IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

APTIV SERVICES US, LLC,

Plaintiff,

v.

BLITZSAFE TEXAS, LLC,

Defendant.

Civil Action No.

(Jury Demanded)

COMPLAINT FOR DECLARATORY JUDGMENT OF NONINFRINGEMENT AND INVALIDITY AND DEMAND FOR JURY TRIAL

Plaintiff Aptiv Services US, LLC ("Aptiv Services US") seeks a declaratory judgment that it does not infringe any claim of U.S. Patent Nos. 7,489,786 (the "786 Patent"), and 8,155,342 (the "342 Patent"), and that the '786 and '342 Patents are invalid. There is a live and existing controversy between Aptiv Services US and Blitzsafe Texas, LLC ("Blitzsafe"). On May 12, 2021 defendant Blitzsafe filed a patent infringement suit (Case No. 221-cv-00160) asserting the '786 and '342 Patents in the Eastern District of Texas against Aptiv PLC—a foreign company and affiliate of Aptiv Services US. However, the Eastern District of Texas lacks personal jurisdiction over Aptiv PLC. Aptiv PLC does not engage in any of the alleged infringing conduct. Aptiv Services US seeks a declaration from this Court that it does not infringe the'786 and '342 Patents and that the '786 and '342 Patents are invalid.

THE PARTIES

1. Aptiv Services US is a limited liability company organized and existing under the laws of the State of Delaware and maintains its principal place of business at 5725 Innovation Drive, Troy, Michigan 48098.

2. On information and belief, including Blitzsafe's allegations in litigations filed in Texas, Blitzsafe is a limited liability company organized and existing under the laws of the State of Texas and maintains its principal place of business at 100 W. Houston Street, Marshall, Texas 75670. (Exhibit A).

3. On information and belief, Blitzsafe owns the '786 and '342 Patents.

FACTUAL BACKGROUND

4. Blitzsafe has aggressively asserted its patent rights. Beginning on July 16, 2015 Blitzsafe undertook a campaign of alleging infringement of the '786 and '342 Patents against original equipment manufacturer (OEM) auto manufacturers and their suppliers of automobile audio systems. Since that time, Blitzsafe has filed 29 separate cases against various OEM auto manufacturer defendants including Honda, Hyundai, Nissan, Toyota, Volkswagen, BMW, Volvo, Subaru, Mercedes Benz, Mazda, Mitsubishi, General Motors, Fiat Chrysler Automobiles, Aston Martin, Volvo Trucks, and Mack Trucks.

5. On information and belief, Blitzsafe has done business in the Eastern District of Michigan. Blitzsafe's own complaint alleges that it sells products throughout the United States, which would include Michigan. (Exhibit A at \P 1).

6. On further information and belief, a number of the OEM automobile manufacturers have entered into written contracts with Blitzsafe pursuant to which those manufacturers have taken a license to the '786 and '342 Patents from Blitzsafe. On further information and belief, certain of these manufacturer licensees of Blitzsafe make and/or sell licensed products within the Eastern District of Michigan which are not marked with the patent numbers of the '786 and '342 Patents.

7. On May 12, 2021 Blitzsafe filed suit against Aptiv PLC—the foreign affiliate of Aptiv Services US—in the United States District Court for the Eastern District of Texas (the "Texas Action.") for alleged infringement of the '786 and '342 Patents. (Exhibit A). Blitzsafe sued the wrong entity because Aptiv PLC does not engage in any of the alleged infringing activity. Rather, Aptiv Services US imports and sells the products in the United States that Blitzsafe has accused of infringement in the Texas Action.

8. The Texas Action accuses Aptiv PLC of infringement of the '786 and '342 patents. Specifically, Blitzsafe accused Aptiv PLC of "manufacturing, importing, offering to sell, selling, and or importing into the United States audio and multimedia integration systems including, but not limited to, Delphi DEA5XX Radios, Delphi DEA6XX Radios, and Delphi DEA7XX Radios" (hereinafter the "Accused Products"). (Exhibit A at ¶ 12).

