

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

FREESCALE SEMICONDUCTOR, INC,

Plaintiff,

v.

**PANASONIC CORPORATION, LTD. AND
PANASONIC CORPORATION OF
NORTH AMERICA,**

Defendants.

CIVIL ACTION NO. 1:10-cv-231

FREESCALE'S COMPLAINT

In this action, Plaintiff Freescale Semiconductor, Inc. seeks a declaration that it does not infringe United States Patent Nos. 5,933,364 and 6,834,336 and that those patents are invalid.

PARTIES

1. Plaintiff, Freescale Semiconductor, Inc. ("Freescale"), is a Delaware corporation with its headquarters located at 6501 William Cannon Drive West, Austin, Texas. Freescale was formed in 2004 as a result of the divestiture of the Semiconductor Products Sector of Motorola, Inc.

2. Upon information and belief, Defendant Panasonic Corporation, Ltd. ("Panasonic Corporation") is a corporation organized under the laws of Japan, and maintains its principal place of business at 1006 Oaza Kadoma, Kadoma, Osaka 571-8501, Japan.

3. Upon information and belief, Defendant Panasonic Corporation of North America is a corporation organized under the laws of Delaware and maintains its principal place of business at 1 Panasonic Way, Secaucus, New Jersey 07094.

4. Defendants Panasonic Corporation, Ltd. and Panasonic Corporation of North America are hereinafter collectively referred to as "Defendants" or "Panasonic."

JURISDICTION AND VENUE

5. This action arises under the patent laws of the United States, 35 U.S.C. §§ 101 et seq., and the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

6. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391(a), (b) and (c).

7. Upon information and belief, Defendants have ongoing and systematic contacts within the State of Texas and within this district. Defendants, directly or through intermediaries (including distributors, retailers, and others), ship, distribute, offer for sale, sell, and/or advertise their products in the United States, the State of Texas, and the Western District of Texas.

8. Upon information and belief, Defendants have purposefully availed itself of the privilege of conducting activities within the Western District of Texas. The exercise of jurisdiction over Panasonic would not offend traditional notions of fair play and substantial justice.

9. Upon information and belief, Defendant Panasonic Corporation, by requesting that the United States International Trade Commission institute an investigation of Freescale for allegedly infringing U.S. Patent Nos. 5,933,364 and 6,834,336, has purposefully directed activities at Freescale, a resident of the district. Defendant Panasonic knew or should have

known that their request would be transmitted by the United States International Trade Commission to Freescale and its counsel within the district. Moreover, Panasonic has previously negotiated for licenses to the patents-in-suit with Freescale employees located in this district. This litigation results from injury arising out of those activities.

BACKGROUND

10. On April 1, 2010, Defendant Panasonic Corporation filed a complaint against Freescale in the United States International Trade Commission ("ITC") under Section 337 of the Tariff Act of 1930, as amended (hereafter referred to as the "ITC complaint"). A true and correct copy of the public version of the ITC complaint is attached as Exhibit 1.

11. Upon information and belief, Defendant Panasonic Corporation of North America, a subsidiary of Panasonic Corporation, is in privity with Defendant Panasonic Corporation.

12. In its ITC complaint, Defendant Panasonic Corporation asserted that Freescale and several other Respondents "have engaged in unfair acts in violation of Section 337 through unlicensed importation, sale after importation and/or sale after importation of Accused Products that are covered by one or more claims of Panasonic's U.S. Patent No. 5,933,364 ... and U.S. Patent No. 6,834,336." Exhibit 1, complaint page 1. A true and correct copy of U.S. Patent No. 5,933,364 is attached as Exhibit 2. A true and correct copy of U.S. Patent No. 6,834,336 is attached as Exhibit 3.

13. Panasonic's allegations under the U.S. Patent Nos. 5,933,364 and 6,834,336 are directed against Freescale's products. See Exhibit 1.

14. As a result of Panasonic's allegations against Freescale in the ITC, there is a definite and concrete dispute between Panasonic and Freescale over whether U.S. Patent Nos. 5,933,364 and 6,834,336 are infringed and valid.

COUNT ONE
DECLARATORY JUDGMENT REGARDING U.S. PATENT NO. 5,933,364

15. Freescale incorporates by reference the allegations in Paragraphs 1 - 14.

16. An actual and justiciable controversy has arisen and exists between Freescale and Panasonic regarding U.S. Patent No. 5,933,364 ("the '364 patent").

