| 1<br>2<br>3<br>4<br>5<br>6<br>7<br>8                  | John V. Picone III, Bar No. 187226 jpicone@hopkinscarley.com Jennifer S. Coleman, Bar No. 213210 jcoleman@hopkinscarley.com HOPKINS & CARLEY A Law Corporation The Letitia Building 70 South First Street San Jose, CA 95113-2406  mailing address: P.O. Box 1469 San Jose, CA 95109-1469 Telephone: (408) 286-9800 Facsimile: (408) 998-4790 |                           |
|---|---|---------------------------|
| 9<br>10   | Attorneys for Plaintiffs IXI MOBILE (R&D) LTD. and IXI IP, LLC  |                           |
| 11  | UNITED STATES DISTRICT COURT  |                           |
| 12  | NORTHERN DISTRICT OF CALIFORNIA   |                           |
| 13  | IXI MOBILE (R&D) LTD. and IXI IP,   | CASE NO. 5:15-cv-05439    |
| 14  | LLC, Plaintiffs,  | COMPLAINT AND JURY DEMAND |
| 15  | V.  |                           |
| 16  | LENOVO GROUP LIMITED and  |                           |
| 17  | MOTOROLA MOBILITY LLC,  |                           |
| 18  | Defendants.   |                           |
| 19  |   |                           |
| 20  | COMPLAINT FOR   | PATENT INFRINGEMENT       |
| 21  | Plaintiffs IXI Mobile (R&D) Ltd. and IXI IP, LLC (collectively, "Plaintiffs"), for their  |                           |
| 22  | Complaint against Defendants Lenovo Group Limited and Motorola Mobility LLC, Inc.   |                           |
| 23  | ("Defendants" or "Lenovo"), allege as follows:  |                           |
| 24  | NATURE OF THE ACTION  |                           |
| 25  | 1. This is an action arising under the patent laws of the U.S. (35 U.S.C. § 100 et seq.)  |                           |
| 26  | based upon Lenovo's infringement of U.S. Patent No. 7,551,590.  |                           |
| 27  | ///   |                           |
| 28  | ///   |                           |
| HOPKINS & CARLEY ATTORNEYS AT LAW SAN JOSE •PALO ALTO | 614\1269462.1  COMPLAINT AND JURY DEMAND  |                           |
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### THE PARTIES

- 2. IXI Mobile (R&D) Ltd. ("IXI"; formerly known as IXI Mobile (Israel) Ltd.) is a company incorporated and registered under the laws of Israel with a registered address of 11 Moshe Levi Street Rishon Lezion 75658, Israel. IXI develops, makes, and sells wireless mobile devices (e.g., cellular telephones and messaging devices) and related services. IXI previously owned the patent at issue in this litigation (the "Patent-in-Suit") and now has an exclusive license to the Patent-in-Suit.
- 3. IXI IP, LLC ("IXI IP") is a New York limited liability company with its principle place of business located at 825 Third Avenue, 2nd Floor, New York, New York and with a registered address of 1218 Central Avenue, Suite 100, Albany, NY 12205. IXI IP owns the Patent-in-Suit. IXI IP has exclusively licensed the Patent-in-Suit to IXI.
- 4. Lenovo Group Limited ("Lenovo") is a Chinese company with its principal offices at No 6 Chuang Ye Road, Shangdi Information Industry Base, Haidian District, Beijing, 100085, China. Lenovo sells wireless mobile devices and related services.
- 5. Motorola Mobility LLC ("Motorola"), a wholly owned subsidiary of Lenovo, is a Delaware corporation with its principal place of business at 222 W. Merchandise Mart Plaza, Suite 1800, Chicago, IL 60654. Motorola sells wireless mobile devices and related services.

#### **JURISDICTION AND VENUE**

- 6. This is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. § 1 et seq., including, but not limited to, 35 U.S.C. § 271.
  - 7. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).
- 8. The Court has personal jurisdiction over Lenovo because, among other things, Lenovo has committed and continues to commit acts of patent infringement within the U.S. and this Judicial District, in violation of 35 U.S.C. § 271.
- 9. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b) because Lenovo has committed and continues to commit acts of patent infringement in this Judicial District, has induced and are continuing to induce others to infringe the Patent-in-Suit in this District, provides a substantial volume of goods to this District, and does a substantial

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amount of business within this District, and thus has purposefully availed themselves of the privilege of conducting business within the State of California and this Judicial District.