9. By filing the Texas Action seeking damages and an injunction against further sales of the Accused Products, Blitzsafe directly and/or impliedly threatened

suit against all affiliates of Aptiv PLC involved in the making, using, selling, offering for sale, or importing the Accused Products in the United States.

10. It is Aptiv Services US, not Aptiv PLC, that imports the Accused Products into the United States and sells those products to customers in the United States. It is not uncommon in patent disputes involving defendants with complex corporate structures for the patent owner to sue the wrong legal entity in a complaint alleging patent infringement. When that happens, the patent owner often either amends its complaint to name the correct legal entity or files a new lawsuit against the correct legal entity. As soon as Blitzsafe determines that Aptiv Services US imports and sells the Accused Products, Blitzsafe is likely to file suit against Aptiv Services US. Thus, there is a ripe and existing substantial controversy between Aptiv Services US and Blitzsafe.

11. Additionally, Blitzsafe has demonstrated its intent to assert the '786 and '342 Patents against the Accused Products imported and sold by Aptiv Services US by alleging infringement by those same Accused Products in the Texas Action. Blitzsafe's allegations of infringement with respect to the Accused Products creates a substantial ripe and existing controversy between Aptiv Services US and Blitzsafe.

12. Other entities previously or currently accused by Blitzsafe of infringing the '786 and '342 Patents include the downstream customers of Aptiv Services US. These direct or indirect customers of Aptiv Services US include at least General Motors, Fiat Chrysler Automobiles, Volvo Trucks, Mack Trucks, and PACCAR.

13. On information and belief, Blitzsafe has done business in the Eastern District of Michigan, having entered into licenses with respect to the '786 and '342 Patents with entities headquartered in the Eastern District of Michigan. Those acts and occurrences are material to this declaratory judgment because, upon information and belief, existing licenses (a) mandate a finding of noninfringement against Aptiv Services US as to at least some of the sales of the Accused Products due to the terms

of licenses granted by Blitzsafe to one or more of Aptiv Services US's customers, and (b) would prevent Blitzsafe from recovering certain damages pursuant to 35 U.S.C. § 287 even if Blitzsafe could prove infringement by any of the Accused Products. In addition, existing licenses may be material to a determination of damages, should Blitzsafe successfully demonstrate that the '786 and '342 Patents are valid and infringed.

14. On information and belief, General Motors is headquartered in the Eastern District of Michigan with a place of business at 300 Renaissance Center, Detroit, MI, 48243. On further information and belief, General Motors has entered into a written contract with Blitzsafe pursuant to which General Motors has taken a license to the '786 and '342 Patents from Blitzsafe.

15. On information and belief, Fiat Chrysler Automobiles is headquartered in the Eastern District of Michigan with a place of business at 1000 Chrysler Dr., Auburn Hills, MI, 48326. On further information and belief, Fiat Chrysler Automobiles has entered into a written contract with Blitzsafe pursuant to which Fiat Chrysler has taken a license to the '786 and '342 Patents from Blitzsafe.

JURISDICTION AND VENUE

16. This action arises under the Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., and under the patent laws of the United States, Title 35 of the United States Code.

17. This Court has subject matter jurisdiction over the claims alleged in this action under 28 U.S.C. §§ 1331, 1332, 1338, 2201, and 2202 because this Court has exclusive jurisdiction over declaratory judgment claims arising under the patent laws of the United States pursuant to 28 U.S.C. §§ 1331, 1338, 2201, and 2202.

18. This Court can provide the declaratory relief sought in this Declaratory Judgment Complaint because an actual and substantial case or controversy exists

between the parties within the scope of this Court's jurisdiction pursuant to 28 U.S.C. § 2201.

19. An actual and substantial case or controversy exists as to the '786 and '342 Patents at least because Aptiv Services US does not infringe and has not infringed any claims of the '786 and '342 Patents with respect to its activities in the United States involving the Accused Products. Blitzsafe's allegations regarding the Accused Products in the Texas Action implicate the products supplied by Aptiv Services US in the United States. It is reasonably foreseeable that having wrongfully accused Aptiv PLC of selling the Accused Products in the United States that Blitzsafe will sue Aptiv Services US when Blitzsafe learns that it is Aptiv Services US that sells the Accused Products in the United States.

