C	ase 8:24-cv-02456	Document 1	Filed 11/08/24	Page 1 of 7	Page ID #:1
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0 1 2	SYSTEMS INC. UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA				
3 4 5 6 7 8 9	v. VDPP, LLC,	EMS INC., Plaintiff, Defendant.	COMI JUDG NON- U.S. P	No.: 8:24-cv- PLAINT FO PMENT OF INFRINGEN ATENT NO	R DECLARATORY MENT OF . 10,021,380

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Plaintiff TP-Link Systems Inc. ("TP-Link" or "Plaintiff") by and through its attorneys, alleges against Defendant VDPP, LLC ("VDPP" or "Defendant") as follows:

PARTIES AND BACKGROUND

- 1. Plaintiff TP-Link is a global distributor of networking devices and smart home products, and is consistently ranked as the world's top provider of Wi-Fi devices. With a commitment to excellence, TP-Link serves customers in over 170 countries and continues to grow its global footprint.
- 2. On information and belief, Defendant VDPP is the owner by assignment of U.S. Patent No. 10,021,380 ("the '380 Patent"). A true and correct copy of the '380 Patent is attached hereto as Exhibit 1 and is incorporated herein by reference.
- 3. On information and belief, the '380 Patent expired in early 2022.
- 4. As reflected in Exhibit 3 (Order Granting Motion to Dismiss With Prejudice (3.27.2024)) hereto, VDPP has a history of failing to comply with the patent marking statute, 35 U.S.C. § 287(a).
- 5. On July 31, 2024, VDPP filed a lawsuit against TP-Link, alleging that TP-Link infringed the '380 Patent in connection with TP-Link's distribution of security camera products. VDPP's complaint failed to state any allegations of actual or constructive notice to TP-Link of alleged infringement before the '380 Patent expired. VDPP's complaint against TP-Link is attached hereto as Exhibit 2.
- 6. On November 8, 2024, VDPP dismissed without prejudice its lawsuit against TP-Link.
- 7. On information and belief, VDPP does not provide any product or service or have any non-litigation-based income or revenue.
- 8. On information and belief, VDPP is exclusively in the business of monetizing patents acquired from third parties.
- 9. As alleged above, the '380 Patent expired in early 2022.

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- 10. All independent claims of the '380 Patent require the combination of two specific modified image frames to generate a modified combined image frame which is subsequently displayed.
- 11.TP-Link had no actual or constructive knowledge of the '380 Patent prior to its 2022 expiration. TP-Link was unaware of the '380 Patent until after VDPP filed its lawsuit on July 31, 2024.
- 12. At no time did TP-Link specifically intend to infringe or encourage infringement of the '380 Patent before expiration, nor could it have given it had no knowledge of the '380 Patent.
- 13. The '380 Patent, issued July 10, 2018, and titled "Faster State Transitioning For Continuous Adjustable 3Deeps Filter Spectacles Using Multi-Layered Variable Tint Materials," claimed an electronically controlled spectacle which includes a spectacle frame and optoelectronic lenses housed therein. This invention purports to relate to a "3Deeps" system via which the spectacles could be used to view movies in three dimensions. TP-Link does not make such spectacles or anything related thereto. Nonetheless, VDPP accused TP-Link's security camera product of somehow infringing the method claims of the '380 patent.
- 14. TP-Link does not "use" the camera products it distributes; it distributes them to retailers who subsequently sell them to end customers.

NATURE OF THE ACTION

- 15. This is an action brought pursuant to the Declaratory Judgment Act, 28 U.S.C. § 2201, for a declaratory judgment that TP-Link does not infringe, and is not liable for infringement of, the '380 Patent.
- 16.TP-Link seeks a declaratory judgment that it nor any of its products infringe any claim of the '380 Patent under the Patent Laws of the United States, 35 U.S.C. §§ 101, et seq.

PARTIES, JURISDICTION, AND VENUE

17. The parties to this lawsuit are Plaintiff TP-Link and Defendant VDPP.

- 18. Plaintiff TP-Link is a California corporation with its principal place of business in this District at 10 Mauchly, Irvine, California 92618.
- 19. Defendant VDPP, upon information and belief, is an Oregon limited liability company.
- 20. This action arises under the laws of the United States ("U.S."), including the U.S. patent laws as codified in Title 35 of the United States Code ("U.S.C.") §§ 1 et seq.; and with specific remedies sought under the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202. An actual, substantial, and continuing justiciable controversy as to TP-Link's non-infringement of the '380 Patent exists between TP-Link and VDPP that requires a declaration of rights by this Court.
- 21. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).
- 22. This Court has personal jurisdiction over Defendant VDPP by virtue of its continuous and systematic contacts with the State of California and this District, including but not limited to regularly availing itself of California courts, including filing suit in this District against TP-Link alleging infringement of the '380 Patent (see Exhibit 2).
- 23. Venue is proper in this jurisdiction under 28 U.S.C. §§ 1391 and 1400(b), at least because a substantial part of the events or omissions giving rise to the claims occurred in this district, as TP-Link distributes the products accused of infringement by VDPP exclusively out of this District, and VDPP purposefully directed activities in this district by, *inter alia*, filing a lawsuit alleging that TP-Link infringes the '380 Patent in this District (Exhibit 2).
- 24. An actual controversy exists between TP-Link and VDPP as to whether TP-Link infringes the '380 Patent. Indeed, VDPP has already sued TP-Link alleging infringement of the '380 Patent, and such allegations have not been resolved due to VDPP's voluntary dismissal of that lawsuit without prejudice. TP-Link denies that