#### **BACKGROUND**

- 10. This dispute involves various technology relating to wireless networking and mobile devices, including mobile hotspot technology (e.g., sharing the cellular internet connection of a smart phone with wireless local devices such as tablets, laptops, and smart TVs), application sharing technology (e.g., sharing services such as media, gaming, and other application services among wireless devices in a network created by a smart phone), and application management technology (e.g., providing tablets and other wireless local devices with the ability to add, update or otherwise manage the shared application services).
- 11. IXI was formed in 2000 and develops phone operating systems and messaging devices.
- 12. IXI filed patent applications describing its technological developments in the field of mobile communications. The Patent-in-Suit is among the patents issued to IXI by the U.S. Patent and Trademark Office (USPTO).

#### THE PATENT-IN-SUIT

13. IXI IP is the owner, by assignment, of United States Patent No. 7,551,590 (the "'590 Patent"), titled "Wireless Device having a Single Processor in a Short-Range Radio Network," which duly and legally issued on June 23, 2009. The '590 Patent covers devices and systems that include mobile hotspot technology (e.g., sharing the cellular internet connection of a smart phone with wireless local devices such as smartphones, tablets, and smart TVs), application sharing technology (e.g., sharing services such as media, gaming, and other application services among wireless devices in a network created by a smart phone), and application management technology (e.g., providing tablets and other wireless local devices with the ability to add, update or otherwise manage the shared application services). IXI Mobile is the exclusive licensee of the '590 Patent. A copy of the '590 Patent is attached as **Exhibit A**.

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## LENOVO'S INFRINGEMENT

- 14. As described below, Lenovo infringes each of the claims of the Patent-in-Suit directly (alone or jointly) and/or indirectly by contributing to and/or inducing direct infringement by others by making, using, offering for sale, importing into the United States, and/or encouraging the manufacture, use, and sale of devices and/or services. For example, Lenovo smartphones (e.g., Motorola's Droid series, Moto G series, Moto X series, Moto E series, and Nexus 6.), tablets (e.g., Xoom series) and watches (e.g., Moto 360 series) (collectively, the "Accused Products") embody (in whole or in part) the apparatuses or practice the methods claimed by the Patent-in-Suit. The Accused Products meet the limitations of the Patent-in-Suit literally and/or under the doctrine of equivalents.
- 15. On information and belief, Lenovo has been aware of the Patent-in-Suit prior to the filing of this lawsuit. The fields of mobile hotspots, wireless local networking, cellular telephony, and Internet connectivity are covered by many United States patents and patent applications claiming various aspects of these technologies, and it is a routine practice in these fields for major manufacturers and service providers to canvass United States patents and pending patent applications in order to identify those which may be relevant to a product or service to be made, used, sold, or offered for sale in, or imported into the United States prior to commencing such making, use, selling, offering, or importing. In researching the patentability of their patents, Lenovo should have become aware of all of the Patent-in-Suit.
- 16. In addition, Lenovo received actual notice of its infringement of the Patent-in-Suit at least as early as the date of service of this complaint. Therefore, Lenovo was aware of the Patent-in-Suit or willfully blinded themselves as to the existence of the Patent-in-Suit and made, used, sold, offered to sell, imported and/or encouraged the making, using, selling, offering to sell, or importing of the Accused Products despite knowing of an objectively high likelihood that its actions constituted infringement of the Patent-in-Suit at all times relevant to this suit.

