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

ULTIMATEPOINTER, L.L.C.,

Plaintiff,

Civil Action No.: 2:22-cv-00206

v.

LG ELECTRONICS, INC., and LG ELECTRONICS U.S.A., INC.,

Jury Trial Demanded

Defendants.

COMPLAINT FOR PATENT INFRINGEMENT AND JURY DEMAND

Plaintiff UltimatePointer, L.L.C. ("Plaintiff" or "UltimatePointer"), for its Complaint for Patent Infringement and Jury Demand against Defendants LG Electronics, Inc. ("LGE") and LG Electronics U.S.A., Inc. ("LGEUSA") (collectively, "Defendants" or "LG"), alleges as follows:

I. <u>PARTIES</u>

1. Plaintiff UltimatePointer is a limited liability company organized and existing under the laws of the state of Delaware, with an address at 4256 Emory, Houston, Texas 77005.

2. Defendant LGE is a corporation formed under the laws of the country of South Korea, with its principal place of business at LG Twin Tower 128, Yeoui-daero, Yeongdeungpogu, Seoul, South Korea. Upon information and belief, LGE does business in Texas directly or through intermediaries, and offers its products and/or services, including the infringing products, to customers and potential customers located in Texas, including in this District.

3. Defendant LGEUSA is a Delaware corporation having a principal place of business at 111 Sylvan Avenue, North Building, Englewood Cliffs, New Jersey 07632. Upon information and belief, LGEUSA is a wholly-owned subsidiary of LGE. Upon information and belief, LGEUSA manufactures and distributes infringing products throughout the United States,

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including in this District. LGEUS may be served with process through its Texas registered agent, United States Corporation Co., 211 East 7th Street, Suite 620, Austin, Texas 78701.

4. Upon information and belief, LGEUSA is the North American subsidiary of LGE, and LGE us A have acted in concert with respect to the facts alleged herein such that any act of one Defendant is attributable to all Defendants.

II. JURISDICTION AND VENUE

5. As this is a civil action for patent infringement arising under the patent laws of the United States, 35 U.S.C. §§ 1 *et seq.*, this Court has exclusive subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).

6. This Court has personal jurisdiction over Defendants pursuant to due process and the Texas Long Arm Statute because, *inter alia*, (a) Defendants have done and continue to do business in the United states, including in the State of Texas; (b) Defendants have committed and continue to commit acts of patent infringement in the United States, including in the State of Texas, including making, using, offering to sell and/or selling infringing products in the United States and Texas, and/or importing infringing products into the United States and Texas, including by Internet sale and sales via retail and wholesale stores, inducing others to commit acts of patent infringement in the United States and Texas, and/or committing at least a portion of any other infringements alleged herein.

7. Further, upon information and belief, LGEUSA maintains a regular and established, Denton County-based, place of business (*i.e.*, an electronics distribution center) in this District at 14901 North Beach Street, Fort Worth, Texas ("Beach Street"). According to unofficial Denton County tax records available online, a snapshot of which is reproduced below, LGEUSA,

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owes almost \$400,000 in taxes on property located at this Beach Street property, which is identified as an "electronics warehouse."

Account: 657779DEN		total d \$396,5	ие 📑 599.76 рау	ADD TO CART	E-STATEMENT	
Basic Information						
OWNERTYPELG ELECTRONICS ATTN: TAXPersonalDEPT.111 SYLVAN AVEENGLEWOOD CLIFFS, NJ 07632-3318		LOCATION 0014901 BEACH ST		LEGAL PERSONAL PROPERTY - ELECTRONICS WAREHOUSE LOCATION: 14901 BEACH ST FORT WORTH		
		View More 🗸				

(https://taxweb.dentoncounty.gov/Accounts/AccountDetails?taxAccountNumber=657779DEN (last accessed 10/13/22)). The tax record refers to "LG Electronics" and also references LGEUSA's Englewood Cliffs, New Jersey address. When previously confronted with a similar screenshot in another action, LGE admitted that "LGEUS[A] leases property in Fort Worth, Texas and pays taxes on that property *See* Answer ¶ 9, ECF No. 19, *SpaceTime3D, Inc. v. LG Elecs. Inc.*, No. 2:22-cv-00049 (E.D. Tex. June 20, 2022).

8. Defendants have placed and/or contributed to placing infringing products into the stream of commerce via established distribution channels, knowing or understanding that such products would be sold in the United States, including in this District.

