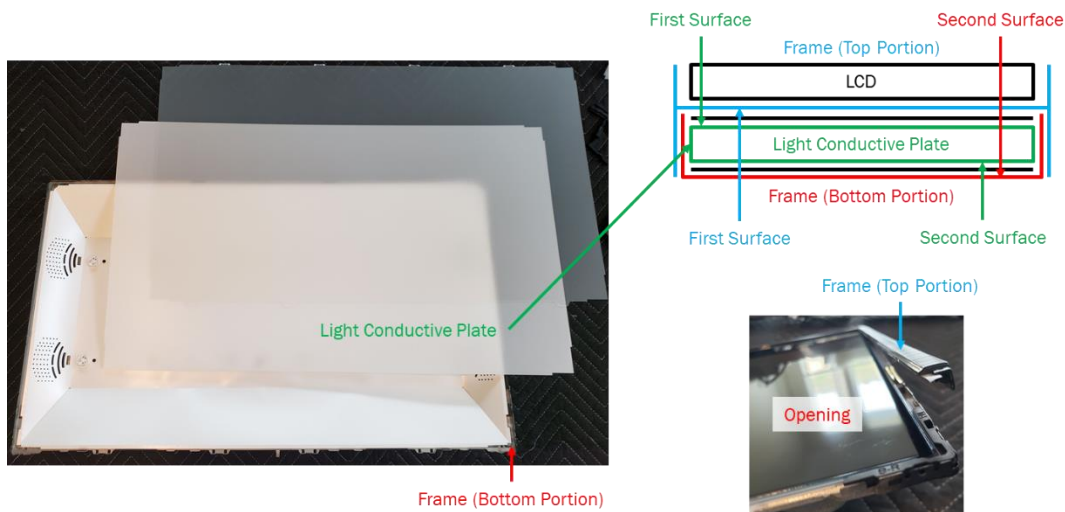
61. The Asserted Patents cover Accused Panels such as HKC LCD panel and backlight module model nos. PT430CT01-1 and HKC HK430WLEDM-JH33H (incorporated into Sceptre Model H43 KDTV53DK), shown below.



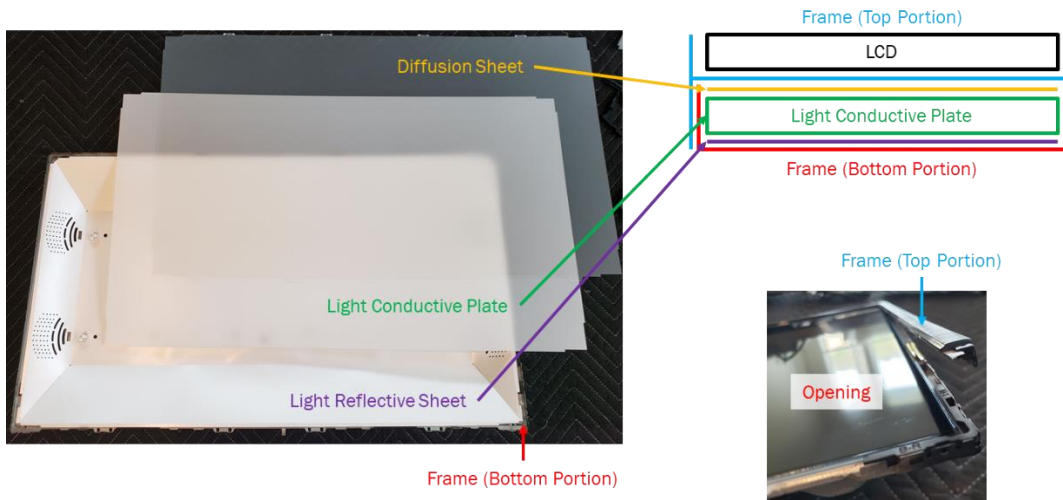
62. These Accused Panels include an optical unit with a frame surrounding an opening, as shown below.



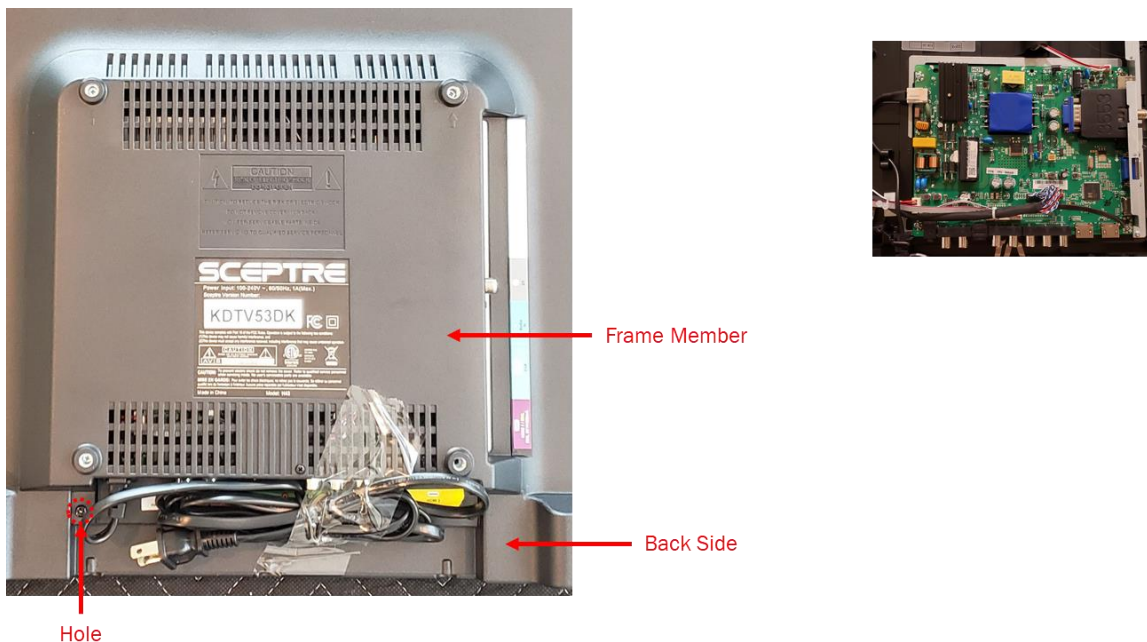
63. The optical unit has a conductive plate positioned in the opening of the frame, which has surfaces adjacent to the two frame surfaces (i.e., first and second surfaces), as shown and illustrated below.



