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

GUARDIAN MEDIA TECHNOLOGIES, LTD.,		
	Plaintiff,	CIVIL ACTION NO. 6:13-cv
(7)(8)(9)	v. HAIER GROUP COMPANY A/K/A HAIER GROUP CORPORATION; HAIER ELECTRICAL APPLIANCES CORPORATION, LTD. A/K/A HAIER ELECTRICAL APPLIANCES CO., LTD.; QINGDAO HAIER CO., LTD.; QINGDAO HAIER ELECTRONICS CO., LTD.; DESAY A&V SCIENCE AND TECHNOLOGY CO., LTD.; LASONIC LTD.; DIGWAY LTD.; VEEHOM LTD. F/K/A NGAI LIK ELECTRONICS TRADING LTD.; DENCA INDUSTRIAL LTD.; AND EXPRESS WAY LTD.,	ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT JURY TRIAL DEMANDED
~ /	Defendants.	

Plaintiff Guardian Media Technologies, Ltd. ("Guardian") files this original complaint against the above-named defendants, alleging, based on its own knowledge with respect to itself and its own actions and based on information and belief as to all other matters, as follows:

PARTIES

1. Guardian is a Texas limited partnership, with a principal place of business in Longview, TX.

2. Defendant Haier Group Company a/k/a Haier Group Corporation a/k/a 海尔集团 公司 (Simplified Chinese) a/k/a 海爾集團公司 (Traditional Chinese) ("Haier Group") is a corporation organized under the laws of The People's Republic of China (PRC). According to the signature block of an email sent by its employee Zhao Xuewu (<u>xxfw@haier.com</u>), with whom Guardian had corresponded regarding licensing, Haier Group's principal place of business is No. 1 Haier Road, Hi-tech Zone, Qingdao, Shandong, China, Post Code: 266101. Haier Group can be served at this principal place of business.

3. Defendant Haier Electrical Appliances Corporation, Ltd. a/k/a Haier Electrical Appliances Co., Ltd. a/k/a 海尔集团电器产业有限公司 (Simplified Chinese) a/k/a 海爾集團電器產業有限公司 (Traditional Chinese) ("Haier Appliances") is a corporation organized under the laws of The People's Republic of China (PRC). According to import records, Haier Appliances has a principal place of business at No. 1 Haier Road, Haier Industrial Park, Qingdao, Shandong, China, Post Code: 266101. Haier Appliances can be served at this principal place of business.

4. Defendant Qingdao Haier Co., Ltd. ("Qingdao Haier") is a corporation organized under the laws of The People's Republic of China (PRC). According to its profile on the Shanghai Stock Exchange, Qingdao Haier's principal place of business is 青岛市崂山区海尔信 息产业园创牌大楼北305B青岛海尔证券部 (266101). This roughly translates as "Qingdao Haier Securities Department, 305B Chuangpai Building North, Haier Industrial Park, Laoshan

District, Qingdao, Shandong, 266101." Also according to this profile, its 法定代表人: (legal representative) is 杨绵绵 (Yang Mian Mian). A copy of the relevant page of the Shanghai Stock Exchange is attached as Exhibit A. Qingdao Haier can be served at the listed principal place of business.

5. Defendant Qingdao Haier Electronics Co., Ltd. ("Qingdao Haier Electronics") is a corporation organized under the laws of The People's Republic of China (PRC). According to the signature block of an email sent by its employee Zhao Xuewu (xxfw@haier.com), with whom Guardian had corresponded regarding licensing, Qingdao Haier Electronics's principal place of business is No. 1 Haier Road, Hi-tech Zone, Qingdao, Shandong, China, Post Code: 266101. Qingdao Haier Electronics can be served at this principal place of business.

6. Haier Group, Haier Appliances, Qingdao Haier, and Qingdao Haier Electronics will be collectively referred to as the "Haier Defendants."

7. Defendant Desay A&V Science and Technology Co., Ltd. ("Desay") is a corporation organized under the laws of The People's Republic of China (PRC). According to import records and its webpage, Desay has a principal place of business at Desay 3rd Industrial Zone, Chenjiang, Huizhou, Guangdong, China 516229. Desay can be served at this principal place of business.

