

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CIVIL CASE NO. 12-CV-24320-KMM

Wi-LAN USA, INC. and Wi-LAN, INC.,

Plaintiffs,

v.

SIERRA WIRELESS AMERICA, INC.,

Defendant.

FIRST AMENDED COMPLAINT

This is an action for patent infringement. Plaintiffs Wi-LAN USA, Inc. and Wi-LAN, Inc. file this Complaint against Defendant Sierra Wireless America, Inc., and state as follows:

PARTIES

1. Plaintiff Wi-LAN USA, Inc. is a corporation organized and existing under the laws of the state of Florida with its principal place of business at 175 S.W. 7th Street, No. 1803, Miami, Florida 33130. Plaintiff Wi-LAN, Inc. is a corporation organized and existing under the laws of Canada with its principal place of business at 11 Holland Ave., Suite 608, Ottawa, Ontario, Canada K1Y 4S1. Wi-LAN USA, Inc. is a wholly owned subsidiary of Wi-LAN, Inc. Plaintiffs will be collectively referred to herein as “Wi-LAN.”

2. Upon information and belief, Defendant Sierra Wireless America Inc. (“Sierra Wireless” or “Defendant”) is a corporation organized and existing under the laws of the State of Delaware, with a principal place of business at 2200 Faraday Avenue, Suite 150, Carlsbad, CA 92008.

3. Upon information and belief, Defendant directly or indirectly through subsidiaries or affiliated companies markets, distributes, manufactures, imports, sells, and/or offers for sale

wireless communication products, including but not limited to products compliant with the 3rd Generation Partnership Project – Long Term Evolution (“3GPP LTE”) standard, in the United States and, more particularly, in the Southern District of Florida.

JURISDICTION AND VENUE

4. This action for patent infringement arises under the Patent Laws of the United States, including 35 U.S.C. § 271.

5. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

6. This Court has personal jurisdiction over Defendant under Florida Statute § 48.193. Upon information and belief, Defendant (a) has at least an office or agency in Florida and (b) has committed one or more tortious acts within Florida.

7. Upon information and belief, Sierra Wireless has an office in this jurisdiction located at 5344 NW 48th St., Coconut Creek, FL 33073.

8. Upon information and belief, Defendant has committed acts of patent infringement within this judicial district. Defendant, directly or through intermediaries, imports, manufactures, uses, sells, and/or offers to sell infringing products within this judicial district. Defendant has also knowingly and intentionally induced others to commit acts of patent infringement within this judicial district. Further, Defendant has purposely and voluntarily placed infringing products into the stream of commerce with the expectation that they will be purchased by consumers in this judicial district. Defendant reasonably should have anticipated being subject to suit in this judicial district. Defendant’s acts of patent infringement are aimed at this judicial district and/or have effect in this judicial district.

9. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391 and 1400(b).

DEFENDANT'S PRODUCTS

10. Upon information and belief, Defendant makes, uses, offers for sale, imports, and/or sells products compliant with the 3GPP LTE standard, including but not limited to the AirCard 754S and AirCard 313U.

11. Upon information and belief, Defendant's accused products support at least Release 8, et seq. of the 3GPP LTE standard.

COUNT I: INFRINGEMENT OF U.S. PATENT NO. 8,315,640

12. The allegations of paragraphs 1 through 11 are re-alleged as if fully set forth herein.

13. On November 20, 2012, the USPTO duly and legally issued U.S. Patent No. 8,315,640 (the "'640 Patent"), entitled "Methods and Systems for Transmission of Multiple Modulated Signals Over Wireless Networks" after a full and fair examination. Wi-LAN, Inc. is the sole owner of the '640 Patent. Wi-LAN USA, Inc. holds certain exclusive rights under the '640 Patent, including an exclusive right to license Defendant. A true and correct copy of the '640 Patent is attached hereto as Exhibit A.