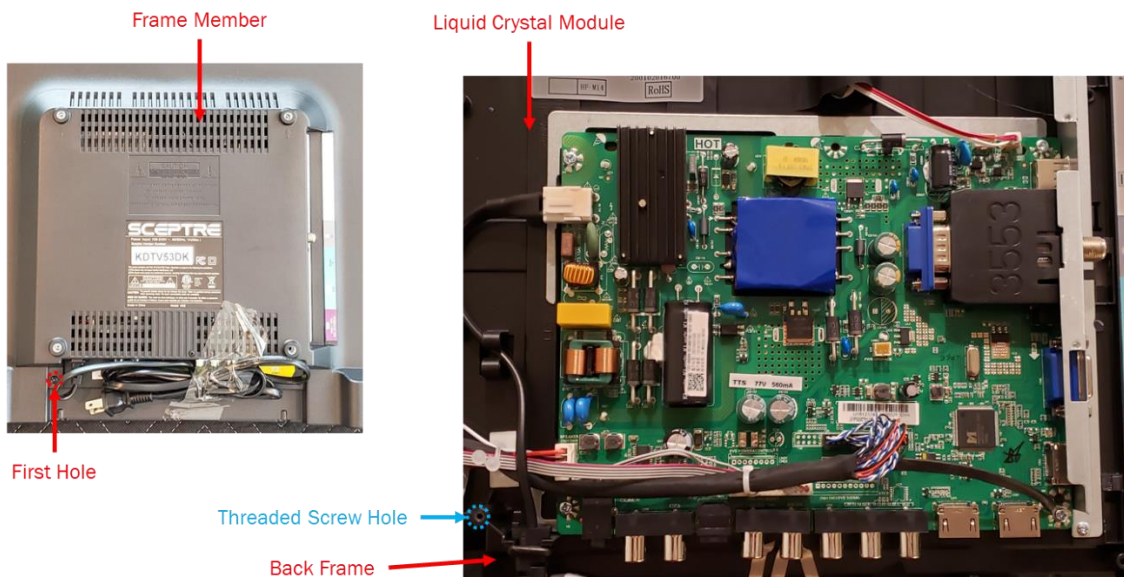
64. As shown below, the optical unit of the Accused Panel has a diffusion sheet fastened to the first surface of the frame and covers at least a portion of the first surfaces of the frame and light conductive plate. The optical unit of the Accused Panel has a light reflective sheet fastened to the second surface of the frame and covers at least a portion of the second surface of the frame and light conductive plate. The diffusion sheet and the light reflective sheet cooperate to fasten the light conductive plate within the frame.



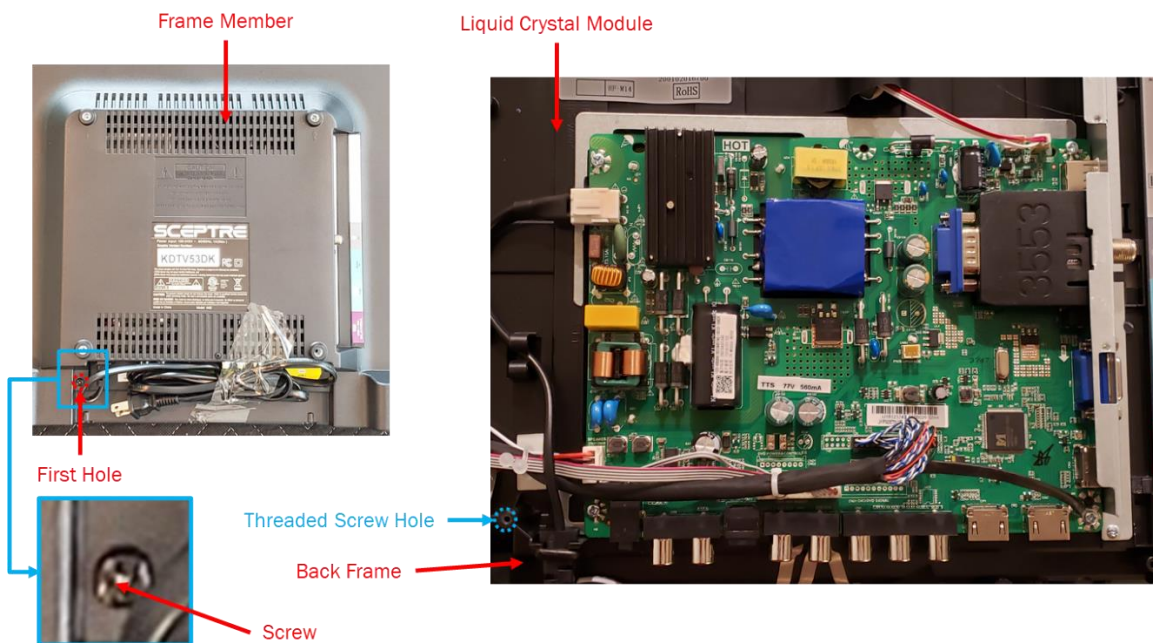
65. The Accused Panels also provide electric apparatuses that have a frame member that are covered by the Asserted Patents. For example, in HKC LCD Panel Model No. PT430CT01-1 (incorporated into Sceptre Model H43 KDTV53DK), the TV shown below has a screw hole in the frame member.



66. The TV shown below has a liquid crystal module with an LCD panel in the front and a frame in the back. The module is mounted to the frame member by way of a threaded screw hole which is in alignment with the hole in the frame.



67. As shown below, there is a screw for attaching the frame member to the liquid crystal module from the back and through the hole in the frame member and the threaded screw hole in the back of the frame of the liquid crystal module.



COUNT I

(INFRINGEMENT OF U.S. PATENT NO. 7,046,327)

68. Plaintiff incorporates paragraphs 1 through 67 herein by reference.

69. VPV is the assignee of the '327 patent, entitled "Liquid crystal display device including columnar spacer above gate line," with ownership of all substantial rights in the '327 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.

70. The '327 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '327 patent issued from U.S. Patent Application No. 10/833,318.

71. Defendants have and continue to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '327 patent in this judicial district and elsewhere in Texas and the United States.

72. Upon information and belief, Defendants operate as part of the same group to design, manufacture, import, distribute, and sell the Accused Panels. These LCD panels, components, and processes related to same are incorporated into electronic devices such as TVs and monitors, including TVs and monitors distributed and sold in the U.S. under at least the Sceptre brand.

73. Defendants directly infringe the '327 patent via 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing Accused Panels, their components, and/or products containing same that incorporate the fundamental technologies covered by the '327 patent to, for example, alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, upon information and belief, Defendants sell and make Accused Panels outside of the United States, deliver those products to their alter egos, agents, intermediaries,

distributors, importers, customers, subsidiaries, and/or consumers in the United States, or in the case that Defendants deliver the Accused Panels outside of the United States, Defendants do so intending and/or knowing that those panels are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '327 patent. *See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc.*, 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Defendants directly infringe the '327 patent through their direct involvement in the activities of Sceptre on behalf of and for the benefit of Defendants. Such direct infringement includes Defendants' selling and offering for sale the Accused Panels directly to Sceptre and importing the Accused Panels into the United States for Sceptre. Upon information and belief, Sceptre conducts activities that constitutes direct infringement of the '327 patent under 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing those Accused Panels. Defendants are vicariously liable for this infringing conduct of Sceptre (under both the alter ego and agency theories) because, as an example and, upon information and belief, Defendants and Sceptre operate as agents of one another and vicariously as arms of the same business group to work in concert together, including as business partners or in a joint venture, entering into agreements that are nearer than arm's length to conduct business in the United States. Defendants further receive a direct financial benefit from Sceptre's infringement.

