

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

KONINKLIJKE KPN N.V.,

Plaintiff,

v.

BLU PRODUCTS, INC.,

Defendant.

C.A. No. _____

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

This is an action for patent infringement in which Plaintiff Koninklijke KPN N.V. (“KPN”) makes the following allegations against BLU Products, Inc. (“BLU”). This action is related to those actions currently pending before Chief Judge Stark in C.A. Nos. 17-cv-83, 17-cv-85, and 17-cv-90.

This action also is related to actions filed contemporaneously against Acer Inc., Acer America Corporation, Bullitt Group Ltd., Coolpad Technologies Inc., u-blox AG, u-blox America, Inc., Xiaomi Corporation, Xiaomi Communications Co., Ltd., and Xiaomi Inc.

BACKGROUND

1. KPN’s extensive research and development efforts have led to hundreds of issued patents in the United States and across the world, which KPN has licensed to many leading global telecommunications companies, including many of BLU’s mobile technology competitors.

2. Specifically, KPN has made its patents available for license both through bilateral negotiations and through joint licensing or patent pool licensing arrangements, including through agreements with at least Sipro, Sisvel, and Via Licensing.

3. Further, prior to filing suit, KPN provided BLU with notice of United States Patent No. 6,212,662 and BLU's need to license it. KPN offered to provide BLU with that license. Despite these efforts, BLU has not obtained a license or any other rights to United States Patent No. 6,212,662. KPN thus files this suit to protect its valuable intellectual property rights.

PARTIES

4. Plaintiff Koninklijke KPN N.V. is a telecommunications (including fixed, mobile, television, and internet) and ICT solution provider headquartered at Maanplein 55, NL-2516 CK, The Hague, The Netherlands.

5. On information and belief, Defendant BLU Products, Inc. is a corporation organized and existing under the laws of Delaware.

JURISDICTION AND VENUE

6. This action arises under the patent laws of the United States, Title 35 of the United States Code.

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

8. This Court has personal jurisdiction over BLU because, directly or through intermediaries, each has committed acts within Delaware giving rise to this action and/or has established minimum contacts with Delaware such that the exercise of jurisdiction would not offend traditional notions of fair play and substantial justice.

9. For example, during the infringing time period, BLU placed one or more infringing products into the stream of commerce via an established distribution channel with the knowledge and/or understanding that such products were being offered for sale and/or sold to customers in the United States, including in this District.

10. For example, BLU is a corporation organized and existing under the laws of Delaware.

11. For the reasons set forth above, venue is proper under 28 U.S.C. § 1391(b) and (c) and 28 U.S.C. § 1400.

THE ASSERTED PATENT

12. This lawsuit asserts causes of action for infringement of United States Patent No. 6,212,662.

13. United States Patent No. 6,212,662 previously was the subject of litigation in *Koninklijke KPN N.V., v. Samsung Electronics Co., Ltd.*, Civil Action Nos. 2:14-cv-1165 and 2:15-cv-948 (E.D. Tex.). The court in that matter construed the patent. As stated at D.I. 315 in 2:14-cv-1165, Samsung subsequently entered into a settlement and license agreement with KPN.

14. U.S. Patent No. 6,212,662 also was and is currently the subject of litigation before Chief Judge Stark in C.A. Nos. 17-cv-82, -83, -84, -85, -86, -87, -88, -89, -90, -91, and -92. On September 29, 2020, the Court issued a claim construction order in which it construed the following '662 Patent terms:

Claim Term	Court's Construction
A device for producing error checking based on original data provided in blocks with each block having plural bits in a particular ordered sequence / producing error checking	The portion of the preamble reciting "original data provided in blocks with each block having plural bits in a particular ordered sequence" is limiting. The preamble otherwise is non-limiting and does not require construction.
generating device configured to generate check data	Not means-plus-function A device configured to generate supplementary data for use in checking for errors
check data	supplementary data for use in checking for transmission errors
modify the permutation in time	change the permutation from time to time

15. The Asserted Patent also repeatedly has been affirmed to be valid.

16. For example, in *Koninklijke KPN N.V. v. Gemalto M2M GmbH*, Case Nos. 2018-1863, 2018-1864, 2018-1865 (Fed. Cir. 2019), the Federal Circuit held that Claims 2-4 of U.S. Patent No. 6,212,662 satisfied 35 U.S.C. § 101 as a matter of law.

