IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF WISCONSIN

RALINK TECHNOLOGY CORP.,

Plaintiff,

Defendant.

v.

Civil Action No. 10-CV-000688-BBC

LANTIQ, DEUTSCHLAND GMBH,

JURY TRIAL DEMANDED

<u>FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT</u> AND DEMAND FOR JURY TRIAL

Plaintiff Ralink Technology Corp. ("Ralink") brings this action against defendant LANTIQ, DEUTSCHLAND GmbH ("Lantiq") for patent infringement under the patent laws of the United States, Title 35, United States Code §§ 1 *et seq.* In support of its claims, Ralink states and alleges as follows:

PARTIES

1. Plaintiff Ralink is a Taiwanese corporation with its principal place of business at 5F, No.5, Tai-Yuen 1st St., Jhubei City, HsinChu Hsien 30265, Taiwan, R.O.C.

2. Ralink is a global technology leader in the wireless home networking and broadband access semiconductor markets.

3. Defendant Lantiq is a German corporation with its Operating Headquarters at Am Campeon 3 85579 Neubiberg, Germany.

JURISDICTION AND VENUE

4. This action arises under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.* This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338.

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5. Upon information and belief, Lantiq has placed its products related to this action into the stream of commerce throughout the United States, including Wisconsin, and those products have been offered for sale and/or sold and used within this judicial district.

6. Lantiq has established a channel of distribution for its products and services that includes "Distribution Partners" located in select locations in the United States and elsewhere in the world.

7. Lantiq has chosen to locate one of its Distribution Partners, TEQ Sales Manufacturing Representatives ("TEQ Sales"), in Wisconsin.

8. Upon information and belief, Lantiq distributes and services products that infringe the patent in suit within Wisconsin, including through its Wisconsin Distribution Partner TEQ Sales.

9. Venue is proper in this judicial district under 28 U.S.C. §§ 1391 and 1400(b) in that, among other things, Lantiq is an alien corporation and acts of infringement complained of herein have been committed within this judicial district.

FACTUAL ALLEGATIONS

10. On February 28, 1995, United States Letters Patent No. 5,394,116 ("the '116 patent") entitled "Fractional Phase Shift Ring Oscillator Arrangement" was duly and legally issued. Ralink is the owner by assignment of the '116 patent. A copy of the '116 patent is attached hereto as Exhibit A.

11. Ralink is the sole owner of the '116 patent and has full rights to initiate litigation and otherwise to enforce the patent.

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12. Lantiq has infringed and is still infringing the '116 patent by making, selling, and using semiconductor products that embody the patented invention, and Lantiq will continue to do so unless enjoined by this Court from further violation of 35 U.S.C. § 1 *et seq*.

Specifically, Lantiq manufactures, sells, and offers to sell semiconductor
products, including DSL (digital subscriber line) chipsets, DSL controllers, Ethernet chipsets,
Ethernet switches, Ethernet controllers, and Ethernet physical layer components, router chipsets,
and other chipsets and components used in routers, switches and modems.

<u>COUNT I</u> Direct Infringement of the '116 Patent

14. Ralink realleges the above paragraphs as if fully set forth herein.

15. Lantiq has infringed, literally or under the doctrine of equivalents, at least claims 1, 2 and 5 of the '116 patent under 35 U.S.C. § 271(a) by making, using, importing, offering for sale, or selling without license or authority in this district and elsewhere in the United States, infringing semiconductor products, including DSL (digital subscriber line) chipsets, DSL controllers, Ethernet chipsets, Ethernet switches, Ethernet controllers, and Ethernet physical layer components, router chipsets, and other chipsets and components used in routers, switches, modems and customer premises equipment.

16. More specifically, Lantiq has infringed at least claims 1, 2 and 5 of the '116 patent by making, using, importing, offering for sale, or selling without license or authority in this district and elsewhere in the United States, infringing semiconductor products, including the Lantiq XWAY Amazon-SE, Lantiq XWAY GRX288, Lantiq XWAY PHY11G, Lantiq XWAY PHY22F, Lantiq XWAY Tantos, Lantiq XWAY VRX268 Chip-Set, and Lantiq XWAY VRX288 Chipset products and predecessor and successor products and products similar to those listed (here, the "Lantiq XWAY products").

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17. Lantiq has knowledge of the '116 patent and has willfully, deliberately and intentionally infringed at least claims 1, 2 and 5 of the '116 patent.

18. For example, Lantiq had knowledge of the '116 patent since at least November 9,2010 when it received a copy of the complaint in this lawsuit, and it has continued to infringe the '116 patent.

19. Lantiq also has stated that its predecessor in interest had knowledge of and licensed the '116 patent. After Lantiq became an independent company, it did not have or seek a license under the '116 patent, despite the fact that its predecessor in interest had and needed a license under the '116 patent. Lantiq instead has willfully chosen to make, offer for sale, sell, import and use products that infringe the '116 patent without a license under the '116 patent.