74. For example, Defendants infringes claim 1 of the '327 patent via the Accused Panels such as HKC TFT-LCD panel model no. PT320AT01-4 incorporated into at least the Sceptre E32. That Accused Panel includes a "liquid crystal display device including" each of the limitations of claim 1. The technology discussion above and the example Accused Panel provides context for Plaintiff's allegations that each of those limitations are met. For example, the Accused Panel includes a first substrate, a second substrate, and a liquid crystal layer sandwiched between

the first and second substrates, the device comprising, on the first substrate: a gate line; a common line parallel to the gate line; a data line intersecting the gate line while sandwiching a gate insulating film on the gate line therebetween; a first interlayer insulating film coating the data line; and a first orientation film coating the first interlayer insulating film, and the device comprising, on the second substrate: a light shielding film opposite to the gate line; a second interlayer insulating film coating the light shielding film; a columnar spacer located above the gate line apart from an intersection of the gate line and the data line and provided on the second interlayer insulating film; and a second orientation film coating the second interlayer insulating film and the columnar spacer, wherein a center of a top of the columnar spacer is shifted from above a widthwise center of the gate line toward above the common line, and the top of the columnar spacer partially overruns from above the gate line toward above the common line when viewed from the above, the top being directed to the first substrate.

75. At a minimum, Defendants have known of the '327 patent at least as early as the filing date of the complaint. In addition, Defendants have known of the '327 patent since at least February 16, 2020 when a letter sent on January 31, 2020 was delivered to General Counsel of Chongqing HKC Optoelectronics Technology Co., Ltd. The letter identified the '327 patent as infringed by Defendants' HKC Products.

76. Upon information and belief, since at least the above-mentioned date when Defendants were on notice of their infringement, Defendants have actively induced, under U.S.C. § 271(b), distributors, customers, subsidiaries, importers, and/or consumers that import, purchase, or sell the Accused Panels that include or are made using all of the limitations of one or more claims of the '327 patent to directly infringe one or more claims of the '327 patent by using, offering for sale, selling, and/or importing the Accused Panels. Since at least the notice provided

on the above-mentioned date, Defendants do so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '327 patent. Upon information and belief, Defendants intend to cause, and have taken affirmative steps to induce infringement by distributors, importers (including inducement to import in violation of § 271(g)), customers, subsidiaries, and/or consumers by, inter alia, creating advertisements that promote the infringing use of the Accused Panels, creating established distribution channels for the Accused Panels into and within the United States, manufacturing the Accused Panels in conformity with U.S. laws and regulations, distributing or making available instructions or manuals for these products to purchasers and prospective buyers, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States. *See, e.g., Profiles, SCEPTRE*, <https://www.sceptre.com/support/profiles.html> (stating that “Sceptre's success is understanding and providing the different services to each of our partners and channels, which entails the trust of many. Sceptre's goal is to progress through business relations with Mass retail, E-commerce, Fortune 500 companies, Government partners, and smaller businesses nationwide, using research and development innovations in streamlined technology with first class service.”) (last visited October 27, 2020).

77. Upon information and belief, despite having knowledge of the '327 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '327 patent, Defendants have nevertheless continued their infringing conduct and disregarded an objectively high likelihood of infringement. Defendants' infringing activities relative to the '327 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful, flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical

infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.

78. VPV has been damaged as a result of Defendants' infringing conduct described in this Count. Defendants are, thus, liable to VPV in an amount that adequately compensates VPV for Defendants' 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

(INFRINGEMENT OF U.S. PATENT NO. 6,549,259)

79. Plaintiff incorporates paragraphs 1 through 78 herein by reference.

80. VPV is the assignee of the '259 patent, entitled "Liquid crystal display panel and fabrication method of the same," with ownership of all substantial rights in the '259 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.

81. The '259 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '259 patent issued from U.S. Patent Application No. 09/780,382.

82. Defendants have and continue to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '259 patent in this judicial district and elsewhere in Texas and the United States.

83. Upon information and belief, Defendants operate as part of the same group to design, manufacture, import, distribute, and sell the Accused Panels. These LCD panels, components, and processes related to same are incorporated into electronic devices such as TVs and monitors, including TVs and monitors distributed and sold in the U.S. under at least the Sceptre brand.

84. Defendants directly infringe the '259 patent via 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing Accused Panels, their components, and/or products containing same that incorporate the fundamental technologies covered by the '259 patent to, for example, alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, upon information and belief, Defendants sell and make Accused Panels outside of the United States, deliver those products to their alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers in the United States, or in the case that Defendants deliver the Accused Panels outside of the United States, Defendants do so intending and/or knowing that those panels are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '259 patent. *See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc.*, 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Defendants directly infringe the '259 patent through their direct involvement in the activities of Sceptre on behalf of and for the benefit of Defendants. Such direct infringement includes Defendants' selling and offering for sale the Accused Panels directly to Sceptre and importing the Accused Panels into the United States for Sceptre. Upon information and belief, Sceptre conducts activities that constitutes direct infringement of the '259 patent under 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing those Accused Panels. Defendants are vicariously liable for this infringing conduct of Sceptre (under both the alter ego and agency theories) because, as an example and, upon information and belief, Defendants and Sceptre operate as agents of one another and vicariously as arms of the same business group to work in concert together, including as business partners or in a joint venture, entering into agreements that are nearer than arm's length to conduct business in the United States. Defendants further receive a direct financial benefit from Sceptre's infringement.

85. For example, Defendants infringe claim 1 of the '259 patent via the Accused Panels such as HKC TFT-LCD panel model no. PT320AT01-4 incorporated into at least the Sceptre E32 and panel model no. HKC PT430CT01-1 incorporated into at least the Sceptre H43. Those Accused Panels include a “liquid crystal display panel comprising” each of the limitations of claim 1. The technology discussion above and the example Accused Panels provide context for Plaintiff’s allegations that each of those limitations are met. For example, the Accused Panels include an array substrate having a switching element array; an opposing substrate opposing to said array substrate; a liquid crystal layer disposed between said array substrate and said opposing substrate; a seal member sealing said liquid crystal layer within said display panel; a spacer disposed within said seal member so as to make a gap between said array substrate and said opposing substrate constant; and a leveling layer formed on said switching element array, said leveling layer being provided with one of an opening area and a thin region at a seal area of said seal member, said thin region being thinner than thickness of said leveling layer on each switching element of said switching element array.

86. Defendants further infringe the '259 patent via 35 U.S.C. § 271(g) by selling, offering to sell, and/or importing TFT-LCD panels, their components, and/or products containing same, that are made by a process covered by the '259 patent. Upon information and belief, the infringing TFT-LCD panels, their components, and/or products containing same are not materially changed by subsequent processes, and they are neither trivial nor nonessential components of another product.

87. At a minimum, Defendants have known of the '259 patent at least as early as the filing date of the complaint. In addition, Defendants have known of the '259 patent since at least February 16, 2020 when a letter sent on January 31, 2020 was delivered to General Counsel of

Chongqing HKC Optoelectronics Technology Co., Ltd. The letter identified the '259 patent as infringed by Defendants' HKC Products.

