

**IN THE UNITED STATES DISTRICT COURT
DISTRICT OF DELAWARE**

SMART AUDIO TECHNOLOGIES, LLC,

Plaintiff,

v.

KONINKLIJKE PHILIPS ELECTRONICS N.V.
and PHILIPS ELECTRONICS NORTH
AMERICA CORPORATION,

Defendants.

Civil Action No. _____

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

This is an action for patent infringement arising under the Patent Laws of the United States of America, 35 U.S.C. §1 *et seq.* in which Plaintiff Smart Audio Technologies, LLC makes the following allegations against Koninklijke Philips Electronics N.V. and Philips Electronics North America Corporation (hereinafter referred to collectively as “Defendants”):

PARTIES

1. Plaintiff Smart Audio Technologies, LLC (“Smart Audio”) is a Texas limited liability company having a principal place of business at 719 W. Front Street, Suite 242, Tyler, Texas 75702.

2. On information and belief, Defendant Koninklijke Philips Electronics N.V. is a Netherlands corporation having a principal place of business at Breitner Center, Amstelplein 2, 1096 BC, Amsterdam, The Netherlands. On information and belief, Defendant Koninklijke Philips Electronics N.V. conducts business in the United States through its wholly owned subsidiary Philips Electronics North America Corporation.

3. On information and belief, Defendant Philips Electronics North America Corporation is a Delaware corporation having a principal place of business at 3000 Minuteman Road, Andover, Massachusetts 01810. Defendant Philips Electronics North America

Corporation can be served through its registered agent, Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808.

JURISDICTION AND VENUE

4. This action arises under the patent laws of the United States, Title 35 of the United States Code. This Court has original subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

5. On information and belief, Defendants are subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Delaware Long Arm Statute, due at least to their substantial business in this forum, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Delaware and in this Judicial District.

6. Venue is proper in this district under 28 U.S.C. §§ 1391(c)-(d) and 1400(b). On information and belief, Defendants have transacted business in this district, and have committed and/or induced acts of patent infringement in this district.

COUNT I
INFRINGEMENT OF U.S. PATENT NO. 6,185,163

7. Plaintiff Smart Audio realleges and incorporates by reference paragraphs 1-6 above, as if fully set forth herein.

8. Plaintiff Smart Audio is the owner by assignment of United States Patent No. 6,185,163 (“the ’163 patent”) entitled “Vehicle Audio System Having Random Access Player With Play List Control.” The ’163 patent was duly and legally issued by the United States Patent and Trademark Office on February 6, 2001. A true and correct copy of the ’163 patent is included as Exhibit A.

9. Upon information and belief, Defendants have infringed and continue to infringe the '163 patent in the State of Delaware, in this judicial district, and elsewhere in the United States, by, among other things, making, using, importing, offering for sale, and/or selling audio devices for generating and modifying a play list of a random access player. Such products include, by way of example and without limitation, Philips GoGear Connect 3, which is covered by one or more claims of the '163 patent, including but not limited to claim 1. By making, using, importing, offering for sale, and/or selling such products and services that are covered by one or more claims of the '163 patent, Defendants have injured Smart Audio and are thus liable to Smart Audio for infringement of the '163 patent pursuant to 35 U.S.C. § 271.

10. As a result of Defendants' past infringement of the '163 patent, Plaintiff Smart Audio has suffered monetary damages in an amount adequate to compensate for Defendants' past infringement, but in no event less than a reasonable royalty for the use made of the invention by Defendants, together with interest and costs as fixed by the Court, and Plaintiff Smart Audio will continue to suffer damages in the future unless Defendants' infringing activities are enjoined by this Court.

11. Unless a permanent injunction is issued enjoining Defendants and their agents, servants, employees, representatives, affiliates, and all others acting or in active concert therewith from infringing the '163 patent, Plaintiff Smart Audio will be greatly and irreparably harmed.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Smart Audio Diagnostics, LLC respectfully requests that this Court enter:

1. A judgment in favor of Plaintiff that Defendants have infringed, either literally

and/or under the doctrine of equivalents, the '163 patent;

2. A permanent injunction enjoining Defendants and their officers, directors, agents, servants, affiliates, employees, divisions, branches, subsidiaries, parents, and all others acting in active concert therewith from infringement, inducing the infringement of, or contributing to the infringement of the '163 patent;

3. A judgment and order requiring Defendants to pay Plaintiff its damages, costs, expenses, and prejudgment and post-judgment interest for Defendants' infringement of the '163 patent as provided under 35 U.S.C. § 284; and

4. Any and all other relief as the Court may deem appropriate and just under the circumstances.

DEMAND FOR JURY TRIAL

Plaintiff, under Rule 38 of the Federal Rules of Civil Procedure, requests a trial by jury of any issues so triable by right.

FARNAN LLP

/s/ Brian E. Farnan
Joseph J. Farnan, III (Bar No. 3945)
Brian E. Farnan (Bar No. 4089)
919 North Market Street
12th Floor
Wilmington, DE 19801
(302) 777-0300
(302) 777-0301 (fax)
bfarnan@farnanlaw.com

Of Counsel:

Steven M. Geiszler (Texas Bar No. 24032227)
Jaspal S. Hare (New York Bar No. 4559324)
SNR DENTON US LLP
2000 McKinney Avenue
Suite 1900
Dallas, TX 75201-1858, USA
T: (214) 259-0900
F: (214) 259-0910
steven.geiszler@snrdenton.com
jaspal.hare@snrdenton.com

Attorneys for Plaintiff

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