# IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

| GRAPHICS PROPERTIES HOLDINGS, INC.,        | )<br>)                |
|--|-----------------------|
| Plaintiff,                                 | ) CIVIL ACTION NO.    |
| V.   | )                     |
| HTC CORPORATION, AND HTC<br>AMERICA, INC., | ) JURY TRIAL DEMANDED |
| Defendants                                 | )                     |

### **COMPLAINT FOR PATENT INFRINGEMENT**

1. Plaintiff Graphics Properties Holdings, Inc. ("GPH" or "Plaintiff"), by and through its attorneys, hereby demands a jury trial and complains of Defendants HTC Corporation, and HTC America, Inc. (collectively "Defendants") as follows:

### NATURE OF THE ACTION

2. This is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. §§ 271, *et seq.*, to enjoin infringement and obtain damages resulting from Defendants' unauthorized manufacture, use, sale, offer to sell and/or importation into the United States for subsequent use or sale of products, methods, processes, services and/or systems that infringe one or more claims of United States Patent No. 6,650,327 (the "327 Patent") (attached as Exhibit A) entitled "Display System Having Floating Point Rasterization and Floating Point Framebuffereing," United States Patent No. 6,816,145 (the "145 Patent") (attached as Exhibit B) entitled "Large Area Wide Aspect Ratio Flat Panel Display Having High Resolution For High Information Content Display," and United States Patent No. 5,717,881 (the "881 Patent") (attached as Exhibit C) entitled "Data Processing System for Processing One and Two Parcel Instructions." Plaintiff seeks injunctive relief to prevent Defendants from continuing to infringe Plaintiff's patents. In addition, Plaintiff seeks a recovery of monetary damages resulting from Defendants' past infringement of these patents.

3. This action for patent infringement involves Defendants manufacture, use, sale, offer for sale, and/or importation into the United States of infringing products, methods, processes, services and systems that are primarily used or primarily adapted for use in consumer electronics and display devices, including but not limited to Defendants' mobile phones, telecommunication devices, and other consumer electronics and display devices.

#### **THE PARTIES**

4. Plaintiff GPH is a Delaware corporation with its principal place of business at 56 Harrison Street, Suite 305C, New Rochelle, New York 10801.

5. Plaintiff GPH is the lawful assignee of all right, title and interest in and to the '327, '145 and '881 Patents (collectively, the "Asserted Patents").

6. GPH was formerly named Silicon Graphics, Inc. As Silicon Graphics, GPH developed technology and intellectual property used in the graphics, computer processing, and display segments. GPH is owned by private investment funds and other institutional investors, following the bankruptcy of Silicon Graphics.

7. GPH continues to manage and license its intellectual property, including the '327 Patent, the '145 Patent, and the '881 Patent.

 Defendant Respondent HTC Corporation is a foreign corporation organized and existing under the laws of Taiwan, with its principal place of business at 23 Xinghua Road, Taoyuan, 330, Taiwan.

-2-

9. HTC Corporation is in the business of making, offering for sale, selling, and supporting consumer electronics and display devices and products containing same including, but not limited to, mobile phones, handheld computers, and other consumer electronics and display devices and products containing the same including, but not limited to the EVO 4G device and other substantially similar devices.

10. HTC Corporation is the primary R&D and manufacturing base for the entire HTC corporate structure, and maintains manufacturing subsidiaries in China. HTC Corporation identifies the United States as a key market and established a subsidiary, HTC America, Inc., to be its presence in the United States. HTC Corporation is the parent corporation of Respondent HTC America, Inc.

11. Respondent HTC America, Inc. is a corporation organized and existing under the laws of the state of Texas, with its principal place of business located at 13920 SE Eastgate Way, Suite 400, Bellevue, Washington 98005.