88. Upon information and belief, since at least the above-mentioned date when Defendants were on notice of their infringement, Defendants have actively induced, under U.S.C. § 271(b), distributors, customers, subsidiaries, importers, and/or consumers that import, purchase, or sell the Accused Panels that include or are made using all of the limitations of one or more claims of the '259 patent to directly infringe one or more claims of the '259 patent by using, offering for sale, selling, and/or importing the Accused Panels. Since at least the notice provided on the above-mentioned date, Defendants do so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '259 patent. Upon information and belief, Defendants intend to cause, and have taken affirmative steps to induce infringement by distributors, importers, customers, subsidiaries, and/or consumers by, inter alia, creating advertisements that promote the infringing use of the Accused Panels, creating established distribution channels for the Accused Panels into and within the United States, manufacturing the Accused Panels in conformity with U.S. laws and regulations, distributing or making available instructions or manuals for these products to purchasers and prospective buyers, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States. *See, e.g., Profiles, SCEPTRE*, <https://www.sceptre.com/support/profiles.html> (stating that "Sceptre's success is understanding and providing the different services to each of our partners and channels, which entails the trust of many. Sceptre's goal is to progress through business relations with Mass retail, E-commerce, Fortune 500 companies, Government partners, and smaller businesses nationwide, using research and development innovations in streamlined technology with first class service.") (last visited October 27, 2020).

89. Upon information and belief, despite having knowledge of the '259 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '259 patent, Defendants have nevertheless continued their infringing conduct and disregarded an objectively high likelihood of infringement. Defendants' infringing activities relative to the '259 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful, flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.

90. VPV has been damaged as a result of Defendants' infringing conduct described in this Count. Defendants are, thus, liable to VPV in an amount that adequately compensates VPV for Defendants' 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 III

(INFRINGEMENT OF U.S. PATENT NO. 6,812,528)

91. Plaintiff incorporates paragraphs 1 through 90 herein by reference.

92. VPV is the assignee of the '528 patent, entitled "Surge protection circuit for semiconductor devices," with ownership of all substantial rights in the '528 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.

93. The '528 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '528 patent issued from U.S. Patent Application No. 09/874,296.

94. Defendants have and continue to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '528 patent in this judicial district and elsewhere in Texas and the United States.

95. Upon information and belief, Defendants operate as part of the same group to design, manufacture, import, distribute, and sell the Accused Panels. These LCD panels, components, and processes related to same are incorporated into electronic devices such as TVs and monitors, including TVs and monitors distributed and sold in the U.S. under at least the Sceptre brand.

96. Defendants directly infringe the '528 patent via 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing Accused Panels, their components, and/or products containing same that incorporate the fundamental technologies covered by the '528 patent to, for example, alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, upon information and belief, Defendants sell and make Accused Panels outside of the United States, deliver those products to their alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers in the United States, or in the case that Defendants deliver the Accused Panels outside of the United States, Defendants do so intending and/or knowing that those panels are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '528 patent. *See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc.*, 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Defendants directly infringe the '528 patent through their direct involvement in the activities of Sceptre on behalf of and for the benefit of Defendants. Such direct infringement includes Defendants' selling and offering for sale the Accused Panels directly to Sceptre and importing the Accused Panels into the United States for Sceptre. Upon information and belief, Sceptre conducts activities that constitutes direct infringement of the '528 patent under 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing those Accused Panels. Defendants are vicariously liable for this infringing conduct of Sceptre (under both the alter ego

and agency theories) because, as an example and, upon information and belief, Defendants and Sceptre operate as agents of one another and vicariously as arms of the same business group to work in concert together, including as business partners or in a joint venture, entering into agreements that are nearer than arm's length to conduct business in the United States. Defendants further receive a direct financial benefit from Sceptre's infringement.

97. For example, Defendants infringe claim 23 of the '528 patent via the Accused Panels such as HKC TFT-LCD panel model no. PT320AT01-4 incorporated into at least the Sceptre E32 and panel model no. HKC PT430CT01-1 incorporated into at least the Sceptre H43. Those Accused Panels include a "surge protection circuit for a semiconductor display panel, comprising" each of the limitations of claim 23. The technology discussion above and the example Accused Panels provide context for Plaintiff's allegations that each of those limitations are met. For example, the Accused Panels include a plurality of vertical signal lines; a plurality of horizontal signal lines intersecting said vertical signal lines; and a plurality of floating-gate field effect transistors, each having a channel capacitance and including a floating gate electrode, a source electrode and a drain electrode, said source and drain electrodes of each of said transistors being respectively connected to said vertical signal lines, each of said transistors being responsive to the respective vertical signal line being subjected to a surge potential for developing a voltage on said channel capacitance sufficient to turn on said floating-gate field effect transistor and establish a low-impedance path to ground.

98. At a minimum, Defendants have known of the '528 patent at least as early as the filing date of the complaint. In addition, Defendants have known of the '528 patent since at least February 16, 2020 when a letter sent on January 31, 2020 was delivered to General Counsel of

Chongqing HKC Optoelectronics Technology Co., Ltd. The letter identified the '528 patent as infringed by Defendants' HKC Products.

99. Upon information and belief, since at least the above-mentioned date when Defendants were on notice of their infringement, Defendants have actively induced, under U.S.C. § 271(b), distributors, customers, subsidiaries, importers, and/or consumers that import, purchase, or sell the Accused Panels that include or are made using all of the limitations of one or more claims of the '528 patent to directly infringe one or more claims of the '528 patent by using, offering for sale, selling, and/or importing the Accused Panels. Since at least the notice provided on the above-mentioned date, Defendants do so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '528 patent. Upon information and belief, Defendants intend to cause, and have taken affirmative steps to induce infringement by distributors, importers, customers, subsidiaries, and/or consumers by, inter alia, creating advertisements that promote the infringing use of the Accused Panels, creating established distribution channels for the Accused Panels into and within the United States, manufacturing the Accused Panels in conformity with U.S. laws and regulations, distributing or making available instructions or manuals for these products to purchasers and prospective buyers, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States. *See, e.g., Profiles, SCEPTRE*, <https://www.sceptre.com/support/profiles.html> (stating that "Sceptre's success is understanding and providing the different services to each of our partners and channels, which entails the trust of many. Sceptre's goal is to progress through business relations with Mass retail, E-commerce, Fortune 500 companies, Government partners, and smaller businesses nationwide, using research and development innovations in streamlined technology with first class service.") (last visited October 27, 2020).

100. Upon information and belief, despite having knowledge of the '528 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '528 patent, Defendants have nevertheless continued their infringing conduct and disregarded an objectively high likelihood of infringement. Defendants' infringing activities relative to the '528 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful, flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.

101. VPV has been damaged as a result of Defendants' infringing conduct described in this Count. Defendants are, thus, liable to VPV in an amount that adequately compensates VPV for Defendants' 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 IV

(INFRINGEMENT OF U.S. PATENT NO. 6,870,593)

102. Plaintiff incorporates paragraphs 1 through 101 herein by reference.

103. VPV is the assignee of the '593 patent, entitled "Liquid Crystal Display Cell with Improved Spacer structure," with ownership of all substantial rights in the '593 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.

104. The '593 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '593 patent issued from U.S. Patent Application No. 10/242,604.

105. Defendants have and continue to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '593 patent in this judicial district and elsewhere in Texas and the United States.

106. Upon information and belief, Defendants operate as part of the same group to design, manufacture, import, distribute, and sell the Accused Panels. These LCD panels, components, and processes related to same are incorporated into electronic devices such as TVs and monitors, including TVs and monitors distributed and sold in the U.S. under at least the Sceptre brand.

