

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

SHARP CORPORATION,

Plaintiff,

v.

HANNSTAR DISPLAY CORPORATION,
HANNSPREE INC., HANNSPREE NORTH
AMERICA, INC., PRINCETON DIGITAL
(USA) CORPORATION and VIEWSONIC
CORPORATION

Defendants.

Civil Action No. 2:07-cv-226 (TJW)

DEMAND FOR JURY TRIAL

SECOND AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Sharp Corporation (“Sharp”) alleges as follows:

PARTIES

1. Sharp is a corporation organized under the laws of Japan with its principal place of business at 22-22 Nagaike-cho, Abeno-ku, Osaka 545-8522, Japan. Sharp is a leading manufacturer of liquid crystal display modules (“LCD Modules”) as well as television sets and computer monitors that incorporate LCD Modules (“LCD Products”).

2. On information and belief, defendant HannStar Display Corporation. (“HannStar”) is a corporation organized under the laws of Taiwan, with its principal place of business at 580, Kao Shi Road, Yang-Mei, Tao-Yuan, Taiwan, R.O.C. HannStar manufactures LCD Modules in Taiwan, and, on information and belief, directs those products to the United States, including the Eastern District of Texas, through established distribution channels involving various third parties, knowing that these third parties will use their respective nationwide contacts and distribution channels to import into, sell, offer for sale, and/or use these

LCD Modules and LCD Products incorporating such LCD Modules in the Eastern District of Texas and elsewhere in the United States.

3. On information and belief, defendant Hannspree Inc. (“Hannspree”), is a corporation organized under the laws of Taiwan, with its principal place of business at 12F, No. 480, Rueiguang Rd., Neihs District, Taipei 114, Taiwan, R.O.C. On information and belief, Hannspree is an affiliate of HannStar. Hannspree designs, markets and sells LCD Products and, on information and belief, imports such products directly or indirectly into the United States, including into the Eastern District of Texas, and sells or offers for sale its products, directly or indirectly, in the United States including in the Eastern District of Texas.

4. On information and belief, defendant Hannspree North America Inc. (“Hannspree North America”) is a corporation organized under the laws of Delaware, with a principal place of business at 843 Auburn Ct., Fremont, California, 94538. Hannspree North America is a direct or indirect subsidiary of Hannspree and either directly or indirectly imports into, sells, and/or offers for sale LCD Products in the United States, including in the Eastern District of Texas.

5. On information and belief, Defendants HannStar, Hannspree and Hannspree North America are affiliated entities engaged in making, offering for sale, selling and/or using, in the United States of America and elsewhere, LCD Modules and LCD Products, and are further engaged in importing LCD Modules and LCD Products into the United States of America, and otherwise making such products available in the United States of America. On information and belief, HannStar and Hannspree directly or indirectly control Hannspree North America, Hannspree North America is the agent of HannStar and Hannspree, HannStar is liable for the activities of Hannspree and Hannspree North America, and Hannspree is liable for the activities of Hannspree North America.

6. On information and belief, Defendant Princeton Digital (USA) Corporation (“Princeton”) is a corporation organized under the laws of California, with a principal place of business at 184 Technology Drive West, Suite 202, Irvine, California, 92618. On information and belief, Princeton makes, offers for sale, sells and/or uses, in the United States of America

and elsewhere, LCD Products, including LCD Products containing LCD Modules manufactured by HannStar, and further directly or indirectly imports LCD Products, including LCD Products containing LCD Modules manufactured by HannStar, into the United States of America, and otherwise makes such products available in the United States of America including the Eastern District of Texas.

7. On information and belief, Defendant ViewSonic Corporation (“ViewSonic”) is a corporation organized under the laws of Delaware, with a principal place of business at 381 Brea Canyon Road, Walnut, California, 91789. ViewSonic makes, offers for sale, sells and/or uses, in the United States of America and elsewhere, LCD Products, including LCD Products containing LCD Modules manufactured by HannStar, and further directly or indirectly imports LCD Products, including LCD Products containing LCD Modules manufactured by HannStar, into the United States of America, and otherwise makes such products available in the United States of America including the Eastern District of Texas.

JURISDICTION

8. This is an action for patent infringement arising under the patent laws of the United States of America, 35 U.S.C. Section 1, *et seq.*, including 35 U.S.C. Section 271. This Court has subject matter jurisdiction pursuant to 28 U.S.C. Sections 1331 and 1338(a) in that this is a civil action arising out of the patent laws of the United States of America.

