

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

VERTICAL COMPUTER SYSTEMS, INC.,

Plaintiff,

v.

LG ELECTRONICS MOBILECOMM U.S.A.,  
INC., LG ELECTRONICS INC., SAMSUNG  
ELECTRONICS CO., LTD., SAMSUNG  
ELECTRONICS AMERICA, INC.,

Defendants.

Civil Action No. 2:10-cv-490

**JURY TRIAL DEMANDED**

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**FIRST AMENDED COMPLAINT**

Plaintiff, Vertical Computer Systems, Inc. ("Vertical") brings this action against Defendants LG Electronics MobileComm U.S.A., Inc., LG Electronics Inc., Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. (collectively, "defendants"), alleging as follows:

**I. PARTIES**

1. Plaintiff Vertical is a Delaware corporation with a principal place of business in Richardson, Texas.

2. Defendant LG Electronics MobileComm U.S.A., Inc. is a California corporation and has its principal place of business at 1000 Sylvan Avenue, Englewood Cliffs, NJ 07632. LG Electronics MobileComm U.S.A., Inc. is doing business in this judicial district and may be served with process through its Registered Agent, Alan K. Tse, 10101 Old Grove Road, San Diego, CA 92131.

3. LG Electronics Inc. is a corporation organized under the laws of the Republic of Korea and has its principal place of business at LG Twin Towers 20, Yeouido dong, Yeongdeungpo-gu, Seoul, Republic of Korea 150-721.

4. Samsung Electronics America, Inc. is a New York corporation and has its principal place of business at 85 Challenger Road, Ridgefield Park, NJ 07660. Samsung is doing business in this judicial district and may be served with process through its Registered Agent, CT Corporation System, 111 Eighth Avenue, New York, NY 10011.

5. Samsung Electronics Co., Ltd. is a corporation organized under the laws of the Republic of Korea and has its principal place of business at 1320-10, Seocho 2-dong, Seocho-gu, Seoul 137-857, Republic of Korea.

## **II. JURISDICTION AND VENUE**

6. Vertical's patent infringement action arises under the patent laws of the United States, including 35 U.S.C. §§ 271 and 281. This Court has exclusive subject matter jurisdiction over this civil action under 28 U.S.C. § 1338(a).

7. LG Electronics MobileComm U.S.A., Inc. and LG Electronics Inc. (collectively, "LG") have minimum contacts with the Marshall Division of the Eastern District of Texas such that this venue is a fair and reasonable one. LG has committed such purposeful acts and/or transactions in Texas that it reasonably knew and expected would result in it being brought into a Texas court as a consequence of its business activities. For these reasons, venue is proper in this Court under 28 U.S.C. §§ 1391(b) and (c) and 28 U.S.C. § 1400(b).

8. Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. (collectively, "Samsung") have minimum contacts with the Marshall Division of the Eastern District of Texas such that this venue is a fair and reasonable one. Samsung has committed such purposeful acts and/or transactions in Texas that it reasonably knew and expected would result in it being brought into a Texas court as a consequence of its business activities. For these reasons, venue is proper in this Court under 28 U.S.C. §§ 1391(b) and (c) and 28 U.S.C. § 1400(b).

**III. PATENT INFRINGEMENT**

9. On November 30, 2004, United States Patent No. 6,826,744 (the "'744 patent") was duly and legally issued for a "System and Method for Generating Web Sites in an Arbitrary Object Framework."

10. On May 11, 2010, United States Patent No. 7,716,629 (the "'629 patent") was duly and legally issued for a "System and Method for Generating Web Sites in an Arbitrary Object Framework."

11. Vertical is the owner of the '744 and '629 patents and has standing to sue for infringement.

12. Defendants LG and Samsung manufacture, have made, use, import, sell and/or offer for sale cellular telephones covered by at least one claim of each of the '744 and '629 patents. Defendants LG and Samsung have also infringed and continue to infringe the '744 and '629 patents by actively inducing others to infringe with specific intent and by contributing to the infringement by others by the use, sale and/or offer for sale of the infringing cellular telephones. The infringement that has occurred is at least one of the following claims through commercialization of at least the following model phones:

	<b>Claims of '744 Patent</b>	<b>Claims of '629 Patent</b>	<b>Model Nos.</b>
LG	3, 4, 17, 25, 56	1, 21, 24, 28, 32	Ally™ VS740 LG Ally/Apex/Axis LG DoublePlay LG Enlighten/Optimus Slider LG Esteem LG G2x/Optimus 2x LG Genesis LG Marquee LG my Touch Q LG my Touch LG Optimus M/Optimus C LG Optimus S/Optimus U/ Optimus V LG Optimus T