17. In IPR2018-00320, the United States Patent and Trademark Office Patent Trial and Appeal Board issued a Final Written Decision finding that, even under a preponderance of the evidence standard, Claims 2–4 of U.S. Patent No. 6,212,662 were valid and patentable.

18. Consistent with this ruling, in IPR2018-00551, IPR2018-00553, IPR2018-00554, and IPR2018-00757, the United States Patent and Trademark Office Patent Trial and Appeal Board declined to institute *inter partes* review of U.S. Patent No. 6,212,662—finding “no reasonable likelihood” that Claims 2-4 were invalid or nonpatentable.

NOTICE

19. BLU has been provided notice of its infringement and has been invited to take a license to U.S. Patent No. 6,212,662, but has declined to do so.

20. For example, at least by March 26, 2015, Sipro had reached out to BLU to notify it on behalf of KPN that BLU’s W-CDMA products infringed U.S. Patent No. 6,212,662 and attempt to negotiate with BLU to obtain a license for such products. Further, after it took over as the patent pool administrator, Via Licensing continued to negotiate with BLU regarding its need to obtain such a license.

21. Similarly, at least by June 1, 2015, Sisvel wrote to BLU to notify it on behalf of KPN that various BLU LTE products infringed LTE patents owned by KPN and that KPN had authorized Sisvel to offer BLU a license for such products. In that letter, Sisvel provided BLU

with a weblink to an evergreen list of such LTE patents, which Sisvel confirmed on June 3, 2015, included U.S. Patent No. 6,212,662.

22. Despite these and other efforts, BLU never obtained a license or other rights to U.S. Patent No. 6,212,662, and its infringing products remain unlicensed to this day.

COUNT 1
INFRINGEMENT OF U.S. PATENT NO. 6,212,662

23. KPN repeats and incorporates by reference each preceding paragraph as if fully set forth herein and further state:

24. On April 3, 2001, the U.S. Patent and Trademark Office duly and legally issued U.S. Patent No. 6,212,662, which is entitled, “Method and Devices for the Transmission of Data With the Transmission Error Checking.” A true and correct copy of U.S. Patent No. 6,212,662 is attached as Exhibit A.

25. KPN is the owner by assignment of U.S. Patent No. 6,212,662 and holds all rights, title, and interest to it, including the sole right to sue and recover for any and all infringements.

26. The devices claimed in U.S. Patent No. 6,212,662 have proved to be of great importance to the field of error detection and correction. Consistent with this importance, U.S. Patent No. 6,212,662 has been licensed extensively by many of Defendants’ mobile technology competitors.

27. BLU directly infringed U.S. Patent No. 6,212,662 in violation 35 U.S.C. § 271(a) by making, using, selling, and/or offering for sale in the United States, and/or importing into the United States, prior to June 26, 2016, and without authorization, one or more products that practice Claims 2-4 of U.S. Patent No. 6,212,662 literally or under the doctrine of equivalents (hereafter “’662 Accused Products”). At a minimum, such ’662 Accused Products include all