12. HTC America, Inc. is a wholly-owned subsidiary of HTC Corporation.

13. HTC America, Inc. is in the business of making, offering for sale, importing, selling and supporting consumer electronics and display devices and products containing same including, but not limited to, mobile phones, handheld computers, and other consumer electronics and display devices and products containing same, in the United States, that are manufactured outside of the United States. These devices include, but are not limited to the EVO 4G device and substantially similar products.

14. On information and belief, HTC America, Inc. is responsible for all of HTC Corporations activities taking place in the United States, including the importation of goods manufactured in foreign countries. HTC Corporation and HTC America, Inc. are

-3-

referred to collectively as "HTC" or "Defendants."

15. Plaintiff has been irreparably harmed by the Defendants' infringements of its valuable patent rights. Moreover, Defendants' unauthorized and infringing uses of Plaintiff's patented systems and methods have threatened the value of this intellectual property because Defendants' conduct results in Plaintiff's loss of its lawful patent rights to exclude others from making, using, selling, offering to sell and/or importing the patented inventions.

16. Defendants' disregard for Plaintiff's property rights threatens Plaintiff's relationships with existing licensees and potential licensees of Plaintiff's consumer electronics and display device patents. The Defendants will derive a competitive advantage over any of Plaintiff's existing licensees and future licensees from using Plaintiff's patented technology without paying compensation for such use. Accordingly, unless and until the Defendants' continued acts of infringement are enjoined, Plaintiff will suffer further irreparable harm for which there is no adequate remedy at law.

#### JURISDICTION AND VENUE

17. This Court has jurisdiction over the subject matter of this patent infringement action pursuant to 28 U.S.C. §§ 1331 and 1338(a).

18. Defendants are subject to personal jurisdiction in the State of Delaware because they regularly transact business in this judicial district and division by, among other things, offering their products and services to customers, business affiliates and partners located in this judicial district. In addition, the Defendants have committed acts of direct infringement of one or more of the claims of one or more of the Asserted Patents in this judicial district.

-4-

19. Venue is proper in this judicial district pursuant to 28 U.S.C.

§§ 1391(b), 1391(c), and 1400(b) because the Defendants are subject to personal jurisdiction in this district, and have committed acts of infringement in this district.

### COUNT I (Infringement of United States Patent No. 6,650,327)

20. Paragraphs 1 through 19 are incorporated by reference as if fully restated herein.

21. Plaintiff GPH is the assignee and lawful owner of all right, title and interest in and to the '327 Patent.

22. Defendants make, use, sell, offer to sell and/or import into the United States for subsequent sale or use products, services, methods or processes that infringe, directly and/or indirectly, or which employ systems, components and/or steps that make use of systems or processes that infringe, directly and/or indirectly, one or more of the claims of the '327 Patent. Such devices are consumer electronics and display devices and products containing same, including but not limited to, tablets, mobile phones, and telecommunication devices, such as, but not limited to Defendants' EVO 4G devices and other substantially similar devices.

23. The Defendants have been and continue to be infringing one or more of the claims of the '327 Patent through the aforesaid acts, and will continue to do so unless enjoined by this Court. Defendants' wrongful conduct has caused Plaintiff to suffer irreparable harm resulting from the loss of its lawful patent rights to exclude others from making, using, selling, offering to sell and importing the patented inventions.

-5-

24. Plaintiff is entitled to recover damages adequate to compensate for the infringement.

### COUNT II (Infringement of United States Patent No. 6,816,145)

25. Paragraphs 1 through 25 are incorporated by reference as if fully restated herein.

26. Plaintiff GPH is the assignee and lawful owner of all right, title and interest in and to the '145 Patent.

27. Defendants make, use, sell, offer to sell and/or import into the United States for subsequent sale or use products, services, methods or processes that infringe, directly and/or indirectly, or which employ systems, components and/or steps that make use of systems or processes that infringe, directly and/or indirectly, one or more of the claims of the '145 Patent. Such devices are consumer electronics and display devices and products containing same, including but not limited to, tablets, mobile phones, and telecommunication devices, such as, but not limited to Defendants' EVO 4G devices and substantially similar devices.