Blitzsafe has purposefully availed itself of the protection of the laws of 20. the State of Michigan by directing its actions, as set out above, toward the forum state. Moreover, Blitzsafe's Texas Action targets products imported and sold by Aptiv Services, US, an LLC with its principal place of business in the Eastern District of Michigan. The effect of the Texas Action seeks relief that would impact Aptiv Services US within the state of Michigan because Blitzsafe seeks to permanently enjoin the making, selling, and importing of the Accused Products which would (a) impact the revenue of Aptiv Services US, (b) interfere with the customer relationships of Aptiv Services US, as well as (c) restrict the collaborative development and engineering activities between at least Aptiv Services US and Fiat Chrysler Automobiles in Auburn Hills, Michigan. Blitzsafe has further targeted its enforcement efforts and licensing efforts against businesses in Michigan, including at least General Motors and Fiat Chrysler Automobiles, customers of Aptiv Services US. Blitzsafe has done business in the Eastern District of Michigan by entering into licenses with respect to the '786 and '342 Patents with entities headquartered in the Eastern District of Michigan.

Blitzsafe's actions further target Aptiv Services US in the Eastern 21. District of Michigan because it is possible that Aptiv Services US could be deemed to be in privity with Aptiv PLC for purposes of filing a petition for inter partes review of the '786 and/or '342 Patents. 35 U.S.C. § 315(b) creates a one-year time bar to file a petition for Inter Partes Review with respect to any party in privity with a party against whom a complaint is filed for patent infringement. Blitzsafe's action targeting the Accused Products in the Texas Action thus creates uncertainty as to whether Aptiv Services US could be time barred if it fails to file a petition for inter partes review within one year of the service of the complaint in the Texas Action. The uncertainty created by Blitzsafe's conduct puts Aptiv Services US in the uncomfortable position of having to file a petition for Inter Partes Review within a year for fear that it could be deemed to be in privity with Aptiv PLC and be barred under 35 U.S.C. § 315(b) if it does not file such a petition. Thus, the Texas Action may impact the legal rights of Aptiv Services US and imposes the costs of a legal investigation concerning those rights on Aptiv Services US.

22. As a result of the above facts, Blitzsafe has established sufficient minimum contacts with the Eastern District of Michigan such that Blitzsafe is subject to specific personal jurisdiction in this action. Blitzsafe's acts as set forth above fall within a number of subsections of Michigan's long arm statute. *See* MCL 600.715. Further, the exercise of personal jurisdiction based on these repeated and pertinent contacts does not offend traditional notions of fairness and substantial justice.

23. Venue is proper in this District under 28 U.S.C. §§ 1391 and 1400, including because, under Sixth and Federal Circuit law, venue in declaratory judgment actions for noninfringement and invalidity of patents is determined under the general venue statute, 28 U.S.C. § 1391.

24. Under 28 U.S.C. § 1391(b)(1), venue is proper in any judicial district where a defendant resides. An entity with the capacity to sue and be sued, such as Blitzsafe, is deemed to reside in any judicial district in which such defendant is subject to the court's personal jurisdiction with respect to the civil action in question under 28 U.S.C. § 1391(c).

25. As discussed above, Blitzsafe is subject to personal jurisdiction with respect to this action in the Eastern District of Michigan, and thus, at least for the purposes of this action, Blitzsafe resides in the Eastern District of Michigan and venue is proper under 28 U.S.C. § 1391.

FIRST CLAIM FOR RELIEF

(Declaratory Judgment That Aptiv Services US Does Not Infringe The '786 Patent)

26. Aptiv Services US repeats and realleges each and every allegation contained in paragraphs 1 through 25 of this Complaint as if fully set forth herein.

