

**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

LIONRA TECHNOLOGIES LTD.,

Plaintiff,

v.

APPLE INC.,

Defendant.

Case No. 1:23-cv-513

JURY TRIAL DEMANDED

**COMPLAINT FOR PATENT INFRINGEMENT
AGAINST APPLE INC.**

This is an action for patent infringement arising under the Patent Laws of the United States of America, 35 U.S.C. § 1 *et seq.*, in which Plaintiff Lionra Technologies Limited (“Plaintiff” or “Lionra”) makes the following allegations against Defendant Apple Inc. (“Defendant” or “Apple”):

INTRODUCTION

1. This complaint arises from Apple’s unlawful infringement of the following United States patent owned by Plaintiff, which relates to improvements in secure computing systems: United States Patent No. 7,779,267 (the “Asserted Patent”).

PARTIES

2. Plaintiff Lionra Technologies Limited is a private company limited by shares organized and existing under the laws of Ireland, with its principal place of business at The Hyde Building, Suite 23, The Park, Carrickmines, Dublin 18, Ireland. Lionra is the sole owner by assignment of all rights, title, and interest in the Asserted Patent, including the right to recover damages for past, present, and future infringement.

3. On information and belief, Defendant Apple Inc. is a publicly traded corporation organized under the laws of the State of California, with its principal place of business at One Apple Park Way, Cupertino, CA 95014. Apple may be served with process through its registered agent, CT Corporation System, at 330 North Brand Boulevard, Suite 700, Glendale, CA 91203.

JURISDICTION AND VENUE

4. This action arises under the patent laws of the United States, Title 35 of the United States Code. This Court has original subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

5. This Court has personal jurisdiction over Apple in this action because Apple has committed acts within this District giving rise to this action and has established minimum contacts with this forum such that the exercise of jurisdiction over Apple would not offend traditional notions of fair play and substantial justice. Apple, directly and through subsidiaries or intermediaries, has committed and continues to commit acts of infringement in this District by, among other things, importing, offering to sell, and selling products that infringe the Asserted Patent.

6. Venue is proper in this District under 28 U.S.C. §§ 1391 and 1400(b). Apple is registered to do business in Texas, and upon information and belief, Apple has transacted business in this District and has committed acts of direct and indirect infringement in this District by, among other things, making, using, offering to sell, selling, and importing products that infringe the Asserted Patent. Apple has regular and established places of business in this District, including at 12545 Riata Vista Cir., Austin, Texas 78727; 12801 Delcour Dr., Austin, Texas 78727; and 3121 Palm Way, Austin, Texas 78758. *See* Ex. 1 (<https://www.apple.com/newsroom/2019/11/apple-expands-in-austin/>), Ex. 2 (<https://www.google.com/maps/place/Apple+Inc./@30.4324406,->

[97.7359733,15z/data=!4m6!3m5!1s0x8644cc53f1a9dd43:0x5852421ec4ac410c!8m2!3d30.4322558!4d-97.7359386!16s%2Fg%2F1ptxmyl32](https://www.apple.com/retail/domainnorthside/)), and Ex. 3

(<https://www.apple.com/retail/domainnorthside/>). Apple also has posted job listings for engineer positions related to Apple Pay in Austin, Texas, which is a job that concerns the implementation of the inventions contained in the Asserted Patent. See Ex. 4 (<https://jobs.apple.com/en-us/details/200468930/software-quality-engineer-apple-pay?team=SFTWR>).

COUNT I

INFRINGEMENT OF U.S. PATENT NO. 7,779,267

7. Plaintiff realleges and incorporates by reference the foregoing paragraphs as if fully set forth herein.

8. Plaintiff owns by assignment all rights, title, and interest, including the right to recover damages for past, present, and future infringement, in U.S. Patent No. 7,779,267, titled “Method and apparatus for using a secret in a distributed computing system.” The ’267 Patent was duly and legally issued by the United States Patent and Trademark Office on August 17, 2010. The ’267 Patent is valid and enforceable. A true and correct copy of the ’267 Patent is attached hereto as Exhibit 5.

9. Apple makes, uses, offers for sale, sells, and/or imports certain products that contain the Secure Enclave and/or support Apple Pay, including without limitation iPhone 6, 6 Plus, 6S, 6S Plus, SE (first and second generation), 7, 7 Plus, 8, 8 Plus, X, XR, XS, XS Max, 11, 11 Pro, 11 Pro Max, 12, 12 mini, 12 Pro, 12 Pro Max, 13, 13 mini, 13 Pro, 13 Pro Max, 14, 14 Plus, 14 Pro, 14 Pro Max, Watch Series 1, Watch Series 2, Watch Series 3, Watch Series 4, Watch Series 5, Watch SE, Watch Series 6, Watch Series 7, Watch Series 8, Watch Ultra, Watch SE (second generation), iPad Air (or later), MacBook Pro computers with Touch Bar (2016 and 2017)

that contain the Apple T1 Chip, Intel-based Mac computers that contain the Apple T2 Security Chip, and Mac computers with Apple silicon (the “Accused Products”), that infringe, literally and/or under the doctrine of equivalents, one or more claims of the ’267 Patent. Identification of the accused products will be provided in Plaintiff’s infringement contentions pursuant to the Court’s scheduling order.

10. The Accused Products satisfy all claim limitations of one or more claims of the ’267 Patent. A claim chart comparing exemplary independent claim 40 of the ’267 Patent to representative Accused Products is attached as Exhibit 6.

11. By making, using, offering for sale, selling and/or importing into the United States the Accused Products and associated Apple Pay services, Apple has injured Plaintiff and is liable for infringement of the ’267 Patent pursuant to 35 U.S.C. § 271(a). For example, Apple directly infringes exemplary independent claim 40 of the ’267 Patent by using the accused system.