20. Unless Lantiq and its agents, servants, subsidiaries, affiliates, employees, attorneys, representatives, and all others acting on their behalf are enjoined from infringing the '116 patent, those entities will continue to infringe the patent and Ralink will be greatly and irreparably harmed. Because Ralink and Lantiq are competitors with respect to the products at issue, money damages are inadequate.

<u>COUNT II</u> Inducement to Infringe the **'116 Patent**

21. Ralink realleges the above paragraphs as if fully set forth herein.

22. Lantiq has infringed the '116 patent under 35 U.S.C. § 271(b) by inducing others to engage in direct infringement under 35 U.S.C. § 271(a) with knowledge and intent to induce the specific infringing acts and to cause the infringement.

23. Among the others that Lantiq has induced to engage in direct infringement of the '116 patent are manufacturers, sellers, resellers and users of communications equipment that includes semiconductor products manufactured by Lantiq. For example, Lantiq has induced

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modem, switch, router and customer premises equipment manufacturers, sellers, resellers and users to engage in direct infringement of claims 1, 2 and 5 of the '116 patent by incorporating Lantiq XWAY products in such communications equipment and selling, offering for sale, using and importing that communications equipment into this district and elsewhere in the United States. Upon information and belief, Lantiq has induced at least TEQ Sales to directly infringe claims 1, 2 and 5 of the '116, by actively encouraging its sale and use of products that infringe those claims.

24. Lantiq has significantly, actively and intentionally aided, abetted, and participated in, and was and is a proximate, contributing and concurring cause of, the aforesaid infringement. Lantiq's activities to induce infringement include providing development kits and reference designs for modems, switches, routers and customer premises equipment that incorporate Lantiq XWAY products.

25. By its infringing conduct, Lantiq has made unlawful gains and profits, and Ralink, due to the same infringing conduct, has been deprived of rights and remunerations that would have otherwise come to Ralink but for the infringement. Lantiq has thus caused Ralink irreparable damage and will continue to cause Ralink additional damages.

<u>COUNT III</u> <u>Contributory Infringement of the '116 Patent</u>

26. Ralink realleges the above paragraphs as if fully set forth herein.

27. Lantiq has contributed to infringement of the '116 patent under 35 U.S.C. § 271(c) by selling semiconductor products including Lantiq XWAY products knowing that those products (a) are especially made for use in infringing products such as modems, switches, routers and customer premises equipment, and (b) are not staple articles of commerce suitable for substantial non-infringing uses.

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28. As a result of the conduct alleged above, Lantiq has contributed to direct infringement of at least claims 1, 2 and 5 of the '116 patent in this district and elsewhere in the United States by, among others, manufacturers, sellers, resellers and users of communications equipment that includes semiconductor products such as the Lantiq XWAY products designed or sold by Lantiq.

29. By its infringing conduct, Lantiq has made unlawful gains and profits, and Ralink, due to the same infringing conduct, has been deprived of rights and remunerations that would have otherwise come to Ralink but for the infringement. Lantiq has thus caused Ralink irreparable damage and will continue to cause Ralink additional damages.

PRAYER FOR RELIEF

WHEREFORE, plaintiff Ralink respectfully requests the following relief:

a) A judgment that Lantiq has infringed, induced others to infringe and/or contributed to the infringement of one or more claims of the '116 patent;

b) A judgment that Lantiq's infringement of the '116 patent has been, and continues to be, willful and deliberate;

c) Permanent injunctive relief prohibiting Lantiq and its subsidiaries, affiliates, officers, agents, servants, employees, licensees, and all other persons acting or attempting to act in active concert or participation with them or acting on their behalf, from infringement or inducement of infringement of the '116 patent;

d) A judgment that Lantiq be ordered to account for and pay all damages caused by reason of its infringement pursuant to 35 U.S.C. § 284, including enhanced damages under 35 U.S.C. § 284 in an amount to be determined by the Court;

e) A judgment that Lantiq be ordered to pay Ralink's costs, expenses and

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reasonable attorneys' fees pursuant to 35 U.S.C. §§ 284 and 285;

f) An award of pre-judgment and post-judgment interest on the damages caused to

Ralink by Lantiq's infringement; and

g) Such other and further relief as the Court may deem just and proper under the circumstances.

Jury Demand

Plaintiff Ralink respectfully requests a jury trial on all issues so triable.

Dated: March 22, 2011

Of Counsel:

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CERTIFICATE OF SERVICE

I hereby certify that on the 22nd day of March, 2011, I caused a copy of the foregoing to be filed with the Clerk of Court using the CM/ECF system which will send notification of such filing to the following:

J. Michael True <u>MTrue@murphydesmond.com</u> Brittany S. Ogden <u>bogden@murphydesmond.com</u> Murphy Desmond SC 33 East Main Street, Suite 500 Madison, WI 53701-2038 608-268-5630

> <u>s/ Patricia E. Dean</u> Patricia E. Dean

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