VENUE

9. Venue in the Eastern District of Texas is proper pursuant to 28 U.S.C. Sections 1391(b), (c) and (d) and 1400(b) because Hannspree North America is authorized to do business, is doing business and/or has a regular and established place of business in this District, and has committed acts of infringement in this District; because each of HannStar, Hannspree and Hannspree North America are subject to personal jurisdiction of this Court; and because HannStar and Hannspree are aliens. Venue in the Eastern District of Texas is further proper pursuant to 28 U.S.C. Sections 1391(b) and (c), and 1400(b) because Princeton and ViewSonic

are each authorized to do business, are doing business and/or have a regular and established place of business in this District; each has committed acts of infringement in this district, and each is subject to the personal jurisdiction of this Court.

COUNT ONE
(Patent Infringement)

10. Sharp incorporates by reference paragraphs 1 through 9 of this Complaint and realleges them as though fully set forth herein.

11. On January 18, 1994, the United States Patent and Trademark Office issued U.S. Patent No. 5,280,372, entitled "Liquid Crystal Display Device" (the "'372 patent").

12. Sharp is the owner of all right, title and interest in and to the '372 patent.

13. On information and belief, HannStar, Hannspree and Hannspree North America have been and are now infringing the '372 Patent under 35 U.S.C. section 271. For example, without limitation, HannStar, Hannspree and Hannspree North America have been and are now infringing, contributorily infringing and/or actively inducing infringement of the '372 patent by making, using, offering to sell, selling, causing to be sold, causing to be imported and/or importing in the United States of America LCD Modules and LCD Products falling within the scope of one or more claims of the '372 patent. Defendants' infringement is literal and/or under the doctrine of equivalents.

14. On information and belief, the infringement of the '372 patent by HannStar, Hannspree and Hannspree North America is willful.

15. As a consequence of the infringement by HannStar, Hannspree and Hannspree North America, Sharp is entitled to recover damages adequate to compensate it for the infringement complained of herein, but in no event less than a reasonable royalty.

16. The infringement by HannStar, Hannspree and Hannspree North America has irreparably injured and will continue to irreparably injure Sharp, unless and until such infringement is enjoined by this Court.

COUNT TWO
(Patent Infringement)

17. Sharp incorporates by reference paragraphs 1 through 9 of this Complaint and realleges them as though fully set forth herein.

18. On June 2, 1998, the United States Patent and Trademark Office issued U.S. Patent No. 5,760,855, entitled “Active Matrix Type Liquid Crystal Display Panel Having A Guard Ring Electrically Connected To The Common Electrode” (the “’855 patent”).

19. Sharp is the owner of all right, title and interest in and to the ’855 patent.

20. On information and belief, HannStar, Hannspree and Hannspree North America have been and are now infringing the ’855 patent under 35 U.S.C. section. 271. For example, without limitation, HannStar, Hannspree and Hannspree North America have been and are now infringing, contributorily infringing and/or actively inducing infringement of the ’855 patent by making, using, offering to sell, selling, causing to be sold, causing to be imported and/or importing in the United States of America LCD Modules and LCD Products falling within the scope of one or more claims of the ’855 patent. Defendants’ infringement is literal and/or under the doctrine of equivalents.

21. On information and belief, Princeton has been and is now infringing the ’855 patent under 35 U.S.C. section. 271. For example, without limitation, Princeton has been and is now infringing, contributorily infringing and/or actively inducing infringement of the ’855 patent by making, using, offering to sell, selling, causing to be sold, causing to be imported and/or importing in the United States of America LCD Products falling within the scope of one or more claims of the ’855 patent. Defendants’ infringement is literal and/or under the doctrine of equivalents.

22. On information and belief, ViewSonic has been and is now infringing the ’855 patent under 35 U.S.C. section. 271. For example, without limitation, ViewSonic has been and is now infringing, contributorily infringing and/or actively inducing infringement of the ’855 patent by making, using, offering to sell, selling, causing to be sold, causing to be imported and/or

importing in the United States of America LCD Products falling within the scope of one or more claims of the '855 patent. Defendants' infringement is literal and/or under the doctrine of equivalents.

23. On information and belief, the infringement of the '855 patent by HannStar, Hannspree and Hannspree North America is willful.

24. As a consequence of defendants' infringement, Sharp is entitled to recover damages adequate to compensate it for the infringement complained of herein, but in no event less than a reasonable royalty.

25. Defendants' infringement has irreparably injured and will continue to irreparably injure Sharp, unless and until such infringement is enjoined by this Court.

COUNT THREE
(Patent Infringement)

26. Sharp incorporates by reference paragraphs 1 through 9 of this Complaint and realleges them as though fully set forth herein.