12. Apple also knowingly and intentionally induces infringement of one or more claims of the ’267 Patent in violation of 35 U.S.C. § 271(b). At least as of the filing and service of this complaint, Apple has knowledge of the ’267 Patent and the infringing nature of the Accused Products through, for example, the ’267 Patent claim chart served therewith. Despite this knowledge of the ’267 Patent, Apple continues to actively encourage and instruct its customers and end users (for example, through user manuals and online instruction materials on its website and materials cited in Exhibit 6) to use the Accused Products in ways that directly infringe the ’267 Patent. For example, Apple advertises the secure features of Apple Pay:

aB3aC6cD32
5428426422
1581600387
290209009a
PaJEcH4cG4
0F63H53F80
2322242328

Personal data. Protected. When you make a purchase, Apple Pay uses a device-specific number and unique transaction code. So your card number is never stored on your device or on Apple servers. And when you pay, your card numbers are never shared by Apple with merchants.



Your purchases stay private. When you pay with a debit or credit card, Apple Pay doesn't keep transaction information that can be tied back to you. And when you use Apple Cash, information is stored only for troubleshooting, fraud prevention, and regulatory purposes.

See <https://www.apple.com/apple-pay/>. Apple also touts its Secure Enclave technology and explains its relevance to the secure features of Apple Pay in its “Apple Pay security and privacy overview” on its website. See <https://support.apple.com/en-us/HT203027#:~:text=Apple%20Pay%20is%20designed%20with,to%20help%20protect%20your%20transactions>. Further, Apple provides its users with instructions explaining how to set up Apple Pay and add a credit, debit, or prepaid card to the Wallet App. See

<https://support.apple.com/en-us/HT204506>. Apple provides these instructions, user manuals, and other materials knowing and intending (or with willful blindness to the fact) that its customers and end users will commit these infringing acts. Apple also continues to make, use, offer for sale, sell, and/or import the Accused Products, despite its knowledge of the '267 Patent, thereby specifically intending for and inducing its customers to infringe the '267 Patent through the customers' normal and customary use of the Accused Products.

13. Apple has also infringed, and continues to infringe, one or more claims of the '267 Patent by selling, offering for sale, or importing into the United States, the Accused Products, knowing that the Accused Products constitute a material part of the inventions claimed in the '267 Patent, are especially made or adapted to infringe the '267 Patent, and are not staple articles or commodities of commerce suitable for non-infringing use. At least as of the filing and service of this complaint, Apple has knowledge of the '267 Patent and the infringing nature of the Accused Products through, for example, the '267 Patent claim chart served therewith. Apple has been, and currently is, contributorily infringing the '267 Patent in violation of 35 U.S.C. §§ 271(c) and/or (f). For example, Apple's token provisioning techniques for Apple Pay constitute a material part of the inventions claimed in the '267 Patent, are especially made or adapted to infringe the '267 Patent, and are not staple articles or commodities of commerce suitable for non-infringing use, as demonstrated by the evidence in Exhibit 6.

14. On information and belief, Plaintiff (including its predecessors and any licensees) complied with 35 U.S.C. §287 during the relevant time period because Plaintiff, its predecessors, and any licensees did not make, offer for sale, or sell products that practice(d) the '267 Patent during the relevant time period or were not required to mark during the relevant time period.

15. As a result of Apple's direct infringement of the '267 Patent, Plaintiff is entitled to monetary damages (past, present, and future) in an amount adequate to compensate for Apple's infringement, but in no event less than a reasonable royalty for the use made of the invention by Apple, together with interest and costs as fixed by the Court.

16. As a result of Apple's indirect infringement of the '267 Patent, Plaintiff is entitled to monetary damages (present and future) in an amount adequate to compensate for Apple's infringement, but in no event less than a reasonable royalty for the use made of the invention by Apple, together with interest and costs as fixed by the Court, accruing as of the time Apple obtained knowledge of the '267 Patent.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests that this Court enter:

a. A judgment in favor of Plaintiff that Apple has infringed, either literally and/or under the doctrine of equivalents, the '267 Patent;

b. A judgment and order requiring Apple to pay Plaintiff its damages (past, present, and future), costs, expenses, and pre-judgment and post-judgment interest for Apple's infringement of the '267 Patent;

c. A judgment and order requiring Apple to pay Plaintiff compulsory ongoing licensing fees, as determined by the Court in equity.

d. A judgment and order requiring Apple to provide an accounting and to pay supplemental damages to Plaintiff, including without limitation, pre-judgment and post-judgment interest and compensation for infringing products released after the filing of this case that are not colorably different from the accused products;

e. A judgment and order finding that this is an exceptional case within the meaning

of 35 U.S.C. § 285 and awarding to Plaintiff its reasonable attorneys' fees against Apple; and

f. Any and all other relief as the Court may deem appropriate and just under the circumstances.

DEMAND FOR JURY TRIAL

Plaintiff, under Rule 38 of the Federal Rules of Civil Procedure, requests a trial by jury of any issues so triable by right.

Dated: May 9, 2023

Respectfully submitted,

/s/ Brett Cooper

Brett E. Cooper (NY SBN 4011011)

bcooper@bc-lawgroup.com

Seth Hasenour (TX SBN 24059910)

shasenour@bc-lawgroup.com

Drew B. Hollander (NY SBN 5378096)

dhollander@bc-lawgroup.com

Jonathan Yim (NY SBN 5324967)

jyim@bc-lawgroup.com

BC LAW GROUP, P.C.

200 Madison Avenue, 24th Floor

New York, NY 10016

Phone: 212-951-0100

*Attorneys for Plaintiff Lionra Technologies
Limited*