9. Indeed, Defendants have not disputed this Court's personal jurisdiction over the last few years in a number of recent patent infringement actions in this District. *See, e.g., id.* ¶ 8 ("LGE does not contest that the Court has personal jurisdiction over LGE, Inc. or LGEUS for the purposes of this particular action only, but does not waive the right to contest personal jurisdiction in any other case or action in this District."); Answer ¶¶ 10, 11, 17, 19, ECF No. 14, *Sovereign Peak Ventures, LLC v. LG Elecs., Inc.*, No. 2:20-cv-00107-JRG (E.D. Tex. Aug. 5, 2020) ("does not contest personal jurisdiction in this lawsuit"); Answer ¶¶ 6-7, ECF No. 17, *KT Imaging USA*

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v. LG Elecs. Inc., No. 4:20-cv-00338 (E.D. Tex. Sept. 16, 2020) ("for purposes of this action and this action only, LG[] does not contest personal jurisdiction in this action"); Answer ¶¶ 5, 7, ECF No. 12, *Seven Networks, LLC v. LG Elecs., Inc.*, No. 2:21-cv-00088 (E.D. Tex. June 7, 2021) ("does not contest, solely for the purposes of the present action, whether venue properly lies in this District"; "does not contest, solely for the purposes of the purposes of the present action, whether personal jurisdiction properly lies over LGE in this District."); Answer ¶ 6, ECF No. 14, *Hardin v. LG Elecs., Inc.*, No. 2:21-cv-00289 (E.D. Tex. Nov. 22, 2021) ("admit that venue is permissible in this District for purposes of this particular action"); Answer ¶¶ 6, 13, 14, ECF No. 24, *Arigna Tech. Ltd., LG Elecs., Inc.*, No. 2:21-cv-00377, Dkt. 24 (E.D. Tex. Jan. 26, 2022) ("does not contest that the Court has personal jurisdiction over LG[] for the purposes of this particular action only"; "does not contest that the venue is proper in this District for purposes of this particular action over LG[] for the purposes of this particular action only".

10. Further, LGE has previously availed itself of the Court in this District with regard to enforcement of its patent infringement claims. *See, e.g., LG Elecs. Inc. v. TCL Elecs. Holdings Ltd, et al.*, No. 2:22-cv-00122, ECF No. 1 (E.D. Tex. Apr. 21, 2022).

11. In addition, or in the alternative, this Court has personal jurisdiction over LGE pursuant to Fed. R. Civ. P. 4(k)(2).

12. Venue is proper in this District as to LGE pursuant to 28 U.S.C. § 1391(c)(3)
because venue is proper in any judicial district against a foreign corporation. *See also* Answer
¶ 16, *SpaceTime3D*, *Inc.* (LGE not contesting venue as proper in this District).

13. Venue is proper in this District as to LGEUSA pursuant to 28 U.S.C. § 1400(b), at least because LGEUSA has a regular and established place of business in this District, and has committed acts of patent infringement in this District. *See also id.* Answer ¶ 17 (LGEUSA not contesting venue as proper in this District). Upon information and belief, LGEUSA's acts of

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infringement in this District include, but are not limited to, the use, sale, offer for sale, and/or importation into the United States of LG Magic Remotes and associated televisions.

III. <u>GENERAL ALLEGATIONS</u>

A. THE '927 PATENT

14. On August 2, 2022, the United States Patent and Trademark Office duly and legally issued U.S. Patent No. 11,402,927 ("the '927 Patent"), entitled "POINTING DEVICE." A true and correct copy of the '927 Patent is attached hereto as Exhibit A and is incorporated by reference.

15. UltimatePointer was assigned and owns all right, title and interest to the '927 Patent, having the full and exclusive right to bring suit to enforce the '927 Patent, including the right to recover for past, present and future infringement.

16. The '927 Patent is valid and enforceable. UltimatePointer is in compliance with 35 U.S.C. § 287.

B. <u>LG'S INFRINGING CONDUCT</u>

17. The '927 Patent generally is directed to pointing systems using, among other things, gyroscopes and accelerometers to control cursor locations on displays.

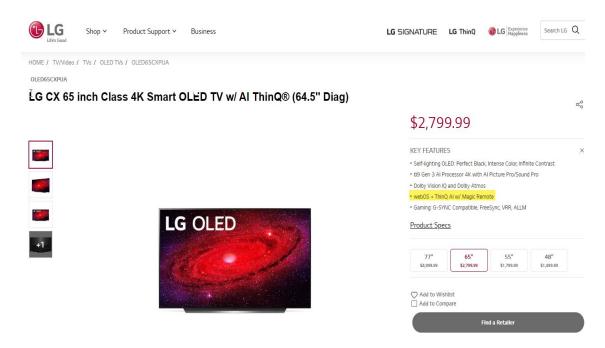
18. Upon information and belief, LG has been and is infringing by making, using, selling, offering for sale, and/or importing into the United States, without authority, products/systems that fall within the scope of one or more of the claims of the '927 Patent, such products/systems including, but not limited to, television controllers and associated televisions. Such products/systems are Accused Instrumentalities (further defined below), which are referenced herein and in the attached claim charts.