smartphones and other mobile telecommunication devices configured to send or receive data over an LTE, UMTS, or cdma2000 radio telecommunication network using or incorporating the error checking technology described in Exhibit A. This includes products like the following: BLU Life One M, BLU Life One X, BLU Life Play S, BLU Life View Tab, BLU Vivo 4.8 HD, BLU Life Pure Mini, BLU Studio 5.5 S, BLU Studio 5.0 E, BLU Studio 5.0 S II, BLU Neo 3.5, BLU Neo 4.5, BLU Studio 6.0 HD, BLU Studio 5.0 LTE, BLU Life Pure XL, BLU Life 8, BLU Vivo IV, BLU Studio 5.0 CE, BLU Studio 5.0 C, BLU Studio C Mini, BLU Win HD, BLU Win JR, BLU Dash C Music, BLU Life Play Mini, BLU Dash Music JR, BLU Life View 8.0, BLU Sport 4.5, BLU Studio 7.0, BLU Studio Mini LTE, BLU Studio 5.0 HD LTE, BLU Studio 6.0 LTE, BLU Vivo Air, BLU Studio X, BLU Studio X Plus, BLU Studio G, BLU Studio Energy, BLU Life One XL, BLU Life One (2015), BLU Win JR LTE, BLU Win HD LTE, BLU Selfie, BLU Advance 4.0 L, BLU Studio C, BLU Studio 5.5C, BLU Life 8 XL, BLU Studio C 5 + 5, BLU Energy X Plus, BLU Vivo Selfie, BLU Studio C Super Camera, BLU Studio 7.0 II, BLU Touchbook G7, BLU Life X8, BLU Studio XL, BLU Vivo Air LTE, BLU Pure XL, BLU Energy X, BLU Dash X Plus, BLU Studio Energy 2, BLU Dash X, BLU Dash M, BLU Studio G LTE, BLU Dash L, BLU Studio 7.0 LTE, BLU Dash X LTE, BLU Studio G Plus, BLU Life One X (2016), BLU Vivo 5, BLU Vivo XL, BLU Studio C HD, BLU Studio M HD, BLU Studio G HD, BLU Neo X Plus, BLU Energy X 2, BLU Studio 5.5 HD, BLU Life XL, BLU Energy X LTE, BLU Dash X Plus LTE, BLU Studio One, BLU Studio One Plus, BLU Life Mark, BLU Studio X Mini, BLU Dash M2, BLU Dash X2, BLU Advance 4.0 L2, BLU Energy JR, BLU Dash X Plus LTE, BLU Studio One, BLU Studio One Plus, BLU Life Mark, BLU Studio X Mini, BLU Dash M2, BLU Dash X2, BLU Advance 4.0 L2, BLU Energy JR, BLU Studio X8

HD, BLU Neo X, BLU Neo XL, BLU Studio Selfie 2, BLU Dash L2, BLU Studio Touch, and BLU Touch Book M7.

28. As detailed below, the BLU Studio 5.0 LTE meets every element of Claims 2-4 of U.S. Patent No. 6,212,662 literally or under the doctrine of equivalents.¹ Further, the identified components and functionality of the BLU Studio 5.0 LTE are representative of the components and functionality present in all '662 Accused Products.

29. Claim 1 of U.S. Patent No. 6,212,662 recites a device configured to enable checking for errors in data, including in transmitted data, by generating check data from data provided in blocks comprised of plural bits received in a particular ordered sequence. The device further includes at least one varying device configured to vary this original data, including through its incorporation of an interleaver or other permutating device configured to reorder at least some of the bits of the original data input to it without reordering any of the blocks of original data it receives, prior to supplying it to at least one generating device. The device further includes at least one generating device configured to generate supplementary data (check data) from the data it receives from the at least one permutating device.

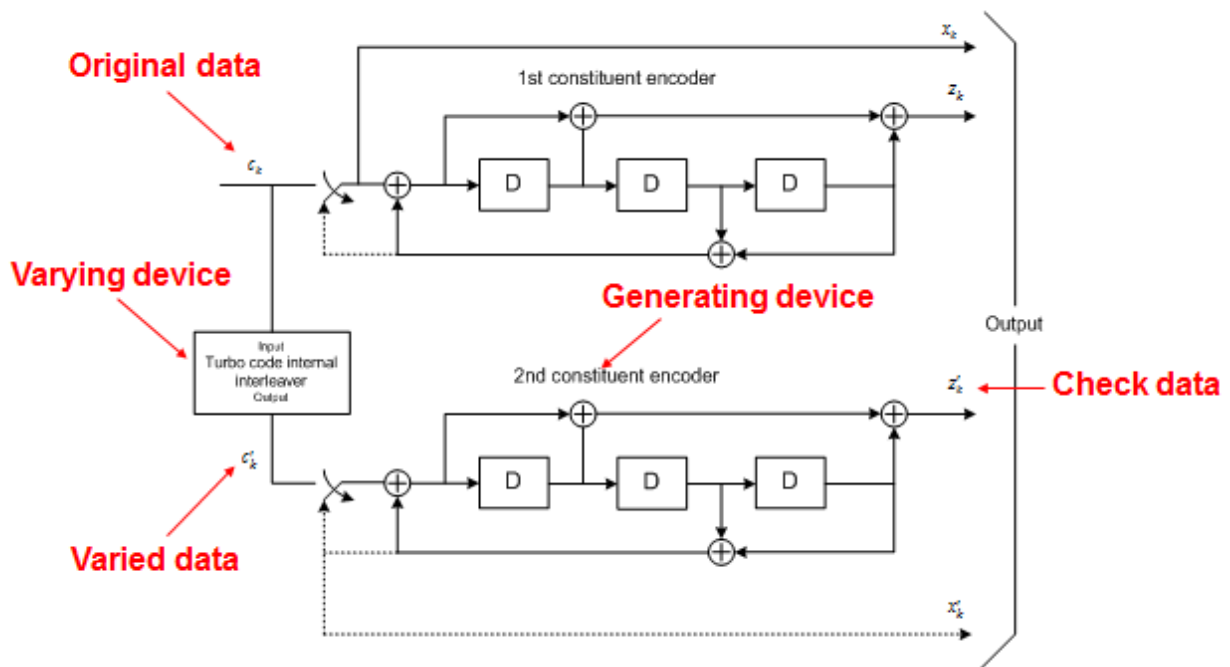
30. On information and belief, the BLU Studio 5.0 LTE is a device configured to receive data in the form of blocks comprised of plural bits in a particular ordered sequence and to use such data to generate data that can be used to check for errors in transmitted data.

