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CENTRAL DISTRICT COUNT CENTRAL DIST. OF CALIF. LOS ANGELES

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

ECLIPSE IP LLC,

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Plaintiff,

VS.

VOLKSWAGEN GROUP OF AMERICA, INC.,

Defendant.

Case No.: 5:12cv02087-PSG(SP)

FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

JURY TRIAL DEMANDED

Complaint Filed: N/A
Trial Date: N/A

## FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Eclipse IP LLC ("Eclipse"), by counsel, complains of defendant Volkswagen Group of America, Inc. ("Volkswagen"), as follows:

### NATURE OF LAWSUIT

1. This is a suit for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code § 1 et seq. This Court has exclusive jurisdiction over the subject matter of the Complaint under 28 U.S.C. §§ 1331 and 1338(a).

### PARTIES AND PATENTS

2. Eclipse is a company organized and existing under the laws of Florida and having a principal place of business address at 115 NW 17th Street, Delray Beach, Florida 33444.

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- 3. Eclipse owns all right, title, and interest in and has standing to sue for infringement of United States Patent No. 7,482,952 ("the '952 patent"), entitled "Response Systems and Methods for Notification Systems for Modifying Future Notifications" (Exhibit A); and United States Patent No. 7,479,900 ("the '900 patent"), entitled "Notification Systems and Methods that Consider Traffic Flow Predicament Data" (Exhibit B) (collectively, "the Eclipse Patents").
- 4. On information and belief, Volkswagen is a corporation existing under the laws of New Jersey.
- 5. On information and belief, Volkswagen does regular business in this judicial district and has committed acts of infringement in this judicial district.

### **JURISDICTION AND VENUE**

- 6. This Court has personal jurisdiction over Volkswagen because it does regular business in this District; is operating and/or supporting products or services that fall within one or more claims of Eclipse's patents in this District; and has committed the tort of patent infringement in this District.
- 7. Venue is proper in this judicial district under 28 U.S.C. §§ 1391(d) and 1400(b).

## **DEFENDANT'S ACTS OF PATENT INFRINGEMENT**

- 8. Volkswagen imports, markets, distributes, and/or sells vehicles with navigation systems including, among others, the "RNS 315 Navigation System," which offer "traffic information" and "traffic jam avoidance and automatic re-routing."
- 9. Volkswagen imports, markets, distributes, and/or sells vehicles with navigation systems that infringe one or more claims of the '952 patent through, among other activities, the use of the navigation systems to: determine changes in schedule relating to an intended destination; notify the driver of the change in schedule; and allow the driver to make a confirmation, change, or cancellation with respect to the notification.

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- 10. Volkswagen imports, markets, distributes, and/or sells vehicles with navigation systems that infringe one or more claims of the '900 patent through, among other activities, the use of the navigation systems: schedule notifications relating to arrival or departure of the vehicle; monitor traffic flow predicament data relating to a vehicle's intended route; and determine whether or not to reschedule notifications based upon such data.
- 11. Volkswagen's vehicle navigation systems cannot be used without these core functionalities and are not intended to be. Accordingly, they are not capable of substantial noninfringing uses.
- 12. Eclipse sent a letter to Volkswagen, dated September 5, 2012, in which Eclipse informed Volkswagen of the existence of the '900 and '952 patents, alleged that Volkswagen's navigation systems infringe these patents, and offered to engage in licensing negotiations. Counsel for Volkswagen acknowledged receipt of this letter on September 14, 2012.
- 13. Prompted by Eclipse's letter, counsel for Volkswagen contacted counsel for Eclipse. The parties engaged in preliminary discussion but never made substantive progress toward a suitable licensing arrangement.
- 14. Instead, with knowledge of the '900 and '952 patents and its infringement and in disregard of Eclipse's patent rights, Volkswagen chose to continue to import, advertise, market, distribute, and/or sell the infringing products.
- 15. Accordingly, Volkswagen has acted willfully, with knowledge that the infringing components had been and would be especially made or adapted for use in an infringing manner, and with the intent to induce others to infringe Eclipse's patents.
- 16. Volkswagen has knowingly infringed one or more claims of the '952 patent through, among other activities, the use of navigation systems in its vehicles to: determine changes in schedule relating to an intended destination; notify the driver of the change in schedule; and allow the driver to make a confirmation, change, or cancellation with respect to the notification.