14. Upon information and belief, Defendant has been and is now infringing, directly and indirectly by way of inducement and/or contributory infringement, literally and/or under the doctrine of equivalents, the '640 Patent in this judicial district and elsewhere by making, using, offering for sale, importing, selling, and/or knowingly and intentionally inducing others to use (without authority from Wi-LAN) the Defendant's accused products, which fall within the scope of one or more of the claims of the '640 Patent.

15. Defendant knowingly contributes to and induces infringement by supplying the accused products to customers with instructions for their use in connection with cellular systems which comply with the 3GPP LTE standard.

16. The accused products are developed to comply with the 3GPP LTE standard, and thus are not staple articles or commodities of commerce suitable for substantial non-infringing use.

17. Defendant's customers who purchase the accused products and operate those products in accordance with Defendant's instructions directly infringe one or more claims of the '640 Patent.

18. As early as July 2009, while negotiations were pending between Wi-LAN and Defendant, Wi-LAN informed Defendant, among other things, that it had acquired a portfolio of patents related to the 3GPP LTE standard.

19. On or about October 2011, Wi-LAN again informed Defendant that Wi-LAN's patent portfolio included patents applicable to the 3GPP LTE standard.

20. At least as of November 2011, Wi-LAN further clarified a previously-sent licensing proposal and expressly stated it included patents required to practice the 3GPP LTE standard.

21. During the course of their on-going discussions, Wi-LAN repeatedly informed Defendant that Wi-LAN owned patents necessary to practice the 3GPP LTE standard and that it believed Defendant's products required a license to Wi-LAN's portfolio.

22. In June 2012, Wi-LAN informed Sierra Wireless of the current status of litigation brought by W-LAN against other infringers of its LTE patent portfolio.

23. In October 2012, Wi-LAN sent Defendant a press release discussing Wi-LAN's acquisition of additional patents relevant to the 3GPP LTE standard.

24. On or about December 4, 2012, Wi-LAN again informed Defendant that Wi-LAN had patents necessary to practice the 3GPP LTE standard.

25. Upon information and belief, Defendant has had knowledge of the '640 Patent prior to the filing of this Complaint, by way of the information disclosed to Defendant during the licensing negotiations.

26. Defendant has had actual notice of the '640 Patent since at least December 6, 2012, when this suit was filed.

27. Since becoming aware of the '640 Patent, Defendant was objectively reckless and knew or should have known that the accused products and the components thereof were especially made and/or especially adapted for use in infringing the '640 Patent.

28. Upon information and belief, Defendant's infringement of the '640 Patent has been and continues to be willful and deliberate.

29. The '640 patent is valid and enforceable.

30. By way of its infringing activities, Defendant has caused and continues to cause Wi-LAN to suffer damages, and Wi-LAN is entitled to recover from Defendant damages in an amount to be determined at trial.

COUNT II: INFRINGEMENT OF U.S. PATENT NO. 8,311,040

31. The allegations of paragraphs 1 through 30 are re-alleged as if fully set forth herein.

32. On November 13, 2012, the USPTO duly and legally issued U.S. Patent No. 8,311,040 (the "'040 Patent"), entitled "Packing Source Data Packets Into Transporting Packets With Fragmentation" after a full and fair examination. Wi-LAN, Inc. is the sole owner of the '040 Patent. Wi-LAN USA, Inc. holds certain exclusive rights under the '040 Patent, including an exclusive right to license Defendant. A true and correct copy of the '040 Patent is attached hereto as Exhibit B.

33. Upon information and belief, Defendant has been and is now infringing, directly and indirectly by way of inducement and/or contributory infringement, literally and/or under the

doctrine of equivalents, the '040 Patent in this judicial district and elsewhere by making, using, offering for sale, importing, selling, and/or knowingly and intentionally inducing others to use (without authority from Wi-LAN) the Defendant's accused products, which fall within the scope of one or more of the claims of the '040 Patent.