107. Defendants directly infringe the '593 patent via 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing Accused Panels, their components, and/or products containing same that incorporate the fundamental technologies covered by the '593 patent to, for example, alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, upon information and belief, Defendants sell and make Accused Panels outside of the United States, deliver those products to their alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers in the United States, or in the case that Defendants deliver the Accused Panels outside of the United States, Defendants do so intending and/or knowing that those panels are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '593 patent. *See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc.*, 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Defendants directly infringe the '593 patent through their direct involvement in the activities of Sceptre on behalf of and for the benefit of Defendants. Such direct infringement includes Defendants' selling and offering for sale the Accused Panels directly to Sceptre and importing the Accused Panels into the United States for Sceptre. Upon information

and belief, Sceptre conducts activities that constitutes direct infringement of the '593 patent under 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing those Accused Panels. Defendants are vicariously liable for this infringing conduct of Sceptre (under both the alter ego and agency theories) because, as an example and, upon information and belief, Defendants and Sceptre operate as agents of one another and vicariously as arms of the same business group to work in concert together, including as business partners or in a joint venture, entering into agreements that are nearer than arm's length to conduct business in the United States. Defendants further receive a direct financial benefit from Sceptre's infringement.

108. For example, Defendants infringe claim 1 of the '593 patent via the Accused Panels such as HKC TFT-LCD panel model no. PT320AT01-4 incorporated into at least the Sceptre E32 and panel model no. HKC PT430CT01-1 incorporated into at least the Sceptre H43. Those Accused Panels include a “[a] liquid crystal display cell including” each of the limitations of claim 1. The technology discussion above and the example Accused Panels provide context for Plaintiff's allegations that each of those limitations are met. For example, the Accused Panels include a first substrate, a second substrate, a liquid crystal layer interposed between said first and second substrates; and a plurality of horizontal signal lines intersecting said vertical signal lines; and a spacer structure on said second substrate, and said spacer structure further including: at least a first type spacer having a first height, at least a second type spacer having a second height which is smaller than said first height, wherein said first type spacer comprises a first color filter layer over said second substrate, and a first column-shaped spacer over said first color filter layer, and said second type spacer comprises a second color filter layer over said second substrate, and a second column-shaped spacer over said second color filter layer, wherein said first and second

color filter layers have the same thickness or height, while said first column-shaped spacer is larger in height than said second column-shaped spacer.

109. At a minimum, Defendants have known of the '593 patent at least as early as the filing date of the complaint. In addition, Defendants have known of the '593 patent since at least February 16, 2020 when a letter sent on January 31, 2020 was delivered to General Counsel of Chongqing HKC Optoelectronics Technology Co., Ltd. The letter identified the '593 patent as infringed by Defendants' HKC Products.

110. Upon information and belief, since at least the above-mentioned date when Defendants were on notice of their infringement, Defendants have actively induced, under U.S.C. § 271(b), distributors, customers, subsidiaries, importers, and/or consumers that import, purchase, or sell the Accused Panels that include or are made using all of the limitations of one or more claims of the '593 patent to directly infringe one or more claims of the '593 patent by using, offering for sale, selling, and/or importing the Accused Panels. Since at least the notice provided on the above-mentioned date, Defendants do so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '593 patent. Upon information and belief, Defendants intend to cause, and have taken affirmative steps to induce infringement by distributors, importers, customers, subsidiaries, and/or consumers by, inter alia, creating advertisements that promote the infringing use of the Accused Panels, creating established distribution channels for the Accused Panels into and within the United States, manufacturing the Accused Panels in conformity with U.S. laws and regulations, distributing or making available instructions or manuals for these products to purchasers and prospective buyers, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States. *See, e.g., Profiles, SCEPTRE*, <https://www.sceptre.com/support/profiles.html> (stating

that “Sceptre's success is understanding and providing the different services to each of our partners and channels, which entails the trust of many. Sceptre's goal is to progress through business relations with Mass retail, E-commerce, Fortune 500 companies, Government partners, and smaller businesses nationwide, using research and development innovations in streamlined technology with first class service.”) (last visited October 27, 2020).

111. Upon information and belief, despite having knowledge of the '593 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '593 patent, Defendants have nevertheless continued their infringing conduct and disregarded an objectively high likelihood of infringement. Defendants' infringing activities relative to the '593 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful, flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.

112. VPV has been damaged as a result of Defendants' infringing conduct described in this Count. Defendants are, thus, liable to VPV in an amount that adequately compensates VPV for Defendants' 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 V

(INFRINGEMENT OF U.S. PATENT NO. 7,006,065)

113. Plaintiff incorporates paragraphs 1 through 112 herein by reference.

114. VPV is the assignee of the '065 patent, entitled “Gamma compensation method and circuit for color liquid crystal display,” with ownership of all substantial rights in the '065 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.

115. The '065 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '065 patent issued from U.S. Patent Application No. 09/707,816.

116. Defendants have and continue to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '065 patent in this judicial district and elsewhere in Texas and the United States.

117. Upon information and belief, Defendants operate as part of the same group to design, manufacture, import, distribute, and sell the Accused Panels. These LCD panels, components, and processes related to same are incorporated into electronic devices such as TVs and monitors, including TVs and monitors distributed and sold in the U.S. under at least the Sceptre brand.

118. Defendants directly infringe the '065 patent via 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing Accused Panels, their components, and/or products containing same that incorporate the fundamental technologies covered by the '065 patent to, for example, alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, upon information and belief, Defendants sell and make Accused Panels outside of the United States, deliver those products to their alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers in the United States, or in the case that Defendants deliver the Accused Panels outside of the United States, Defendants do so intending and/or knowing that those panels are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '065 patent. *See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc.*, 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Defendants directly infringe the '065 patent through their

direct involvement in the activities of Sceptre on behalf of and for the benefit of Defendants. Such direct infringement includes Defendants' selling and offering for sale the Accused Panels directly to Sceptre and importing the Accused Panels into the United States for Sceptre. Upon information and belief, Sceptre conducts activities that constitutes direct infringement of the '065 patent under 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing those Accused Panels. Defendants are vicariously liable for this infringing conduct of Sceptre (under both the alter ego and agency theories) because, as an example and, upon information and belief, Defendants and Sceptre operate as agents of one another and vicariously as arms of the same business group to work in concert together, including as business partners or in a joint venture, entering into agreements that are nearer than arm's length to conduct business in the United States. Defendants further receive a direct financial benefit from Sceptre's infringement.

119. For example, Defendants infringe claim 9 of the '065 patent via the Accused Panels such as HKC TFT-LCD panel model no. HKC PT430CT01-1 utilizing MStar controller model no. MSD3553ZUC-005X, which are incorporated into at least the Sceptre H43 and HKC TFT-LCD panel model no. PT320AT01-4 incorporated into at least the Sceptre E32. Those Accused Panels include a "driving circuit for a color liquid crystal display comprising" each of the limitations of claim 9. The technology discussion above and the example Accused Panels provide context for Plaintiff's allegations that each of those limitations are met. For example, the Accused Panels include a first gamma compensating circuit for applying a gamma compensation only to a red video signal so as to be suitable only for a red transmittance characteristic for an independently applied voltage in said color liquid crystal display and for outputting only a compensated red video signal; a second gamma compensating circuit for applying a gamma compensation only to a green video signal so as to be suitable only for a green transmittance characteristic for an independently

applied voltage in said color liquid crystal display and for outputting only a compensated green video signal; a third gamma compensating circuit for applying a gamma compensation only to a blue video signal so as to be suitable only for a blue transmittance characteristic for an independently applied voltage of said color liquid crystal display and for outputting only a compensated blue video signal; a reference voltage generating circuit for supplying respectively independently generated reference voltages to said first gamma compensating circuit, said second gamma compensating circuit and said third gamma compensating circuit; and a data electrode driving circuit for driving corresponding electrodes of said color liquid crystal display based on said compensated red video signal, said compensated green video signal and said compensated blue video signal, wherein said reference voltages are generated to provide optimum gamma compensation based on the luminosity characteristics of each color.