- 17. Volkswagen has actively induced and/or contributed to the infringement by others of one or more claims of the '952 patent through, among other activities, continuing to manufacture, distribute, and sell vehicles equipped with the infringing navigation systems to its customers after having received notice of its infringement of the '952 patent.
- 18. Volkswagen has knowingly infringed one or more claims of the '900 patent through, among other activities, the use of navigation systems in its vehicles to: schedule notifications relating to arrival or departure of the vehicle; monitor traffic flow predicament data relating to a vehicle's intended route; and determine whether or not to reschedule notifications based upon such data.
- 19. Volkswagen has actively induced and/or contributed to the infringement by others of one or more claims of the '900 patent through, among other activities, continuing to manufacture, distribute, and sell vehicles equipped with the infringing navigation systems to its customers after having received notice of its infringement of the '900 patent.
- 20. Through direct, induced, and contributory infringement Volkswagen has injured Eclipse, and Eclipse is entitled to recover damages adequate to compensate it for such infringement, but in no event less than a reasonable royalty.

# CLAIMS FOR RELIEF

## COUNT I

## (Patent Infringement of U.S. Patent No. 7,482,952

Under 35 U.S.C. § 271, et seq.)

- 21. Eclipse incorporates by reference and realleges the allegations set forth in paragraphs 1 through 20 above and incorporates them by reference.
- 22. On January 27, 2009, United States Patent No. 7,482,952, entitled "Response Systems and Methods for Notification Systems for Modifying Future Notifications" was duly and legally issued by the United States Patent and Trademark Office. Eclipse is the owner of the entire right, title and interest in and to the '952

23. Eclipse is informed and believes, and thereupon alleges, that Volkswagen: (1) has infringed and continues to infringe claims of the '952 patent, literally and/or under the doctrine of equivalents, and/or (2) has contributed and continues to contribute to the literal infringement and/or infringement under the doctrine of equivalents of claims of the '952 patent, and/or has actively induced and continues to actively induce others to infringe claims of the '952 patent, literally and/or under the doctrine of equivalents, in this district and elsewhere in the United States.

#### **COUNT II**

## (Patent Infringement of U.S. Patent No. 7,479,900

Under 35 U.S.C. § 271, et seq.)

- Eclipse incorporates by reference and realleges the allegations set forth in 24. paragraphs 1 through 15 above and incorporates them by reference.
- 25. On January 20, 2009, United States Patent No. 7,479,900, entitled "Notification Systems and Methods that Consider Traffic Flow Predicament Data" was duly and legally issued by the United States Patent and Trademark Office. Eclipse IP is the owner of the entire right, title and interest in and to the '900 patent. A true and correct copy of the '900 patent is attached as Exhibit B to this complaint.
- 26. Eclipse is informed and believes, and thereupon alleges, that Volkswagen: (1) has infringed and continues to infringe claims of the '900 patent, literally and/or under the doctrine of equivalents, and/or (2) has contributed and continues to contribute to the literal infringement and/or infringement under the doctrine of equivalents of claims of the '900 patent, and/or has actively induced and continues to actively induce others to infringe claims of the '900 patent, literally and/or under the doctrine of equivalents, in this district and elsewhere in the United States.

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PRAYER FOR RELIEF 1 WHEREFORE, Plaintiff Eclipse asks this Court to enter judgment against the 2 defendant and against each of the defendant's respective subsidiaries, affiliates, agents, 3 servants, employees and all persons in active concert or participation with it, granting 4 the following relief: An award of damages adequate to compensate Eclipse for the infringement (a) 6 that has occurred, together with prejudgment interest from the date infringement of the Eclipse Patents began; 8 An award to Eclipse of all remedies available under 35 U.S.C. §§ 284 and 9 285, including enhanced damages up to and including trebling of Eclipse's damages for 10 Volkswagen's willful infringement, and reasonable attorneys' fees and costs; and 11 (c) Such other and further relief as this Court or a jury may deem proper and 12 just. 13 **JURY DEMAND** 14 Eclipse demands a trial by jury on all issues so triable pursuant to Federal Rule of 15 Civil Procedure 38. 16 17 Respectfully submitted this 11<sup>th</sup> day of February, 2013. 18 19 NEWPORT TRIAL GROUP 20 21 By:\_ Tyler I 22 Attorney for Plaintiff ECLIPSE IP LLC 23 24 25 26 27 28 NEWPORT TRIAL

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**CERTIFICATE OF SERVICE** 1 I hereby certify that on February 11, 2013, I caused a true and correct 2 copy of the foregoing document to be served on the following counsel in the manner 3 indicated: 4 5 Via U.S. Mail 6 7 Attorneys for Defendant Ryan K. Yagura O'MELVENY & MYERS LLP Volkswagen Group of America, Inc. 8 400 South Hope Street Los Angeles, CA 90071 Telephone: 213.430.6189 10 Facsimile: 213.430.6407 11 ryagura@omm.com 12 Michael J. Lennon 13 KENYON & KENYON LLP One Broadway 14 New York, New York 10004 15 Phone: 212.425.7200 Fax: 212.425.5288 16 mlennon@kenyon.com 17 18 19 20 21 22 23 24 25 26 27 28 NEWPORT TRIAL

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