

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

PAICE LLC,

Plaintiff,

v.

TOYOTA MOTOR CORPORATION, a
Japanese Corporation, TOYOTA MOTOR
NORTH AMERICA, INC., and TOYOTA
MOTOR SALES, U.S.A., INC.,

Defendants.

Case No.: 2:08-cv-261

JURY TRIAL DEMANDED

COMPLAINT

Plaintiff Paice LLC, by and through the undersigned attorneys, hereby files this Complaint against Toyota Motor Corporation, Toyota Motor North America, Inc., and Toyota Motor Sales, U.S.A., Inc., requesting damages and other relief based upon its personal knowledge as to its own facts and circumstances, and based upon information and belief as to the acts and circumstances of others.

PARTIES

1. Plaintiff LLC (“Paice”) is a Delaware limited liability company having its principal place of business at 22957 Shady Knoll Drive, Bonita Springs, FL 34135.

2. Upon information and belief, Defendant Toyota Motor Corporation (“TMC”) is a Japanese Corporation having its principal place of business at 1 Toyota-Cho, Toyota City, Aichi Prefecture 471-8571, Japan.

3. Upon information and belief, Defendant Toyota Motor North America, Inc. (“Toyota NA”) is a Delaware corporation having its principal place of business at 9 West 57th Street, Suite 4900, New York, NY 10019. Upon further information and belief, Toyota NA is a wholly-owned subsidiary of TMC and is the holding company for TMC’s United States sales and manufacturing companies.

4. Upon information and belief, Defendant Toyota Motor Sales, U.S.A., Inc. (“Toyota USA”) is a Delaware corporation having its principal place of business at 19001 S. Western Avenue, Torrance, CA 90509. Upon further information and belief, Toyota USA is TMC’s sales and marketing arm, overseeing TMC vehicle sales, service, and parts for the over 1,200 Toyota dealerships located within the United States.

JURISDICTION AND VENUE

5. This is an action for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code. This Court has subject matter jurisdiction over this action under 28 U. S. C. §§ 1331 and 1338(a).

6. This Court has personal jurisdiction over TMC, Toyota NA, and Toyota USA (collectively, “Toyota Defendants”) because, among other things, the Toyota Defendants have directly infringed, contributed to the infringement of, and actively induced infringement of Paice’s patent within this judicial district.

7. Venue is proper in this Court under 28 U.S.C. §§ 1391 and 1400(b) because the Toyota Defendants have committed acts of infringement in and are subject to personal jurisdiction in this judicial district.

FACTS

8. Paice is the owner by assignment of all right, title, and interest in and to United States Letters Patent No. 7,392,871 (“the ’871 patent”), entitled “HYBRID VEHICLES.” The ’871 patent was duly and legally issued by the United States Patent and Trademark Office on July 1, 2008. *See* Exhibit A.

COUNT I: INFRINGEMENT OF UNITED STATES PATENT NO. 7,392,871

9. Paice incorporates paragraphs 1-8 as if fully set forth herein.

10. By making, using, selling, offering for sale within the United States, and/or importing into the United States their hybrid vehicles, including but not limited to the Highlander hybrid SUV and Lexus RX400h hybrid SUV, the Toyota Defendants are directly infringing the ’871 patent.

11. By, among other things, distributing or offering for sale their hybrid vehicles and manuals that teach third parties to operate the hybrid vehicles in a manner that directly infringes the ’871 patent, the Toyota Defendants have been and now are contributing to and actively inducing the infringement of the ’871 patent by others.

12. The Toyota Defendants have actual knowledge of the ’871 patent and their infringement is willful.

13. The Toyota Defendants’ past and continued acts of infringement have injured Paice, and thus Paice is entitled to recover damages adequate to compensate for that infringement.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Paice LLC prays that this Court enter judgment:

- a) declaring that the Toyota Defendants' hybrid vehicles, including but not limited to the Highlander SUV and Lexus RX400h SUV infringe United States Patent No. 7,392,871;
- b) permanently enjoining the Toyota Defendants from infringing the '871 patent;
- c) awarding plaintiff damages resulting from the Toyota Defendants' infringement adequate to compensate for that infringement;
- d) awarding plaintiff treble damages from the Toyota Defendants' willful infringement;
- e) declaring this to be an exceptional case under 35 U.S.C. § 285;
- f) awarding plaintiff's costs in this action, together with reasonable attorneys' fees and pre-judgment and post-judgment interest; and
- g) granting plaintiff such other relief as this Court deems just and proper.

Paice respectfully demands trial by jury.

Respectfully submitted,

Dated: July 1, 2008

By: /s/ Samuel F. Baxter
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