120. Defendants further infringe the '065 patent via 35 U.S.C. § 271(g) by selling, offering to sell, and/or importing TFT-LCD panels, their components, and/or products containing same, that are made by a process covered by the '065 patent. Upon information and belief, the infringing TFT-LCD panels, their components, and/or products containing same are not materially changed by subsequent processes, and they are neither trivial nor nonessential components of another product.

121. At a minimum, Defendants have known of the '065 patent at least as early as the filing date of the complaint.

122. Upon information and belief, since at least the above-mentioned date when Defendants were on notice of their infringement, Defendants have actively induced, under U.S.C. § 271(b), distributors, customers, subsidiaries, importers, and/or consumers that import, purchase, or sell the Accused Panels that include or are made using all of the limitations of one or more

claims of the '065 patent to directly infringe one or more claims of the '065 patent by using, offering for sale, selling, and/or importing the Accused Panels. Since at least the notice provided on the above-mentioned date, Defendants do so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '065 patent. Upon information and belief, Defendants intend to cause, and have taken affirmative steps to induce infringement by distributors, importers (including inducement to import in violation of § 271(g)), customers, subsidiaries, and/or consumers by, inter alia, creating advertisements that promote the infringing use of the Accused Panels, creating established distribution channels for the Accused Panels into and within the United States, manufacturing the Accused Panels in conformity with U.S. laws and regulations, distributing or making available instructions or manuals for these products to purchasers and prospective buyers, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States. *See, e.g., Profiles, SCEPTRE*, <https://www.sceptre.com/support/profiles.html> (stating that “Sceptre's success is understanding and providing the different services to each of our partners and channels, which entails the trust of many. Sceptre's goal is to progress through business relations with Mass retail, E-commerce, Fortune 500 companies, Government partners, and smaller businesses nationwide, using research and development innovations in streamlined technology with first class service.”) (last visited October 27, 2020).

123. Upon information and belief, despite having knowledge of the '065 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '065 patent, Defendants have nevertheless continued their infringing conduct and disregarded an objectively high likelihood of infringement. Defendants' infringing activities relative to the '065 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful,

flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.

124. VPV has been damaged as a result of Defendants' infringing conduct described in this Count. Defendants are, thus, liable to VPV in an amount that adequately compensates VPV for Defendants' 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 VI

(INFRINGEMENT OF U.S. PATENT NO. 6,657,619)

125. Plaintiff incorporates paragraphs 1 through 124 herein by reference.

126. VPV is the assignee of the '619 patent, entitled "Clamping Circuit for Liquid Crystal Display Device," with ownership of all substantial rights in the '619 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.

127. The '619 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '619 patent issued from U.S. Patent Application No. 09/602,182.

128. Defendants have and continue to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '619 patent in this judicial district and elsewhere in Texas and the United States.

129. Upon information and belief, Defendants operate as part of the same group to design, manufacture, import, distribute, and sell the Accused Panels. These LCD panels, components, and processes related to same are incorporated into electronic devices such as TVs

and monitors, including TVs and monitors distributed and sold in the U.S. under at least the Sceptre brand.

130. Defendants directly infringe the '619 patent via 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing Accused Panels, their components, and/or products containing same that incorporate the fundamental technologies covered by the '619 patent to, for example, alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, upon information and belief, Defendants sell and make Accused Panels outside of the United States, deliver those products to their alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers in the United States, or in the case that Defendants deliver the Accused Panels outside of the United States, Defendants do so intending and/or knowing that those panels are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '619 patent. *See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc.*, 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Defendants directly infringe the '619 patent through their direct involvement in the activities of Sceptre on behalf of and for the benefit of Defendants. Such direct infringement includes Defendants' selling and offering for sale the Accused Panels directly to Sceptre and importing the Accused Panels into the United States for Sceptre. Upon information and belief, Sceptre conducts activities that constitutes direct infringement of the '619 patent under 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing those Accused Panels. Defendants are vicariously liable for this infringing conduct of Sceptre (under both the alter ego and agency theories) because, as an example and, upon information and belief, Defendants and Sceptre operate as agents of one another and vicariously as arms of the same business group to work in concert together, including as business partners or in a joint venture, entering into

agreements that are nearer than arm's length to conduct business in the United States. Defendants further receive a direct financial benefit from Sceptre's infringement.

131. For example, Defendants infringe claim 1 of the '619 patent via the Accused Panels such as HKC TFT-LCD panel model no. PT320AT01-4 utilizing Mstar controller model no. MSD3553NBCT-005X, which is incorporated into at least the Sceptre E32 and panel model no. HKC PT430CT01-1 utilizing MStar controller model no. MSD3553ZUC-005X, which is incorporated into at least the Sceptre H43. Those Accused Panels include a "clamping circuit for a liquid crystal display device comprising" each of the limitations of claim 1. The technology discussion above and the example Accused Panels provide context for Plaintiff's allegations that each of those limitations are met. For example, the Accused Panels include a plurality of clamp units for receiving a plurality of input color signals of an input picture signal after deleting a DC bias from each of said input color signals to produce a plurality of clamped color signals, respectively, by adding a predetermined clamping voltage corresponding to a pedestal level of said input picture signal to each of said input color signals; and a plurality of gamma-correction circuits connected to said clamp units for receiving said clamped color signals, respectively, and for performing a predetermined gamma correction and amplification on each of said clamped color signals to produce output color signals, respectively; each of said clamp units being provided with a clamping portion for receiving said input color signal and a clamping voltage generating circuit for supplying a clamping voltage to said clamping portion so as to be controlled in response to an individual first control signal supplied thereto and generates said clamped color signal such that a black level of said clamped color signal coincides with a black level in an input/output characteristic of said gamma-correction circuit, and said clamping portion being supplied with said

clamping voltage so as to add said clamping voltage to said pedestal level in a predetermined timing of said input color signal in response to a second control signal supplied thereto.