8. Defendant Lasonic Ltd. ("Lasonic") is a corporation organized under the laws of Hong Kong, SAR. According to its webpage and filings with the Hong Kong Integrated Companies Registry (<u>www.icris.cr.gov.hk</u>), Lasonic has a principal place of business at Room 901-2, Enterprise Square Two, 3 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong. Lasonic can be served at this principal place of business.

9. Defendant Digway Ltd. ("Digway") is a corporation organized under the laws of Hong Kong, SAR. According to its webpage and filings with the Hong Kong Integrated Companies Registry (<u>www.icris.cr.gov.hk</u>), Digway has a principal place of business at Room 901-2, Enterprise Square Two, 3 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong. Digway can be served at this principal place of business.

10. Defendant Veehom Ltd. f/k/a Ngai Lik Electronics Trading Ltd. ("Veehom") is a corporation organized under the laws of Hong Kong, SAR. According to Veehom's filings with the Hong Kong Integrated Companies Registry (www.icris.cr.gov.hk), Veehom has a principal place of business at Unit 511, 5/F Tower, 1 Silvercord, 30 Canton Road, TST, Hong Kong. Veehom can be served at this principal place of business.

 Defendant Denca Industrial Ltd. ("Denca") is a corporation organized under the laws of Hong Kong, SAR. According to Denca's filings with the Hong Kong Integrated Companies Registry (<u>www.icris.cr.gov.hk</u>), Denca has a principal place of business at Unit 511, 5/F Tower, 1 Silvercord, 30 Canton Road, TST, Hong Kong. Denca can be served at this principal place of business.

12. Defendant Express Way Ltd. ("Express Way") is a corporation organized under the laws of Hong Kong, SAR. According to Express Way's filings with the Hong Kong Integrated Companies Registry (<u>www.icris.cr.gov.hk</u>), Express Way has a principal place of business at Flat C, 11/F, Lladro Bldg, 72 Hoi Yuen Rd., Kwun Tong District, Hong Kong. Express Way can be served at this principal place of business.

JURISDICTION AND VENUE

13. This is an action for infringement of a United States patent arising under 35U.S.C. §§ 271, 281, and 284–85, among others. This Court has subject matter jurisdiction of the action under 28 U.S.C. §1331 and §1338(a).

14. Venue is proper in this district under 28 U.S.C. §§ 1391 and 1400(b). Each defendant has transacted business in this district and has committed and/or induced acts of patent infringement in this district.

15. Each defendant is subject to this Court's specific and general personal jurisdiction under due process and/or the Texas Long Arm Statute, due at least to each defendant's substantial business in this forum, including: (i) at least a portion of the infringements alleged herein; and/or (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 Texas and in this district.

JOINDER

16. Plaintiff's rights to relief are asserted against all named defendants jointly, severally, or in the alternative with respect to or arising out of the same transaction, occurrence, or series of transactions or occurrences relating to the making, using, importing into the United States, offering for sale, or selling of the same accused product or process; and questions of fact common to all defendants will arise in this action. These rights to relief at least involve patent infringements by Haier-brand televisions and/or DVD players, products that all defendants made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale during the relevant damages period.

COUNT I

INFRINGEMENT OF U.S. PATENT NO. 4,930,158

17. On May 29, 1990, United States Patent No. 4,930,158 ("the '158 patent") was duly and legally issued by the United States Patent and Trademark Office for an invention entitled "Selective Video Playing System."

18. On November 4, 2008, the United States Patent and Trademark Office issued a Reexamination Certificate for the '158 patent, which confirmed the patentability of Claims 8–11 and 19–22 of the '158 patent.

19. Guardian is the owner of the '158 patent with all substantive rights in and to that patent, including the sole and exclusive right to prosecute this action and enforce the '158 patent against infringers and to collect damages for all relevant times. The '158 patent is expired.