34. Defendant knowingly contributes to and induces infringement by supplying the accused products to customers with instructions for their use in connection with cellular systems which comply with the 3GPP LTE standard.

35. The accused products are developed to comply with the 3GPP LTE standard, and thus are not staple articles or commodities of commerce suitable for substantial non-infringing use.

36. Defendant's customers who purchase the accused products and operate those products in accordance with Defendant's instructions directly infringe one or more claims of the '040 Patent.

37. As early as July 2009, while negotiations were pending between Wi-LAN and Defendant, Wi-LAN informed Defendant, among other things, that it had acquired a portfolio of patents related to the 3GPP LTE standard.

38. On or about October 2011, Wi-LAN again informed Defendant that Wi-LAN's patent portfolio included patents applicable to the 3GPP LTE standard.

39. At least as of November 2011, Wi-LAN further clarified a previously-sent licensing proposal and expressly stated it included patents required to practice the 3GPP LTE standard.

40. During the course of their on-going discussions, Wi-LAN repeatedly informed Defendant that Wi-LAN owned patents necessary to practice the 3GPP LTE standard and that it believed Defendant's products required a license to Wi-LAN's portfolio.

41. In June 2012, Wi-LAN informed Sierra Wireless of the current status of litigation brought by Wi-LAN against other infringers of its LTE patent portfolio.

42. In October 2012, Wi-LAN sent Defendant a press release discussing Wi-LAN's acquisition of additional patents relevant to the 3GPP LTE standard.

43. On or about December 4, 2012, Wi-LAN again informed Defendant that Wi-LAN had patents necessary to practice the 3GPP LTE standard.

44. Upon information and belief, Defendant has had knowledge of the '040 Patent prior to the filing of this Complaint, by way of the information disclosed to Defendant during the licensing negotiations.

45. Defendant has had actual notice of the '040 Patent since at least December 6, 2012, when this suit was filed.

46. Since becoming aware of the '040 Patent, Defendant was objectively reckless and knew or should have known that the accused products and the components thereof were especially made and/or especially adapted for use in infringing the '040 Patent.

47. Upon information and belief, Defendant's infringement of the '040 Patent has been and continues to be willful and deliberate.

48. The '040 patent is valid and enforceable.

49. By way of its infringing activities, Defendant has caused and continues to cause Wi-LAN to suffer damages, and Wi-LAN is entitled to recover from Defendant damages in an amount to be determined at trial.

DEMAND FOR JURY TRIAL

Wi-LAN demands a trial by jury for any and all issues triable of right before a jury.

PRAYER FOR RELIEF

WHEREFORE, Wi-LAN requests entry of judgment in its favor and against Defendant as follows:

A. Declaring that Defendant has willfully infringed one or more claims of each of U.S. Patent No. 8,315,640 and U.S. Patent No. 8,311,040;

B. Permanently enjoining Defendant and its officers, directors, agents, servants, employees, affiliates, divisions, branches, subsidiaries, parents and all others acting in concert or privity with any of them from infringing, inducing the infringement of, or contributing to the infringement of one or more of each of U.S. Patent No. 8,315,640 and U.S. Patent No. 8,311,040;

C. Awarding to Wi-LAN damages arising out of Defendant's infringement of one or more of each of U.S. Patent No. 8,315,640 and U.S. Patent No. 8,311,040, together with enhanced damages, attorneys' fees, pre-judgment and post-judgment interest, in an amount to be determined at trial;

D. Awarding to Wi-LAN its costs in connection with this action; and

E. Such other and further relief in law or in equity to which Wi-LAN may be justly entitled.

Dated: February 19, 2013

Respectfully submitted,

By: /s/ Samuel O. Patmore

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on February 19, 2013, the foregoing document is being served this day on all counsel of record, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel or parties who are not authorized to receive electronically Notices of Electronic Filing.

/s/ Samuel O. Patmore