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

CLOUD SYSTEMS HOLDCO IP LLC,)	
Plaintiff,	
)	Civil Action No. 6:22-cv-01069
v.	
SAMSUNG ELECTRONICS)	
AMERICA, INC., AND	
SMARTTHINGS INC.,	JURY TRIAL DEMANDED,
Defendant.)	
)	

PLAINTIFF'S ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

Cloud Systems Holdco IP LLC ("Cloud") files this Original Complaint and demand for jury trial seeking relief from patent infringement of the claims of U.S. Patent No. 7,975,051 ("the '051 patent") (referred to as the "Patent-in-Suit") by Samsung Electronics America, Inc. and SmartThings, Inc. ("Defendants" or "SmartThings").

I. THE PARTIES

- 1. Cloud Systems Holdco IP is a Texas Limited Liability Company with its principal place of business located in Travis County, Texas.
- 2. On information and belief, Defendant Samsung Electronics America, Inc. is a corporation organized and existing under the laws of New York having a regular and established place of business in this judicial District, including at least at 12100 Samsung Blvd, Austin, Texas 78754, and is authorized to do business in Texas. On information and believe, Defendant SmartThings, Inc. is a subsidiary of Samsung Electronics America, Inc.
- 3. On information and belief, Defendants sell and offer to sell products and services throughout Texas, including in this judicial district, and introduce products and services that perform infringing methods or processes into the stream of commerce knowing that they would be

sold in Texas and this judicial district. Defendants can be served with process through their registered agent, CT Corporation System, 1999 Bryan St., Ste. 900, Dallas, TX 75201, or wherever they may be found.

II. JURISDICTION AND VENUE

- 4. This Court has original subject-matter jurisdiction over the entire action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because Plaintiff's claim arises under an Act of Congress relating to patents, namely, 35 U.S.C. § 271.
- 5. This Court has personal jurisdiction over Defendants because: (i) Defendants are present within or has minimum contacts within the State of Texas and this judicial district; (ii) Defendants have purposefully availed themselves of the privileges of conducting business in the State of Texas and in this judicial district; and (iii) Plaintiff's cause of action arises directly from Defendants' business contacts and other activities in the State of Texas and in this judicial district.
- 6. Venue is proper in this district under 28 U.S.C. §§ 1391(b) and 1400(b). Defendants have committed acts of infringement and have a regular and established place of business in this District. Further, venue is proper because Defendants conduct substantial business in this forum, directly or through intermediaries, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct and/or deriving substantial revenue from goods and services provided to individuals in Texas and this District.

III. INFRINGEMENT - Infringement of the '051 patent

7. On July 5, 2011, U.S. Patent No. 7,975,051 ("the '051 patent", attached as Exhibit A) entitled "System and method for managing, routing, and controlling devices and inter-device

connections," was duly and legally issued by the U.S. Patent and Trademark Office. Cloud Systems Holdco IP LLC owns the '051 patent by assignment.

- 8. The '051 patent relates to a system and method for managing, routing and controlling devices and inter-device connections located within an environment to manage and control the environment using a control client.
- 9. Defendants maintain, operate, and administer systems, products, and services for enabling a method for controlling an environment that infringes one or more claims of the '051 patent, including one or more of claims 1-27, literally or under the doctrine of equivalents. Defendants put the inventions claimed by the '051 Patent into service (i.e., used them); but for Defendants' actions, the claimed-inventions embodiments involving Defendants' products and services would never have been put into service. Defendants' acts complained of herein caused those claimed-invention embodiments as a whole to perform, and Defendants' procurement of monetary and commercial benefit from it.
- 10. Support for the allegations of infringement may be found in the the chart attached as exhibitB. These allegations of infringement are preliminary and are therefore subject to change.
- 11. Defendants have and continue to induce infringement. Defendants have actively encouraged or instructed others (e.g., their customers and/or the customers of their related companies), and continue to do so, on how to use their products and services (e.g., system for controlling an environment, comprising: a server comprising a database and an application service adapted to communicate via a first interface and a second interface) and related services such as to cause infringement of one or more of claims 1-27 of the '051 patent, literally or under the doctrine of equivalents. Moreover, Defendants have known of the '051 patent and the technology

underlying it from at least the issuance of the patent.¹ For clarity, direct infringement is previously alleged in this complaint.

12. Defendants have and continue to contributorily infringe. Defendants have actively encouraged or instructed others (e.g., their customers and/or the customers of their related companies), and continue to do so, on how to use their products and services (e.g., system for controlling an environment, comprising: a server comprising a database and an application service adapted to communicate via a first interface and a second interface) and related services such as to cause infringement of one or more of claims 1-27 of the '051 patent, literally or under the doctrine of equivalents. Moreover, Defendants have known of the '051 patent and the technology underlying it from at least the issuance of the patent.² For clarity, direct infringement is previously alleged in this complaint.

13. Defendants have caused and will continue to cause Plaintiff damage by direct and indirect infringement of (including inducing infringement and contributory infringement) the claims of the '051 patent.

IV. JURY DEMAND

Plaintiff hereby requests a trial by jury on issues so triable by right.

V. PRAYER FOR RELIEF

WHEREFORE, Plaintiif prays for relief as follows:

- a. enter judgment that Defendants have infringed the claims of the '051 patent;
- b. award Plaintiff damages in an amount sufficient to compensate it for Defendants' infringement of the Patent-in-Suit in an amount no less than a reasonable royalty or lost

¹ Plaintiff reserves the right to amend if discovery reveals an earlier date of knowledge.

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profits, together with pre-judgment and post-judgment interest and costs under 35 U.S.C.

§ 284;

c. award Plaintiff an accounting for acts of infringement not presented at trial and an award

by the Court of additional damage for any such acts of infringement;

d. declare this case to be "exceptional" under 35 U.S.C. § 285 and award Plaintiff its

attorneys' fees, expenses, and costs incurred in this action;

e. declare Defendants' infringement to be willful and treble the damages, including attorneys'

fees, expenses, and costs incurred in this action and an increase in the damage award

pursuant to 35 U.S.C. § 284;

f. a decree addressing future infringement that either (if) awards a permanent injunction

enjoining Defendants and their agents, servants, employees, affiliates, divisions, and

subsidiaries, and those in association with Defendants from infringing the claims of the

Patent-in-Suit, or (ii) awards damages for future infringement in lieu of an injunction in an

amount consistent with the fact that for future infringement the Defendants will be

adjudicated infringers of a valid patent, and trebles that amount in view of the fact that the

future infringement will be willful as a matter of law; and

g. award Plaintiff such other and further relief as this Court deems just and proper.

DATED: October 10, 2022

Respectfully submitted,

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