20. As it pertains to this lawsuit, the '158 patent generally relates to parental control features contained in DVD players, digital video recorders ("DVRs") and other set-top boxes, personal computers, hand-held electronic devices, and other items offered for sale by defendants that can play stored video and allow owners of such devices to the types of video viewed by others.

21. On or around July 13, 2004, Guardian began corresponding with the Haier Defendants regarding the Haier Defendants' need for a license to the '158 patent. Furthermore, Guardian's agents personally met with agents from the Haier Defendants at least as early as December 2005 to discuss licensing the '158 patent.

22. The non-Haier defendants in this lawsuit act as suppliers to the Haier Defendants. The Haier Defendants notified their suppliers of infringement allegations raised by third parties against the suppliers' products.

23. Prior to the expiration of the '158 patent, the Haier Defendants, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '158 patent. In addition, the Haier Defendants induced infringement and/or contributed to the infringement of one or more of the claims of the '158 patent by their customers and/or suppliers. The Haier Defendants' infringements were willful and with full knowledge of the '158 patent and/or reckless indifference to its existence.

24. Prior to the expiration of the '158 patent, Desay, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '158 patent. In addition, Desay induced infringement and/or contributed to the infringement of one or more of the claims of the '158 patent by its customers and/or suppliers. Desay's infringements were willful and with full knowledge of the '158 patent and/or reckless indifference to its existence.

25. Prior to the expiration of the '158 patent, Lasonic, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '158 patent. In addition, Lasonic induced infringement and/or contributed to the infringement of one or more of the claims of the '158 patent by its customers and/or suppliers. Lasonic's infringements were willful and with full knowledge of the '158 patent and/or reckless indifference to its existence.

26. Prior to the expiration of the '158 patent, Digway, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '158 patent. In addition, Digway induced infringement and/or contributed to the infringement of one or more of the claims of the '158 patent by its customers and/or suppliers. Digway's infringements were willful and with full knowledge of the '158 patent and/or reckless indifference to its existence.

27. Prior to the expiration of the '158 patent, Veehom, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '158 patent. In addition, Veehom induced infringement and/or contributed to the infringement of one or more of the claims of the '158 patent by its customers and/or suppliers. Veehom's infringements were willful and with full knowledge of the '158 patent and/or reckless indifference to its existence.

28. Prior to the expiration of the '158 patent, Denca, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '158 patent. In addition, Denca induced infringement and/or contributed to the infringement of one or more of the claims of the '158 patent by its customers and/or suppliers. Denca's infringements were willful and with full knowledge of the '158 patent and/or reckless indifference to its existence.

29. Prior to the expiration of the '158 patent, Express Way, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold,

and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '158 patent. In addition, Express Way induced infringement and/or contributed to the infringement of one or more of the claims of the '158 patent by its customers and/or suppliers. Express Way's infringements were willful and with full knowledge of the '158 patent and/or reckless indifference to its existence.

30. Guardian has been damaged as a result of the infringing conduct by defendants alleged above and, thus, such defendants are liable to Guardian in an amount that adequately compensates it for their infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

COUNT II

INFRINGEMENT OF U.S. PATENT NO. 4,930,160

31. On May 29, 1990, United States Patent No. 4,930,160 ("the '160 patent") was duly and legally issued by the United States Patent and Trademark Office for an invention entitled "Automatic Censorship of Video Programs."

32. On April 7, 2009, the United States Patent and Trademark Office issued a
Reexamination Certificate for the '160 patent, which confirmed the patentability of Claims 3, 6,
7, 16, 19, and 20 of the '160 patent.

33. Guardian is the owner of the '160 patent with all substantive rights in and to that patent, including the sole and exclusive right to prosecute this action and enforce the '160 patent against infringers and to collect damages for all relevant times. The '160 patent is expired.

34. As it pertains to this lawsuit, the '160 patent generally relates to parental control features contained in televisions, digital video recorders ("DVRs") and other set-top boxes,

personal computers, hand-held electronic devices, and other items offered for sale by defendants that allow owners of such devices to restrict viewing of certain movies and other video content based on the particular program's rating. *See* 47 C.F.R. 15.120.