27. On December 22, 1998, the United States Patent and Trademark Office issued U.S. Patent No. 5,852,485, entitled "Liquid Crystal Display Device And Method For Producing The Same" (the "'485 patent").

28. Sharp is the owner of all right, title and interest in and to the '485 patent.

29. On information and belief, HannStar, Hannspree and Hannspree North America have been and are now infringing the '485 patent under 35 U.S.C. section. 271. For example, without limitation, HannStar, Hannspree and Hannspree North America have been and are now infringing, contributorily infringing and/or actively inducing infringement of the '485 patent by making, using, offering to sell, selling, causing to be sold, causing to be imported and/or importing in the United States of America LCD Modules and LCD Products falling within the scope of one or more claims of the '485 patent. Defendants' infringement is literal and/or under the doctrine of equivalents.

30. On information and belief, the infringement of the '485 patent by HannStar, Hannspree and Hannspree North America is willful.

31. As a consequence of the infringement by HannStar, Hannspree and Hannspree North America, Sharp is entitled to recover damages adequate to compensate it for the infringement complained of herein, but in no event less than a reasonable royalty.

32. The infringement by HannStar, Hannspree and Hannspree North America has irreparably injured and will continue to irreparably injure Sharp, unless and until such infringement is enjoined by this Court.

COUNT FOUR
(Patent Infringement)

33. Sharp incorporates by reference paragraphs 1 through 9 of this Complaint and realleges them as though fully set forth herein.

34. On May 25, 1999, the United States Patent and Trademark Office issued U.S. Patent No. 5,907,376, entitled "Liquid Crystal Display Having An Active Matrix Substrate With Thermosetting Inter-Layer Insulating Film With A Thickness Of Greater Than 2 μ m " (the "376 patent").

35. Sharp is the owner of all right, title and interest in and to the '376 patent.

36. On information and belief, HannStar, Hannspree and Hannspree North America have been and are now infringing the '376 patent under 35 U.S.C. section. 271. For example, without limitation, HannStar, Hannspree and Hannspree North America have been and are now infringing, contributorily infringing and/or actively inducing infringement of the '376 patent by making, using, offering to sell, selling, causing to be sold, causing to be imported and/or importing in the United States of America LCD Modules and LCD Products falling within the scope of one or more claims of the '376 patent. Defendants' infringement is literal and/or under the doctrine of equivalents.

37. On information and belief, the infringement of the '376 patent by HannStar, Hannspree and Hannspree North America is willful.

38. As a consequence of the infringement by HannStar, Hannspree and Hannspree North America, Sharp is entitled to recover damages adequate to compensate it for the infringement complained of herein, but in no event less than a reasonable royalty.

39. The infringement by HannStar, Hannspree and Hannspree North America has irreparably injured and will continue to irreparably injure Sharp, unless and until such infringement is enjoined by this Court.

COUNT FIVE
(Patent Infringement)

40. Sharp incorporates by reference paragraphs 1 through 9 of this Complaint and realleges them as though fully set forth herein.

41. On August 24, 1999, the United States Patent and Trademark Office issued U.S. Patent No. 5,943,106, entitled "Liquid Crystal Display With Branched Of Auxiliary Capacitor Pattern And Its Manufacture Method" (the "'106 patent").

42. Sharp is the owner of all right, title and interest in and to the '106 patent.

43. On information and belief, HannStar, Hannspree and Hannspree North America have been and are now infringing the '106 patent under 35 U.S.C. section. 271. For example, without limitation, HannStar, Hannspree and Hannspree North America have been and are now infringing, contributorily infringing and/or actively inducing infringement of the '106 patent by making, using, offering to sell, selling, causing to be sold, causing to be imported and/or importing in the United States of America LCD Modules and LCD Products falling within the scope of one or more claims of the '106 patent. Defendants' infringement is literal and/or under the doctrine of equivalents.

44. On information and belief, the infringement of the '106 patent by HannStar, Hannspree and Hannspree North America is willful.

45. As a consequence of the infringement by HannStar, Hannspree and Hannspree North America, Sharp is entitled to recover damages adequate to compensate it for the infringement complained of herein, but in no event less than a reasonable royalty.

46. The infringement by HannStar, Hannspree and Hannspree North America has irreparably injured and will continue to irreparably injure Sharp, unless and until such infringement is enjoined by this Court.

COUNT SIX
(Patent Infringement)

47. Sharp incorporates by reference paragraphs 1 through 9 of this Complaint and realleges them as though fully set forth herein.