31. Further, on information and belief, the BLU Studio 5.0 LTE include a varying device configured to vary the original data it receives, including through its incorporation of an interleaver configured to reorder the bit position of at least some of the bits of the original data

¹ This description is illustrative and not intended to be an exhaustive or limiting explanation of every manner in which each '662 Accused Product infringes the '662 patent.

provided to it without reordering any of the blocks of that original data, prior to supplying that now varied data to at least one generating device.

32. Further, on information and belief, the BLU Studio 5.0 LTE further includes at least one device configured to generate supplementary data for use in error checking (i.e., check data), including but not limited to through its use of one or more encoders. Below is a representative depiction of such infringing components and functions:



33. Further, on information and belief, the BLU Studio 5.0 LTE includes at least one varying device, including, for example, an interleaver, configured to change from time to time the manner in which it reorders at least some of the data bits it receives as disclosed in Claim 2 of U.S. Patent No. 6,212,662.

34. On information and belief, the BLU Studio 5.0 LTE further includes at least one varying device, including, for example, an interleaver, configured to change the manner in which

it reorders at least some of the bits it receives based on the characteristics of the data it receives as disclosed in Claim 3 of U.S. Patent No. 6,212,662.

35. On information and belief, the BLU Studio 5.0 LTE further includes at least one permutating device, including, for example, an interleaver, that includes or makes use of data storage in which subsequent re-orderings of the members of the given set are stored as disclosed in Claim 4 of U.S. Patent No. 6,212,662.

36. On information and belief, BLU thus directly infringed each element of Claims 2-4 of U.S. Patent No. 6,212,662 by selling and offering to sell in the United States, and by importing into the United States, without authorization, '662 Accused Products like the BLU Studio 5.0 LTE.

37. In addition, BLU indirectly infringed U.S. Patent No. 6,212,662 in violation 35 U.S.C. § 271(b) by taking active steps to encourage and facilitate direct infringement by third parties prior to June 26, 2016, including partners, service providers, manufacturers, importers, resellers, customers, and/or end users, in this District and elsewhere in the United States, through the dissemination of the '662 Accused Products and the creation and dissemination of promotional and marketing materials, supporting materials, instructions, product manuals, and/or technical information relating to such products with knowledge and the specific intent that its efforts will result in the direct infringement of U.S. Patent No. 6,212,662.

38. For example, on information and belief, prior to June 26, 2016, BLU took active steps to encourage various distributors and re-sellers to sell and offer for sale the BLU Studio 5.0 LTE despite knowing of U.S. Patent No. 6,212,662 and the fact that such sales and offers for sale would infringe each element of at least Claims 2-4 of U.S. Patent No. 6,212,662.

39. Such active steps include, for example, advertising and marketing the BLU Studio 5.0 LTE as capable of transmitting data using a radio telecommunication network, obtaining FCC approval for such device to be utilized in the United States, and distributing such devices to consumers and resellers knowing that they would be marketed and offered for sale in the United States.