35. On or around July 13, 2004, Guardian began corresponding with the Haier Defendants regarding the Haier Defendants' need for a license to the '160 patent. Furthermore, Guardian's agents personally met with agents from the Haier Defendants at least as early as December 2005 to discuss licensing the '160 patent.

36. The non-Haier defendants in this lawsuit act as suppliers to the Haier Defendants. The Haier Defendants notified their suppliers of infringement allegations raised by third parties against the suppliers' products.

37. Prior to the expiration of the '160 patent, the Haier Defendants, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '160 patent. In addition, the Haier Defendants induced infringement and/or contributed to the infringement of one or more of the claims of the '160 patent by their customers and/or suppliers. The Haier Defendants' infringements were willful and with full knowledge of the '160 patent and/or reckless indifference to its existence.

38. Prior to the expiration of the '160 patent, Desay, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '160 patent. In addition, Desay induced infringement and/or contributed to the infringement of one or more of

the claims of the '160 patent by its customers and/or suppliers. Desay's infringements were willful and with full knowledge of the '160 patent and/or reckless indifference to its existence.

39. Prior to the expiration of the '160 patent, Lasonic, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '160 patent. In addition, Lasonic induced infringement and/or contributed to the infringement of one or more of the claims of the '160 patent by its customers and/or suppliers. Lasonic's infringements were willful and with full knowledge of the '160 patent and/or reckless indifference to its existence.

40. Prior to the expiration of the '160 patent, Digway, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '160 patent. In addition, Digway induced infringement and/or contributed to the infringement of one or more of the claims of the '160 patent by its customers and/or suppliers. Digway's infringements were willful and with full knowledge of the '160 patent and/or reckless indifference to its existence.

41. Prior to the expiration of the '160 patent, Veehom, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '160 patent. In addition, Veehom induced infringement and/or contributed to the infringement of one or more of the claims of the '160 patent by its customers and/or suppliers. Veehom's infringements were willful and with full knowledge of the '160 patent and/or reckless indifference to its existence.

42. Prior to the expiration of the '160 patent, Denca, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '160 patent. In addition, Denca induced infringement and/or contributed to the infringement of one or more of the claims of the '160 patent by its customers and/or suppliers. Denca's infringements were willful and with full knowledge of the '160 patent and/or reckless indifference to its existence.

43. Prior to the expiration of the '160 patent, Express Way, directly or through intermediaries, made, had made, installed, used, imported, provided, supplied, distributed, sold, and/or offered for sale products and/or systems (including at least televisions and/or DVD players) that infringed or, when used, infringed one or more claims of the '160 patent. In addition, Express Way induced infringement and/or contributed to the infringement of one or more of the claims of the '160 patent by its customers and/or suppliers. Express Way's infringements were willful and with full knowledge of the '160 patent and/or reckless indifference to its existence.

44. Guardian has been damaged as a result of the infringing conduct by defendants alleged above and, thus, such defendants are liable to Guardian in an amount that adequately compensates it for their infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

JURY DEMAND

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

PRAYER FOR RELIEF

Guardian requests that the Court find in its favor and against defendants, and that the Court grant Guardian the following relief:

a. Judgment that one or more claims of United States Patent Nos. 4,930,158 and 4,930,160 have been infringed, either literally and/or under the doctrine of equivalents, by one or more defendants and/or by others to whose infringement defendants have contributed and/or by others whose infringement has been induced by defendants;

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

c. That defendants' infringements be found to be willful and that the Court award treble damages for the period of such willful infringement under 35 U.S.C. § 284;

d. That Guardian be granted pre-judgment and post-judgment interest on the damages caused by defendants' infringing activities and other conduct complained of herein;

d. That this Court declare this an exceptional case and award Guardian its reasonable attorney's fees and costs in accordance with 35 U.S.C. § 285; and

e. That Guardian be granted such other and further relief as the Court may deem just and proper under the circumstances.

Respectfully submitted,

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