19. LG's infringing products/systems include LG's Magic Remote television controllers, alone and/or sold in combination with various televisions. Non-limiting examples

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include, but are not limited to, Magic Remotes (*e.g.*, MR20GA and MR21GA) and OLED (*e.g.*, 55CX), UHD (*e.g.*, SK9500, SK9000, SK8070 and SK8000), and UHD 4K televisions (*e.g.*, UK7700, UK6570, UK6500, and UK6300) that are compatible with the Magic Remote ("Accused Instrumentalities").

20. Recognizing the valuable nature of UltimatePointer's patented invention, LG prominently advertises its Magic Remotes as a "KEY" feature of its televisions:



See, e.g., https://www.lg.com/us/tvs/lg-oled65cxpua-oled-4k-tv (emphasis added) (last accessed 8/15/22).

21. As shown in Exhibit B (which is incorporated by reference as though fully set forth herein and provides non-limiting examples subject to further discovery), the Accused Instrumentalities comprise an indirect pointing system that meets each and every element of at least Claims 1, 2, 4, 7, 8, 9, 14, 15, 21, 26, 28 and 29 of the '927 Patent either directly or under the doctrine of equivalents.

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22. Through at least through the filing of this Complaint, LG had and continues to have actual knowledge of the '927 Patent and its coverage of LG's Accused Instrumentalities, but has nonetheless engaged in the infringing conduct. UltimatePointer reserves the right to investigate LG's prior knowledge of the '927 Patent.

COUNT I - INFRINGEMENT OF THE '927 PATENT

23. UltimatePointer repeats and re-alleges the allegations of the above paragraphs as if fully set forth herein.

24. LG has directly infringed and continues to directly infringe, either literally or under the doctrine of equivalents, the '927 Patent in violation of 35 U.S.C. § 271(a) by making, using, offering for sale, selling, and/or importing Accused Instrumentalities, their components, and/or products containing the same to, for example, its alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, to the extent that LG sells and makes the Accused Instrumentalities outside of the United States, and delivers products based thereon to its customers, distributors, and/or subsidiaries in the United States, or in the case that it delivers the Accused Instrumentalities outside of the United States, upon information and belief, it does so intending and/or knowing that those accused products are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '927 Patent. Furthermore, LG has directly infringed and continues to directly infringe the '927 Patent through its direct involvement in the activities of its subsidiaries (including LGEUSA), including by selling and offering for sale the Accused Instrumentalities directly to LGEUSA and importing the Accused Instrumentalities into the United States for LGEUSA. Upon information and belief, LGEUSA conducts activities that constitute direct infringement of the '927 Patent under 35 U.S.C. § 271(a) by making, using, offering for sale, selling, and/or importing Accused Instrumentalities.

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For example, and upon information and belief, LGEUSA offers for sale, sells, and imports the Accused Instrumentalities within the U.S. to, for example, its distributors, customers, subsidiaries, importers, and/or consumers. Further, LGE is vicariously liable for this infringing conduct of LGEUSA (under both the alter ego and agency theories) because, as an example and upon information and belief, LGE and LGEUSA are essentially the same company, and LGE has the right and ability to control LGEUSA's infringing acts and receives a direct financial benefit from LGEUSA's infringement.

25. Upon information and belief, LG's acts of infringement have occurred within this District and elsewhere throughout the United States.

26. UltimatePointer has been damaged and will suffer additional damages due to LG's infringement. As a direct and proximate result of LG's acts of patent infringement, UltimatePointer has been and continues to be injured and has sustained and will continue to sustain substantial damages.

27. Due to its tortious conduct, LG is liable to UltimatePointer in an amount that adequately compensates UltimatePointer for LG's infringement, 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.

PRAYER FOR RELIEF

WHEREFORE, UltimatePointer respectfully requests that the Court enter judgment in its favor as follows:

A. Declaring that LG has directly and/or indirectly infringed the '927 Patent;

B. Permanently enjoining LG, its officers, agents, employees, attorneys and all others acting in concert or participation with LG from infringing the '927 Patent;

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C. Awarding an accounting of all damages sustained by UltimatePointer as a result of LG's acts of infringement;

D. Awarding damages in an amount to be proven at trial, but in no event less than a reasonable royalty, for LG's infringement, including pre-judgment and post-judgment interest at the maximum rate permitted by law;

E. Awarding UltimatePointer's costs (including all disbursements) and reasonable attorneys' fees under 35 U.S.C. § 285 or other relevant law or provision;

F. Awarding enhanced damages pursuant to 35 U.S.C. § 284; and

G. Awarding such other and further relief as the Court deems just and equitable.

DEMAND FOR JURY TRIAL

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, UltimatePointer hereby demands a trial by jury in this action of all claims so triable.

Dated: October 18, 2022

Respectfully submitted,

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