40. Prior to June 26, 2016, BLU also took active steps to encourage end users of the BLU Studio 5.0 LTE to use such products in the United States in a manner it knew would directly infringe each element of at least Claims 2-4 of U.S. Patent No. 6,212,662 as described above, including by encouraging users to utilize the BLU Studio 5.0 LTE to transmit data despite knowing of U.S. Patent No. 6,212,662 and the fact that such data transmissions would cause such end user to use such products in a manner that infringes U.S. Patent No. 6,212,662.

41. Such active steps include, for example, advertising and marketing the BLU Studio 5.0 LTE as a device capable of transmitting data using a radio telecommunication network and instructing users how to utilize such device to transmit data in a manner that would infringe U.S. Patent No. 6,212,662. *See, e.g.*, Exhibit B (instructing users at pages 13-16 how to use a BLU Studio 5.0 LTE smartphone device to transmit data over a radio telecommunications network).

42. In short, BLU actively induced the direct infringement of U.S. Patent No. 6,212,662 by resellers and end users by distributing at least the BLU Studio 5.0 LTE and, among other things, marketing its use and capabilities and publishing manuals and promotional literature describing and instructing how to use it in an infringing manner.

43. Further, BLU took such active steps after receiving the above described notice of U.S. Patent No. 6,212,662 and its infringement of it.

44. In addition, BLU has indirectly infringed and continues to indirectly infringe U.S. Patent No. 6,212,662 in violation 35 U.S.C. § 271(c) by selling or offering to sell in the United States, or importing into the United States, prior to June 26, 2016, the '662 Accused Products with knowledge that they are especially designed or adapted to operate in a manner that infringes U.S. Patent No. 6,212,662 and despite the fact that the infringing technology or aspects of each '662 Accused Products are not a staple article of commerce suitable for substantial non-infringing use.

45. In addition, BLU's infringement of U.S. Patent No. 6,212,662 was willful. At least by March 26, 2015, KPN had provided BLU with notice of U.S. Patent No. 6,212,662. Nevertheless, without authorization, BLU deliberately continued to infringe U.S. Patent No. 6,212,662 and also encouraged others to infringe U.S. Patent No. 6,212,662 as described above, including by selling and/or using '662 Accused Products in the United States.

46. BLU's acts of infringement have caused damage to KPN, and KPN is entitled to recover from BLU the damages it has sustained as a result of such wrongful acts in an amount to be proven at trial.

47. Further, KPN states that it is entitled to all damages to which it otherwise is entitled because it has complied with 35 U.S.C. § 287 in that it has not manufactured, used, sold, or offered for sale in the United States, or imported into the United States, any product that practices U.S. Patent No. 6,212,662 and is not aware of any licensee that manufactured, used, sold, or offered for sale in the United States, or imported into the United States, a product that practices U.S. Patent No. 6,212,662.

DEMAND FOR JURY TRIAL

48. Plaintiff hereby demands a jury trial for all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment as follows:

- A. Declaring that BLU infringed U.S. Patent No. 6,212,662;
- B. Awarding damages to KPN for such infringement, including enhanced damages pursuant to 35 U.S.C. § 284 and prejudgment and post-judgment interest;
- C. Awarding KPN its attorneys' fees pursuant to 35 U.S.C. § 285 or as otherwise permitted by law;
- D. Awarding all other costs and relief that the Court deems just and proper.

Dated: January 15, 2021

Respectfully submitted,

Of Counsel:

FARNAN LLP

Lexie G. White
SUSMAN GODFREY, L.L.P.
1000 Louisiana Street, Suite 5100
Houston, Texas 77002
Telephone: (713) 651-9366
Facsimile: (713) 654-6666
lwhite@susmangodfrey.com

/s/ Brian E. Farnan
Brian E. Farnan (Bar No. 4089)
Michael J. Farnan (Bar No. 5165)
919 N. Market St., 12th Floor
Wilmington, DE 19801
Tel: (302) 777-0300
Fax: (302) 777-0301
bfarnan@farnanlaw.com
mfarnan@farnanlaw.com

Andres C. Healy
SUSMAN GODFREY L.L.P.
1201 Third Avenue Suite 3800
Seattle, WA 98101-3000
Telephone: (206) 505-3843
Facsimile: (206) 516-3883
ahealy@susmangodfrey.com

Attorneys for Plaintiff