48. On April 11, 2006 the United States Patent and Trademark Office issued U.S. Patent No. 7,027,024, entitled “Display device and display method” (the “’024 patent”).

49. Sharp is the owner of all right, title and interest in and to the ’024 patent.

50. On information and belief, HannStar, Hannspree and Hannspree North America have been and are now infringing the ’024 patent under 35 U.S.C. section. 271. For example, without limitation, HannStar, Hannspree and Hannspree North America have been and are now infringing, contributorily infringing and/or actively inducing infringement of the ’024 patent by making, using, offering to sell, selling, causing to be sold, causing to be imported and/or importing in the United States of America LCD Modules and LCD Products falling within the scope of one or more claims of the ’024 patent. Defendants’ infringement is literal and/or under the doctrine of equivalents.

51. On information and belief, Princeton has been and is now infringing the ’024 patent under 35 U.S.C. section. 271. For example, without limitation, Princeton has been and is now infringing, contributorily infringing and/or actively inducing infringement of the ’024 patent by making, using, offering to sell, selling, causing to be sold, causing to be imported and/or importing in the United States of America, LCD Products falling within the scope of one or more claims of the ’024 patent. Defendants’ infringement is literal and/or under the doctrine of equivalents.

52. On information and belief, HannStar, Hannspree and Hannspree North America’s infringement of the ’024 patent is willful.

53. As a consequence of defendants' infringement, Sharp is entitled to recover damages adequate to compensate it for the infringement complained of herein, but in no event less than a reasonable royalty.

54. Defendants' infringement has irreparably injured and will continue to irreparably injure Sharp, unless and until such infringement is enjoined by this Court.

PRAYER FOR RELIEF

WHEREFORE, Sharp requests that the Court:

A. Adjudge that the '372, '855, '485, '376, '106, and '024 patents are valid and enforceable;

B. Adjudge that HannStar, Hannspree and Hannspree North America are infringing and have infringed, and have contributed to and induced infringement of, the '372, '855, '485, '376, '106, and '024 patents, and that the infringement by HannStar, Hannspree, and Hannspree North America is willful and deliberate;

C. Adjudge that Princeton is infringing and have infringed, and have contributed to and induced infringement of, the '855 and '024 patents;

D. Adjudge that ViewSonic is infringing and have infringed, and have contributed to and induced infringement of the '855 patent;

E. Enjoin HannStar and its affiliates, subsidiaries, officers, directors, employees, agents, representatives, licensees, successors, assigns and all those acting for it and on its behalf, or acting in concert with them, from further infringement of the '372, '855, '485, '376, '106, and '024 patents;

F. Enjoin Hannspree and its affiliates, subsidiaries, officers, directors, employees, agents, representatives, licensees, successors, assigns and all those acting for it and on its behalf, or acting in concert with them, from further infringement of the '372, '855, '485, '376, '106, and '024 patents;

G. Enjoin Hannspree North America and its affiliates, subsidiaries, officers, directors, employees, agents, representatives, licensees, successors, assigns and all those acting for it and on its behalf, or acting in concert with them, from further infringement of the '372, '855, '485, '376, '106, and '024 patents;

H. Enjoin Princeton and its affiliates, subsidiaries, officers, directors, employees, agents, representatives, licensees, successors, assigns and all those acting for it and on its behalf, or acting in concert with them, from further infringement of the '855 and '024 patents;

I. Enjoin ViewSonic and its affiliates, subsidiaries, officers, directors, employees, agents, representatives, licensees, successors, assigns and all those acting for it and on its behalf, or acting in concert with them, from further infringement of the '855 patent;

J. Award compensatory damages to Sharp, including but not limited to lost profits, but in no event less than a reasonable royalty, together with interest;

K. Declare this to be an exceptional case;

L. Award treble damages to Sharp for HannStar, Hannspree and Hannspree North America's willful infringement of the '372, '855, '485, '376, '106, and '024 patents;

M. Award Sharp its costs and attorneys' fees pursuant to 35 U.S.C. Section 285;

N. Award Sharp such other and further relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff Sharp hereby demands a jury trial on all issues so triable.

Dated: December 6, 2007

SMEAD, ANDERSON & DUNN LLP

By: /s/ **Melvin R. Wilcox, III**

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CERTIFICATE OF SERVICE

I hereby certify that the following document was filed electronically in compliance with Local Rule CV-5(a). I hereby certify that on December 6, 2007, a copy of the foregoing Second Amended Complaint for Patent Infringement was served as follows on the following:

By electronic filing pursuant to Local Rule CV-5(a)(3)(A):

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