28. The Defendants have been and continue to be infringing one or more of the claims of the '145 Patent through the aforesaid acts, and will continue to do so unless enjoined by this Court. The Defendants' wrongful conduct has caused Plaintiff to suffer irreparable harm resulting from the loss of its lawful patent rights to exclude others from making, using, selling, offering to sell and importing the patented inventions.

29. Plaintiff is entitled to recover damages adequate to compensate for the infringement.

-6-

### COUNT III (Infringement of United States Patent No. 5,717,881)

30. Paragraphs 1 through 29 are incorporated by reference as if fully restated herein.

31. Plaintiff GPH is the assignee and lawful owner of all right, title and interest in and to the '881 Patent.

32. Defendants make, use, sell, offer to sell and/or import into the United States for subsequent sale or use products, services, methods or processes that infringe, directly and/or indirectly, or which employ systems, components and/or steps that make use of systems or processes that infringe, directly and/or indirectly, one or more of the claims of the '881 Patent. Such devices are consumer electronics and display devices and products containing same, including but not limited to, tablets, mobile phones, and telecommunication devices, such as, but not limited to Defendants' EVO 4G devices.

33. The Defendants have been and continue to be infringing one or more of the claims of the '881 Patent through the aforesaid acts, and will continue to do so unless enjoined by this Court. The Defendants' wrongful conduct has caused Plaintiff to suffer irreparable harm resulting from the loss of its lawful patent rights to exclude others from making, using, selling, offering to sell and importing the patented inventions.

34. Plaintiff is entitled to recover damages adequate to compensate for the infringement.

WHEREFORE, Plaintiff prays for judgment against the Defendants, granting Plaintiff the following relief:

A. That this Court adjudge and decree that the '327 Patent is valid and

-7-

#### Case 1:11-cv-01163-RGA Document 1 Filed 11/23/11 Page 8 of 9 PageID #: 8

enforceable against the Defendants, that the '145 Patent is valid and enforceable against the Defendants, and that the '881 Patent is valid and enforceable against the Defendants;

B. That this Court adjudge and decree that the Defendants have infringed the '327 Patent, the '145 Patent, and the '881 Patent;

C. That this Court permanently enjoin the Defendants, and their parents, subsidiaries, affiliates, successors and assigns, and each of their officers, directors, employees, representatives, agents, and attorneys, and all persons acting in concert or active participation with, or on their behalf, or within their control, from making, using, selling, offering to sell, importing, or advertising products and/or services and/or employing systems, hardware, software and/or components and/or making use of systems or processes that infringe any of the claims of the Asserted Patents, or otherwise engaging in acts of infringement of the Asserted Patents, all as alleged herein;

D. That this Court order an accounting, including a post-verdict accounting, to determine the damages to be awarded to Plaintiff as a result of the Defendants' infringement;

E. That this Court, pursuant to 35 U.S.C. § 284, enter an award to Plaintiff of such damages as it shall prove at trial against the Defendants that is adequate to compensate Plaintiff for said infringement, said damages to be no less than a reasonable royalty together with interest and costs;

F. That this Court assess pre-judgment and post-judgment interest and costs against the Defendants, together with an award of such interest and costs, in accordance with 35 U.S.C. § 284;

G. That this Court declare this case to be exceptional and direct

-8-

Defendants to pay GPH's attorneys' fees incurred in connection with this lawsuit pursuant to 35 U.S.C. § 285;

H. Grant to Plaintiff such other, further, and different relief as may be just

and proper.

## JURY DEMAND

Plaintiff demands a trial by jury of all matters to which it is entitled to trial

by jury pursuant to FED. R. CIV. P. 38.

November 23, 2011

<u>/s/ Edmond D. Johnson</u> Edmond D. Johnson (Del. Bar No. 2257)

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