#### (INFRINGEMENT OF THE '590 PATENT)

17. The allegations of every preceding item in this Complaint are incorporated herein by reference.

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- 19. Despite its knowledge or willful blindness of the '590 Patent described above, Lenovo has intentionally and actively induced others, such as its customers, end users, mobile network operators, distributors, and/or retailers, to make, use, offer for sale, sell, and/or import the Accused Products without the authority of the owner of the '590 Patent in violation of 35 U.S.C. § 271(b), for example through joint business planning, the provision of advertisements, technical specifications, instructional and/or promotional materials provided in connection with the Accused Products, including for example the associated user manuals and other materials that instruct and encourage the purchaser to use the products in a manner that Lenovo knows to infringe.
- 20. Despite its knowledge or willful blindness of the '590 Patent described above, Lenovo has and continues to sell, offer for sale, and/or import into United States Accused Products without the authority of the owner of the '590 Patent in violation of 35 U.S.C. § 271(c).
- 21. On information and belief, Lenovo knew at all times relevant to this Complaint that Accused Products are especially made or especially adapted for use in the inventions claimed by the '590 Patent and are not staple articles of commerce suitable for non-infringing use.
- 22. IXI and IXI IP have sustained, are sustaining, and will continue to sustain damages owing to Lenovo's infringement of the '590 Patent.
- 23. Lenovo's infringement of the '590 Patent is continuing and is expected to continue unless enjoined by this Court. IXI and IXI IP do not have an adequate remedy at law, will be irreparably harmed if Lenovo's infringement of the '590 Patent is permitted to continue, and are therefore entitled to an injunction against further infringement by Lenovo pursuant to 35 U.S.C. § 283.

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| 1  | 24. On information and belief, Lenovo's infringement of the '590 Patent is exceptional                  |
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| 2  | and IXI and IXI IP are therefore entitled to recover reasonable attorneys' fees incurred in             |
| 3  | prosecuting this action in accordance with 35 U.S.C. § 285.   |
| 4  | PRAYER FOR RELIEF   |
| 5  | WHEREFORE, the Plaintiffs respectfully request this Court to enter judgment in their                    |
| 6  | favor against Lenovo and to grant the following relief:   |
| 7  | A. An adjudication that Lenovo has infringed one or more claims of the Patent-in-Suit                   |
| 8  | pursuant to 35 U.S.C. §§ 271(a), 271(b), and/or 271(c);   |
| 9  | B. A judgment declaring that continuing manufacture, use, offer for sale, sale, and/or                  |
| 10 | importation of Accused Products, or inducement of or contribution to such conduct, by Lenovo            |
| 11 | would constitute infringement of one or more claims of the Patent-in-Suit pursuant to 35 U.S.C.         |
| 12 | §§ 271(a), 271(b), and/or 271(c);   |
| 13 | C. A permanent injunction enjoining Lenovo and its corresponding officers, agents,                      |
| 14 | servants, employees, attorneys, affiliates, divisions, subsidiaries, and all persons in active concert  |
| 15 | or participation with any of them, from infringing the Patent-in-Suit, and/or contributing to or        |
| 16 | inducing anyone to do the same, including manufacture, use, offer to sell, sale, and/or importation     |
| 17 | of Accused Products before the expiration of the Patent-in-Suit;  |
| 18 | D. An award of damages sustained by Plaintiffs as a result of Lenovo's infringement                     |
| 19 | of the Patent-in-Suit, in an amount to be ascertained at trial, including at least a reasonable royalty |
| 20 | on sales of Accused Products and/or Plaintiffs' lost profits;   |
| 21 | E. An assessment of pre-judgment and post-judgment interest and costs against                           |
| 22 | Lenovo, together with an award of such interest and costs, in accordance with 35 U.S.C. §284;           |
| 23 | F. A determination that this is an exceptional case and a corresponding award of                        |
| 24 | reasonable attorneys' fees, pursuant to 35 U.S.C. § 285; and  |
| 25 | G. Such other or further relief as this Court may deem just and proper.                                 |
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| 1                   | JURY DEMAND   |
|---------------------|---|
| 2                   | Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiffs demand a trial |
| 3                   | by jury on all issues properly so triable.  |
| 4                   | Dated: November 25, 2015 HOPKINS & CARLEY   |
| 5                   | A Law Corporation   |
| 6                   |   |
| 7                   | By: <u>/s/ John V. Picone III</u><br>John V. Picone III                                   |
| 8                   | Attorneys for Plaintiffs IXI MOBILE (R&D) LTD. and IXI IP,                                |
| 9                   | LLC   |
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