	<b>Claims of '744 Patent</b>	<b>Claims of '629 Patent</b>	<b>Model Nos.</b>
			LG Revolution LG Thrill 4 G/Optimus 3D LG Thrive Phoenix LG Vortex
Samsung	3, 4, 17, 25, 56	1, 21, 24, 28, 32	Acclaim SCH-R880 Admire Vitality Behold II Captivate (Galaxy S) Conquer 4G Continuum (Galaxy S) Dart Droid Charge Epic 4G (Galaxy S) Epic 4G Touch (Galaxy S II) Exhibit 4G (Galaxy S) Exhibit II 4G Fascinate/Mesmerize (Galaxy S) Galaxy Indulge R910/ Indulge R915 Galaxy Prevail Galaxy S 4G Galaxy S II/SGH i777 Galaxy S II/SGH-T989 Galaxy S II Skyrocket Gem Gravity Smart Infuse 4G Intercept Moment Replenish Sidekick 4G Stratosphere Transfix Transform Ultra Transform Vibrant (Galaxy S)  Samsung Galaxy Tab10.1 with Verizon 4G LTE Samsung Galaxy Tab 10.1 Samsung Galaxy Tab 7.0 Samsung Galaxy Tab 8.9Galaxy Tab™ Tablet Computer Galaxy Captivate™ Android Phone

	<b>Claims of '744 Patent</b>	<b>Claims of '629 Patent</b>	<b>Model Nos.</b>
			Galaxy Fascinate™ Android Phone Galaxy Epic™ Android Phone Samsung Galaxy Mesmerize™ i500 Touch Screen Cell Phone

**IV. STATUTORY NOTICE**

13. Vertical has placed the required statutory notice on all software products sold by it under the '744 and '629 patents.

**V. RELIEF**

14. Vertical has been damaged as a result of LG's and Samsung's infringing conduct and LG, Samsung and Interwoven are, thus, liable to Vertical in an amount that adequately compensates Vertical for LG's and Samsung's infringement, which, by law, cannot be less than a reasonable royalty for each of these two defendants.

15. LG and Samsung will continue their infringement of the '744 and '629 patents unless enjoined by the Court. LG's and Samsung's infringing conduct causes Vertical irreparable harm and will continue to cause such harm without the issuance of an injunction.

**VI. JURY DEMAND**

16. Vertical hereby requests a trial by jury pursuant to Rule 38 of the Federal Rules of Civil Procedure.

**VII. PRAYER FOR RELIEF**

Vertical respectfully requests that the Court find in its favor and against LG and Samsung and that the Court grant Vertical the following relief:

a. Judgment that one or more claims of United States Patent No. 6,826,744 and United States Patent No. 7,716,629 have been infringed, either literally and/or under the doctrine

of equivalents, by LG and Samsung and/or by others to whose infringement LG and Samsung have contributed and/or by others whose infringement has been induced by LG and Samsung;

b. Judgment that LG and Samsung account for and pay to Vertical all damages to and costs incurred by Vertical because of LG and Samsung's infringing activities and other conduct complained of herein;

c. That Vertical be granted pre-judgment and post-judgment interest on the damages caused to it by reason of LG's and Samsung's infringing activities and other conduct complained of herein;

d. That this Court declare this an exceptional case and award Vertical its reasonable attorneys' fees and costs in accordance with 28 U.S.C. § 285;

e. That LG and Samsung be permanently enjoined from any further activity or conduct that infringes any claims of United States Patent No. 6,824,744 and United States Patent No. 7,716,629; and

f. That Vertical be granted such other and further relief as the Court or jury may deem just and proper under the circumstances.

Dated: February 1, 2013

Respectfully submitted,

By: /s/ William E. Davis, III  
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**Attorneys for Plaintiff  
Vertical Computer Systems, Inc.**

**CERTIFICATE OF SERVICE**

The undersigned certifies that the foregoing document was filed electronically in compliance with Local Rule CV-5(a). As such, this document was served on all counsel who are deemed to have consented to electronic service. Local Rule CV-5(a)(3)(A). Pursuant to Fed. R. Civ. P. 5(d) and Local Rule CV-5(d) and (e), all other counsel of record not deemed to have consented to electronic service were served with a true and correct copy of the foregoing by email, on this the 1st day of February, 2013.

/s/ William E. Davis, III  
William E. Davis, III