17. Each claim of the '364 Patent that Panasonic will accuse Freescale of infringing is invalid.

18. By making, using, selling, offering to sell, marketing, licensing or importing its products, Freescale does not directly or indirectly infringe any claim of the '364 Patent, literally or under the doctrine of equivalents.

19. A judicial declaration concerning these matters is necessary and appropriate at this time so that Freescale can ascertain its rights and duties with respect to the parties and with regard to designing, developing, manufacturing, marketing, and selling its products.

COUNT TWO
DECLARATORY JUDGMENT REGARDING U.S. PATENT NO. 6,834,336

20. Freescale incorporates by reference the allegations in Paragraphs 1 - 19.

21. An actual and justiciable controversy has arisen and exists between Freescale and Panasonic regarding U.S. Patent No. 6,834,336 ("the '336 patent").

22. Each claim of the '336 Patent that Panasonic will accuse Freescale or any of its customers of infringing is invalid.

23. By making, using, selling, offering to sell, marketing, licensing or importing its products, Freescale does not directly or indirectly infringe any claim of the '336 Patent, literally or under the doctrine of equivalents.

24. A judicial declaration concerning these matters is necessary and appropriate at this time so that Freescale can ascertain its rights and duties with respect to the parties and with regard to designing, developing, manufacturing, marketing, and selling its products.

REQUEST FOR RELIEF

Therefore, Freescale requests judgment as follows:

A. For a declaration that the claims of U.S. Patent Nos. 5,933,364 and 6,834,336 that Panasonic accuses Freescale of infringing are invalid;

B. For a declaration that neither Freescale nor any of its products infringe (directly, indirectly, literally and/or under the doctrine of equivalents) any valid claim of the U.S. Patent Nos. 5,933,364 and 6,834,336;

C. For a declaration that no valid claim of the U.S. Patent Nos. 5,933,364 and 6,834,336 is infringed (directly, indirectly, literally and/or under the doctrine of equivalents) by any of the Freescale's Customers by virtue of incorporating any Freescale product into any such customer's products;

D. For a determination that this case is exceptional under 35 U.S.C. § 285 and an award to Freescale of its attorneys' fees, costs and expenses in connection with this action; and

E. Such other and further equitable or legal relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

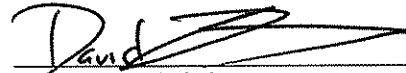
Freescale hereby requests a jury trial as to all issues triable to a jury.

Dated: April 1, 2010

Respectfully submitted,

BRACEWELL & GIULIANI LLP

By:



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Counsel for Plaintiff,
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**IN THE UNITED STATES DISTRICT COURT
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Plaintiff,

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CIVIL ACTION NO. 1:10-cv-231

PLAINTIFF FREESCALE SEMICONDUCTOR, INC.'S RULE 7.1 STATEMENT

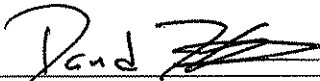
Plaintiff, Freescale Semiconductor, Inc. ("Freescale"), by and through their counsel, pursuant to Rule 7.1 of the Federal Rules of Civil Procedure hereby disclose that:

- 1) Freescale is a nongovernmental corporate party in the above-captioned action.
- 2) The parent of Freescale Semiconductor, Inc. is Freescale Semiconductor Holdings V, Inc.
- 3) The ultimate parent of Freescale Semiconductor Holdings V, Inc. is Freescale Holdings, L.P.
- 4) No publicly held corporation owns 10% or more of Freescale Semiconductor, Inc., the parent Freescale Semiconductor Holding V, Inc., or the ultimate parent Freescale Holdings, L.P.

Dated: April 1, 2010

Respectfully submitted,

Bracewell & Giuliani LLP

By: 

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Barry K. Shelton

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Attorneys for Plaintiff

FREESCALE SEMICONDUCTOR, INC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of Plaintiff Freescale Semiconductor, Inc.'s Rule 7.1 Statement will be served on the above named Defendants along with the Original Complaint filed concurrently:

A handwritten signature in black ink, appearing to read "David M. Hoffman", is written over a horizontal line.

David M. Hoffman