27. In view of the facts and allegations set forth above, there is an actual, justiciable, substantial, and immediate controversy between Aptiv Services US and Blitzsafe regarding infringement of the '786 Patent with respect to the claims of the '786 Patent that Blitzsafe has alleged or currently alleges are infringed by the Accused Products.

28. Aptiv Services US does not infringe any valid claim of the '786 Patent and seeks such a declaration to resolve the actual dispute between the parties.

29. Aptiv Services US is entitled to a declaratory judgment that it does not infringe, and has not infringed, the '786 Patent.

SECOND CLAIM FOR RELIEF

(Declaratory Judgment That Aptiv Services US Does Not Infringe The '342

Patent)

30. Aptiv Services US repeats and realleges each and every allegation contained in paragraphs 1 through 29 of this Complaint as if fully set forth herein.

31. In view of the facts and allegations set forth above, there is an actual, justiciable, substantial, and immediate controversy between Aptiv Services US and Blitzsafe regarding infringement of the '342 Patent with respect to the claims of the '342 Patent that Blitzsafe has alleged or currently alleges are infringed by the Accused Products.

32. Aptiv Services US does not infringe any valid claim of the '342 Patent and seeks such a declaration to resolve the actual dispute between the parties.

33. Aptiv Services US is entitled to a declaratory judgment that it does not infringe, and has not infringed, the '342 Patent.

THIRD CLAIM FOR RELIEF

(Declaratory Judgment That The Claims Of The '786 Patent Are Invalid)

34. Aptiv Services US repeats and realleges each and every allegation contained in paragraphs 1 through 33 of this Complaint as if fully set forth herein.

35. In view of the facts and allegations set forth above, there is an actual, justiciable, substantial, and immediate controversy between Aptiv Services US, on the one hand, and Blitzsafe, on the other, regarding whether any claim of the '786 Patent asserted by Blitzsafe against the Accused Products is valid.

36. The claims of the '786 Patent asserted by Blitzsafe against the Accused Products are invalid and Aptiv Services US thus seeks such a declaration to resolve the actual dispute between the parties.

37. Aptiv Services US is entitled to a declaratory judgment that the claims of the '786 Patent are invalid under 35 U.S.C. §§ 101, 102, 103, and/or 112.

FOURTH CLAIM FOR RELIEF

(Declaratory Judgment That The Claims Of The '342 Patent Are Invalid)

38. Aptiv Services US repeats and realleges each and every allegation contained in paragraphs 1 through 37 of this Complaint as if fully set forth herein.

39. In view of the facts and allegations set forth above, there is an actual, justiciable, substantial, and immediate controversy between Aptiv Services US, on the one hand, and Blitzsafe, on the other, regarding whether any claim of the '342 Patent asserted by Blitzsafe against the Accused Products is valid.

40. The claims of the '342 Patent asserted by Blitzsafe against the Accused Products are invalid and Aptiv Services US thus seeks such a declaration to resolve the actual dispute between the parties.

41. Aptiv Services US is entitled to a declaratory judgment that the claims of the '342 Patent are invalid under 35 U.S.C. §§ 101, 102, 103, and/or 112.

DEMAND FOR JURY TRIAL

Aptiv Services US hereby demands a jury for all issues so triable.

PRAYER FOR RELIEF

Aptiv Services US respectfully requests the following relief:

- A. That the Court enter judgment declaring that Aptiv Services US has not infringed and does not infringe any valid claim of the '786 and '342 Patents;
- B. That the Court enter a judgment declaring that the claims of the '786 and '342
 Patents are invalid;
- C. That the Court declare that this case is exceptional under 35 U.S.C. § 285 and award Aptiv Services US its attorneys' fees, costs, and expenses incurred in this action;
- D. That the Court award Aptiv Services US any and all other relief to which it may show itself to be entitled; and

E. That the Court award Aptiv Services US any other relief as the Court may deem just, equitable, and proper.

Respectfully submitted,

HOWARD & HOWARD ATTORNEYS PLLC

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Dated: September 1, 2021