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- any of its activities or products infringe any claim of the '380 Patent purportedly owned by VDPP.
- 25. On information and belief, VDPP engages in no business activity other than seeking to enforce patents. As a result of VDPP's actions (including the prior lawsuit which VDPP voluntarily dismissed without prejudice), TP-Link has a reasonable apprehension that VDPP will re-file its lawsuit and again accuse TP-Link of infringing the '380 Patent.
- 26. There is an immediate, real, and substantial justiciable controversy between TP-Link and VDPP as to VDPP's purported right to threaten or maintain suit for infringement of the '380 Patent; as to the scope and enforceability thereof; and as to whether TP-Link or any of its products or operations infringes any enforceable claim of the '380 Patent. This controversy is of such immediacy and reality as to warrant declaratory relief so that the parties may ascertain their rights and duties with respect to the '380 Patent. Therefore, without waiver of any rights, including the right to challenge prudential standing, TP-Link brings this declaratory judgement action seeking a declaration that TP-Link does not infringe, and is not liable for infringement of, the '380 Patent.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

(Declaratory Judgment of Non-Infringement of the '380 Patent)

- 27. TP-Link incorporates herein by reference and re-alleges all preceding paragraphs as though fully set forth herein.
- 28. VDPP has alleged and continues to assert that Plaintiff and its products infringe the '380 Patent.
- 29. TP-Link does not infringe any claims of the '380 Patent, at least because, by way of non-limiting example, the products VDPP previously accused of infringement

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do not meet the claim limitations of any independent claim of the '380 patent, at least because, by way of non-limiting example, such products do not employ the combination of two specific modified image frames to generate a modified combined image frame which is subsequently displayed.

- 30. In addition, TP-Link does not infringe any method claims of the '380 Patent, at least because, by way of non-limiting example, TP-Link as a distributor of the accused products does not perform any of the steps required by the method claims of the '380 Patent in the United States.
- 31.TP-Link's activities, products, and services have not and do not infringe, willfully or otherwise, any enforceable claims of the '380 Patent.
- 32. Plaintiff's activities, products, and services have not and do not infringe, literally or under the doctrine of equivalents, any enforceable claims of the '380 Patent.
- 33.TP-Link does not indirectly infringe because, at least, TP-Link had no actual or constructive knowledge of the '380 Patent prior to its 2022 expiration. TP-Link was unaware of the '380 Patent until after VDPP filed its lawsuit on July 31, 2024. Further, at no time did TP-Link specifically intend to infringe or encourage infringement of the '380 Patent before expiration, nor could it have given it had no knowledge of the '380 Patent.
- 34. VDPP has not complied with the requirements of 35 U.S.C. § 287(a). As held by Judge Rosenthal in case 4:23-cv-02961 (SDTX), "past damages [] were clearly unrecoverable because VDPP could not plausibly allege marking compliance under 35 U.S.C. § 287." Upon information and belief, those same settlement agreements that foreclosed damages in that case cover the '380 patent as well, and VDPP is collaterally estopped from claiming pre-suit damages for any apparatus claims of the '380 patent.
- 35. An actual controversy thus exists between Plaintiff and Defendant as to whether TP-Link or its products infringe the '380 Patent.
- 36. Plaintiff seeks a declaratory judgment from this Court under Rule 57 of the Federal

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Rules of Civil Procedure and 28 U.S.C. § 2201 declaring that Plaintiff and each of its products is not infringing and has not infringed the '380 Patent and granting Plaintiff all other declaratory relief to which it may be entitled.

REQUEST FOR RELIEF

WHEREFORE, Plaintiff TP-Link respectfully prays for relief against Defendant as follows:

- 1. For a declaratory judgment that:
- a. Plaintiff has not and does not infringe, willfully or otherwise, any enforceable claim of the '380 Patent; and
- b. Defendant, and those acting in concert with it or acting with knowledge of the judgment herein, are without right or authority to threaten or maintain suit against Plaintiff, or users of Plaintiff's products or services, for alleged infringement of the '380 Patent.
- 2. Enjoining Defendant, its officers, agents, servants, employees, and all persons acting in concert or participation with Defendant from initiating infringement litigation against, and from threatening, Plaintiff or purchasers or users of Plaintiff's products or services with infringement litigation or charging any of them verbally or in writing with infringement of the '380 Patent, or representing to any of them that infringement has occurred, because of any activities of Plaintiff;
 - 3. Determining that this is an exceptional case under 35 U.S.C. § 285;
 - 4. For Plaintiff's costs and reasonable attorneys' fees incurred herein; and
 - 5. For such other and further relief as the Court may deem appropriate.

HOLLAND & KNIGHT LLP Dated: November 9, 2024

> By: //s// Kristopher L. Reed Kristopher L. Reed ttorneys for Plaintiff TP-LINK