132. At a minimum, Defendants have known of the '619 patent at least as early as the filing date of the complaint.

133. Upon information and belief, since at least the above-mentioned date when Defendants were on notice of their infringement, Defendants have actively induced, under U.S.C. § 271(b), distributors, customers, subsidiaries, importers, and/or consumers that import, purchase, or sell the Accused Panels that include or are made using all of the limitations of one or more claims of the '619 patent to directly infringe one or more claims of the '619 patent by using, offering for sale, selling, and/or importing the Accused Panels. Since at least the notice provided on the above-mentioned date, Defendants do so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '619 patent. Upon information and belief, Defendants intend to cause, and have taken affirmative steps to induce infringement by distributors, importers, customers, subsidiaries, and/or consumers by, inter alia, creating advertisements that promote the infringing use of the Accused Panels, creating established distribution channels for the Accused Panels into and within the United States, manufacturing the Accused Panels in conformity with U.S. laws and regulations, distributing or making available instructions or manuals for these products to purchasers and prospective buyers, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States. *See, e.g., Profiles, SCEPTRE*, <https://www.sceptre.com/support/profiles.html> (stating that "Sceptre's success is understanding and providing the different services to each of our partners and channels, which entails the trust of many. Sceptre's goal is to progress through business relations with Mass retail, E-commerce, Fortune 500 companies, Government partners, and

smaller businesses nationwide, using research and development innovations in streamlined technology with first class service.”) (last visited October 27, 2020).

134. Upon information and belief, despite having knowledge of the '619 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '619 patent, Defendants have nevertheless continued their infringing conduct and disregarded an objectively high likelihood of infringement. Defendants' infringing activities relative to the '619 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful, flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.

135. VPV has been damaged as a result of Defendants' infringing conduct described in this Count. Defendants are, thus, liable to VPV in an amount that adequately compensates VPV for Defendants' 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 VII

(INFRINGEMENT OF U.S. PATENT NO. 7,593,070)

136. Plaintiff incorporates paragraphs 1 through 135 herein by reference.

137. VPV is the assignee of the '070 patent, entitled “Optical Unit and LCD Device Using the Optical Unit,” with ownership of all substantial rights in the '070 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.

138. The '070 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '070 patent issued from U.S. Patent Application No. 11/984,403.

139. Defendants have and continue to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '070 patent in this judicial district and elsewhere in Texas and the United States.

140. Upon information and belief, Defendants operate as part of the same group to design, manufacture, import, distribute, and sell the Accused Panels. These LCD panels, components, and processes related to same are incorporated into electronic devices such as TVs and monitors, including TVs and monitors distributed and sold in the U.S. under at least the Sceptre brand.

141. Defendants directly infringe the '070 patent via 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing Accused Panels, their components, and/or products containing same that incorporate the fundamental technologies covered by the '070 patent to, for example, alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, upon information and belief, Defendants sell and make Accused Panels outside of the United States, deliver those products to their alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers in the United States, or in the case that Defendants deliver the Accused Panels outside of the United States, Defendants do so intending and/or knowing that those panels are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '070 patent. *See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc.*, 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Defendants directly infringe the '070 patent through their direct involvement in the activities of Sceptre on behalf of and for the benefit of Defendants. Such direct infringement includes Defendants' selling and offering for sale the Accused Panels directly to Sceptre and importing the Accused Panels into the United States for Sceptre. Upon information

and belief, Sceptre conducts activities that constitutes direct infringement of the '070 patent under 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing those Accused Panels. Defendants are vicariously liable for this infringing conduct of Sceptre (under both the alter ego and agency theories) because, as an example and, upon information and belief, Defendants and Sceptre operate as agents of one another and vicariously as arms of the same business group to work in concert together, including as business partners or in a joint venture, entering into agreements that are nearer than arm's length to conduct business in the United States. Defendants further receive a direct financial benefit from Sceptre's infringement.

142. For example, Defendants infringes claim 1 of the '070 patent via the Accused Panels such as HKC TFT-LCD panel and backlight module model nos. PT320AT01-4 and HKC HK315LEDM-JH3MH incorporated into at least the Sceptre E32, panel and backlight model nos. HKC PT430CT01-1, HKC HK430WLEDM-JH33H incorporated into at least the Sceptre H43, and backlight module model no. HKC HK495WLEDM-DH08H incorporated into Sceptre H50. Those Accused Panels include an "optical unit comprising" each of the limitations of claim 1. The technology discussion above and the example Accused Panels provide context for Plaintiff's allegations that each of those limitations are met. For example, the Accused Panels include a frame surrounding an opening, the frame having a first surface and a second surface, placed directly across from the first surface of the frame; a light conductive plate positioned in the opening of the frame, the light conductive plate having a first surface adjacent the first surface of the frame and a second surface adjacent the second surface of the frame; a diffusion sheet fastened to the first surface of the frame in a manner to cover at least a portion of the first surface of the frame and to cover the first surface of the light conductive plate; and a light reflective sheet fastened to the second surface of the frame in a manner to cover at least a portion of the second surface of the

frame and to cover the second surface of the light conductive plate; wherein the diffusion sheet and the light reflective sheet cooperate to fasten the light conductive plate within the frame.

143. Defendants further infringe the '070 patent via 35 U.S.C. § 271(g) by selling, offering to sell, and/or importing TFT-LCD panels, their components, and/or products containing same, that are made by a process covered by the '070 patent. Upon information and belief, the infringing TFT-LCD panels, their components, and/or products containing same are not materially changed by subsequent processes, and they are neither trivial nor nonessential components of another product.

144. At a minimum, Defendants have known of the '070 patent at least as early as the filing date of the complaint. In addition, Defendants have known of the '070 patent since at least February 16, 2020 when a letter sent on January 31, 2020 was delivered to General Counsel of Chongqing HKC Optoelectronics Technology Co., Ltd. The letter identified the '070 patent as infringed by Defendants' HKC Products.

145. Upon information and belief, since at least the above-mentioned date when Defendants were on notice of their infringement, Defendants have actively induced, under U.S.C. § 271(b), distributors, customers, subsidiaries, importers, and/or consumers that import, purchase, or sell the Accused Panels that include or are made using all of the limitations of one or more claims of the '070 patent to directly infringe one or more claims of the '070 patent by using, offering for sale, selling, and/or importing the Accused Panels. Since at least the notice provided on the above-mentioned date, Defendants do so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '070 patent. Upon information and belief, Defendants intend to cause, and have taken affirmative steps to induce infringement by distributors, importers (including inducement to import in violation of § 271(g)), customers,

subsidiaries, and/or consumers by, inter alia, creating advertisements that promote the infringing use of the Accused Panels, creating established distribution channels for the Accused Panels into and within the United States, manufacturing the Accused Panels in conformity with U.S. laws and regulations, distributing or making available instructions or manuals for these products to purchasers and prospective buyers, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States. *See, e.g., Profiles, SCEPTRE*, <https://www.sceptre.com/support/profiles.html> (stating that “Sceptre’s success is understanding and providing the different services to each of our partners and channels, which entails the trust of many. Sceptre’s goal is to progress through business relations with Mass retail, E-commerce, Fortune 500 companies, Government partners, and smaller businesses nationwide, using research and development innovations in streamlined technology with first class service.”) (last visited October 27, 2020).

146. Upon information and belief, despite having knowledge of the ’070 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the ’070 patent, Defendants have nevertheless continued their infringing conduct and disregarded an objectively high likelihood of infringement. Defendants’ infringing activities relative to the ’070 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful, flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.

147. VPV has been damaged as a result of Defendants’ infringing conduct described in this Count. Defendants are, thus, liable to VPV in an amount that adequately compensates VPV

for Defendants' 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 VIII

(INFRINGEMENT OF U.S. PATENT NO. 6,594,143)

148. Plaintiff incorporates paragraphs 1 through 147 herein by reference.

149. VPV is the assignee of the '143 patent, entitled "Liquid crystal module mounting structure and mobile terminal mounted with the same," with ownership of all substantial rights in the '143 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.

150. The '143 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '143 patent issued from U.S. Patent Application No. 09/459,280.

151. Defendants have and continue to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '143 patent in this judicial district and elsewhere in Texas and the United States.

152. Upon information and belief, Defendants operate as part of the same group to design, manufacture, import, distribute, and sell the Accused Panels. These LCD panels, components, and processes related to same are incorporated into electronic devices such as TVs and monitors, including TVs and monitors distributed and sold in the U.S. under at least the Sceptre brand.

153. Defendants directly infringe the '143 patent via 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing Accused Panels, their components, and/or products containing same that incorporate the fundamental technologies covered by the '143 patent to, for example, alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or

consumers. Furthermore, upon information and belief, Defendants sell and make Accused Panels outside of the United States, deliver those products to their alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers in the United States, or in the case that Defendants deliver the Accused Panels outside of the United States, Defendants do so intending and/or knowing that those panels are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '143 patent. *See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc.*, 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Defendants directly infringe the '143 patent through their direct involvement in the activities of Sceptre on behalf of and for the benefit of Defendants. Such direct infringement includes Defendants' selling and offering for sale the Accused Panels directly to Sceptre and importing the Accused Panels into the United States for Sceptre. Upon information and belief, Sceptre conducts activities that constitutes direct infringement of the '143 patent under 35 U.S.C. § 271(a) by making, offering for sale, selling, and/or importing those Accused Panels. Defendants are vicariously liable for this infringing conduct of Sceptre (under both the alter ego and agency theories) because, as an example and, upon information and belief, Defendants and Sceptre operate as agents of one another and vicariously as arms of the same business group to work in concert together, including as business partners or in a joint venture, entering into agreements that are nearer than arm's length to conduct business in the United States. Defendants further receive a direct financial benefit from Sceptre's infringement.

154. For example, Defendants infringe claim 1 of the '143 patent via the Accused Panels such as HKC TFT-LCD panel model no. PT320AT01-4 incorporated into at least the Sceptre E32 and panel model no. HKC PT430CT01-1 incorporated into at least the Sceptre H43. Those Accused Panels include an "electric apparatus, comprising" each of the limitations of claim 1. The

technology discussion above and the example Accused Panels provide context for Plaintiff's allegations that each of those limitations are met. For example, the Accused Panels include a frame member having at least one hole in a first predetermined location through which a screw can pass from a back side thereof; a liquid crystal module having a liquid crystal display panel as a front display area and having a back frame allowing said liquid crystal display module to be mounted to said frame member, said back frame including at least one threaded screw hole in a second predetermined location corresponding to said first predetermined location; and at least one screw to fix said liquid crystal module to said frame member by passing through said at least one hole in said frame member from the back side thereof and screwing into said threaded screw hole on said back frame of said liquid crystal module.

155. At a minimum, Defendants have known of the '143 patent at least as early as the filing date of the complaint.

156. Upon information and belief, since at least the above-mentioned date when Defendants were on notice of their infringement, Defendants have actively induced, under U.S.C. § 271(b), distributors, customers, subsidiaries, importers, and/or consumers that import, purchase, or sell the Accused Panels that include or are made using all of the limitations of one or more claims of the '143 patent to directly infringe one or more claims of the '143 patent by using, offering for sale, selling, and/or importing the Accused Panels. Since at least the notice provided on the above-mentioned date, Defendants do so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '143 patent. Upon information and belief, Defendants intend to cause, and have taken affirmative steps to induce infringement by distributors, importers, customers, subsidiaries, and/or consumers by, inter alia, creating advertisements that promote the infringing use of the Accused Panels, creating established

distribution channels for the Accused Panels into and within the United States, manufacturing the Accused Panels in conformity with U.S. laws and regulations, distributing or making available instructions or manuals for these products to purchasers and prospective buyers, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States. *See, e.g., Profiles, SCEPTRE*, <https://www.sceptre.com/support/profiles.html> (stating that “Sceptre's success is understanding and providing the different services to each of our partners and channels, which entails the trust of many. Sceptre's goal is to progress through business relations with Mass retail, E-commerce, Fortune 500 companies, Government partners, and smaller businesses nationwide, using research and development innovations in streamlined technology with first class service.”) (last visited October 27, 2020).

157. Upon information and belief, despite having knowledge of the '143 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '143 patent, Defendants have nevertheless continued their infringing conduct and disregarded an objectively high likelihood of infringement. Defendants' infringing activities relative to the '143 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful, flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.

158. VPV has been damaged as a result of Defendants' infringing conduct described in this Count. Defendants are, thus, liable to VPV in an amount that adequately compensates VPV for Defendants' 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.

INJUNCTIVE RELIEF

159. Plaintiff seeks preliminary and permanent injunctions as a result of Defendants' infringement of the Asserted Patents. Plaintiff is likely to succeed in showing that Defendants infringe the Asserted Patents. Because of that infringement, Plaintiff has suffered an irreparable injury, and the remedies available at law, such as monetary damages, are inadequate to compensate for that injury. For example, if Plaintiff must enforce a judgment against Defendants in the PRC, Plaintiff will face a historically challenging burden in persuading courts in these jurisdictions to enforce a judgment from a U.S. court, likely preventing Plaintiff from obtaining any monetary damages from Defendants. Considering the balance of hardships between the Plaintiff and Defendants, a remedy in equity is warranted; and the public interest would not be disserved by a permanent or preliminary injunction.

CONCLUSION

160. Plaintiff VPV is entitled to recover from Defendants the damages sustained by Plaintiff as a result of Defendants' wrongful acts in an amount subject to proof at trial, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court.

161. Plaintiff has incurred and will incur attorneys' fees, costs, and expenses in the prosecution of this action. The circumstances of this dispute may give rise to an exceptional case within the meaning of 35 U.S.C. § 285, and Plaintiff is entitled to recover their reasonable and necessary attorneys' fees, costs, and expenses.

JURY DEMAND

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

PRAYER FOR RELIEF

163. Plaintiff VPV respectfully requests that the Court find in their favor and against Defendants, and that the Court grant Plaintiff the following relief:

1. A judgment that Defendants have infringed the Asserted Patents as alleged herein, directly and/or indirectly by way of inducing infringement of such patents;
2. A judgment for an accounting of all damages sustained by Plaintiff as a result of the acts of infringement by Defendants;
3. A preliminary and permanent injunction against Defendants, their subsidiaries, or anyone acting on their behalf from making, using, selling, offering to sell, or importing any products that infringe the Asserted Patents, and any other injunctive relief the Court deems just and equitable;
4. A judgment and order requiring Defendants to pay Plaintiff damages under 35 U.S.C. § 284, including up to treble damages as provided by 35 U.S.C. § 284, and any royalties determined to be appropriate;
5. A judgment and order requiring Defendants to pay Plaintiff pre-judgment and post-judgment interest on the damages awarded;
6. A judgment and order finding this to be an exceptional case and requiring Defendants to pay the costs of this action (including all disbursements) and attorneys' fees as provided by 35 U.S.C. § 285; and
7. Such other and further relief as the Court deems just and equitable.

Dated: November 5, 2020

Respectfully submitted,

/s/Patrick J. Conroy

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