

1 LISA KOBIALKA (State Bar No. 191404)
lkobialka@kslaw.com
2 JAMES HANNAH (State Bar No. 237978)
sboyle@kslaw.com
3 KING & SPALDING LLP
333 Twin Dolphin Drive
4 Suite 400
Redwood Shores, CA 94065
5 Telephone: (650) 590-0700
Facsimile: (650) 590-1900
6

7 ROBERT WHITMAN (NY Bar No. 2497147) (*pro hac vice* to be filed)
rwhitman@kslaw.com
8 SCOTT KOLASSA (NY Bar No. 4308409) (*pro hac vice* to be filed)
skolassa@kslaw.com
9 KING & SPALDING LLP
1185 Avenue of the Americas
10 New York, NY 10036
Telephone: (212) 556-2310
Facsimile: (212) 556-2222
11

12 Attorney for Plaintiffs
LANTIQ NORTH AMERICA and
LANTIQ DEUTSCHLAND GMBH
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14
15 **IN THE UNITED STATES DISTRICT COURT**
16 **FOR THE NORTHERN DISTRICT OF CALIFORNIA**
17 **SAN JOSE DIVISION**

18 LANTIQ NORTH AMERICA INC. and
LANTIQ DEUTSCHLAND GMBH

19 Plaintiffs,

20 v.

21 RALINK TECHNOLOGY CORPORATION
22 (a California Corporation) and
RALINK TECHNOLOGY CORPORATION
23 (a Taiwanese Corporation),

24 Defendants.

25
26
27 Plaintiffs LANTIQ NORTH AMERICA INC. and LANTIQ DEUTSCHLAND GMBH
28 (collectively "Lantiq") hereby bring this complaint for the infringement of United States Patent

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E-FILING

FILED

JAN 14 2011
RICHARD W. WICKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

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Case No.: **CW 11-00234**

COMPLAINT

DEMAND FOR JURY TRIAL

1 Nos. 6,351,799 (“799 Patent” or “Födlmeier Patent”) and 7,061,904 (“904 Patent” or “Preiss
2 Patent”) and seeking a declaration that they have not and do not infringe United States Patent
3 No. 5,394,116 (“116 Patent”) and that the ‘116 Patent is invalid. Copies of the Födlmeier and
4 Preiss Patents are attached hereto as Exhibits A and B, respectively. A copy of the ‘116 Patent is
5 attached hereto as Exhibit C.

6 **PARTIES**

7 1. Plaintiff LANTIQ NORTH AMERICA INC. (“Lantiq California”) is a Delaware
8 corporation with its principal place of business at 640 N McCarthy Blvd, Milpitas, California,
9 95035.

10 2. Plaintiff LANTIQ DEUTSCHLAND GMBH (“Lantiq DE”) is a German
11 corporation with its principal place of business at Am Campeon 3, 85579 Neubiberg, Germany.
12 Plaintiffs Lantiq California and Lantiq DE are both commonly owned and controlled, directly or
13 indirectly, by Lantiq Beteiligungs-GmbH & Co. KG, a German limited partnership.

14 3. On information and belief, Defendant RALINK TECHNOLOGY
15 CORPORATION (“Ralink California”) is a California corporation with its principal place of
16 business at 20833 Stevens Creek Blvd, Suite 200, Cupertino California 95014.

17 4. On information and belief, Defendant RALINK TECHNOLOGY CORP. (“Ralink
18 Taiwan”) is a Taiwanese corporation with its principal place of business at 5F, No.5, Tai-Yuen
19 1st St., Jhubei City, HsinChu Hsien 30265, Taiwan, R.O.C.

20 **JURISDICTION AND VENUE**

21 5. This is an action arising under the patent laws of the United States, 35 U.S.C. §§ 1
22 *et seq.* and the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202. This Court has
23 jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1338(a) and
24 1400.

25 6. On information and belief, Ralink California, believed to be a wholly-owned
26 subsidiary of Ralink Taiwan and responsible for Ralink Taiwan’s U.S. business, has a principal
27 place of business within this judicial district. On information and belief, Ralink California sells,
28 offers for sale, imports and uses networking, computing, integrated circuit (IC) and

1 semiconductor products and products containing the same, including, but not limited to, access
2 point (AP), router, Ethernet, network interface controller, universal serial bus (USB), peripheral
3 component interconnect (PCI), PCI express (PCIe), and/or 802.11x products; Voice over Internet
4 Protocol (VoIP) products; Bluetooth and WiFi products; bridge, router, gateway, 802.11x and/or
5 xDSL (digital subscriber line) products; and IC cards in the United States, including within the
6 Northern District of California.

7 7. On information and belief, Ralink Taiwan conducts business in this judicial
8 district, and is subject to personal jurisdiction in this Court. On information and belief, Ralink
9 Taiwan sells, offers for sale, imports and uses networking, computing, integrated circuit (IC) and
10 semiconductor products and products containing the same, including, but not limited to, access
11 point (AP), router, Ethernet, network interface controller, universal serial bus (USB), peripheral
12 component interconnect (PCI), PCI express (PCIe), and/or 802.11x products; Voice over Internet
13 Protocol (VoIP) products; Bluetooth and WiFi products; bridge, router, gateway, 802.11x and/or
14 xDSL (digital subscriber line) products; and IC cards in the United States, including within the
15 Northern District of California.

16 8. On November 8, 2010, Defendant Ralink Taiwan filed an action in the Western
17 District of Wisconsin (“Wisconsin Complaint”) alleging that Lantiq DE infringes the ‘116
18 Patent. The case is captioned *Ralink Technology Corp. v. Lantiq Deutschland GmbH*, Civil
19 Action No. 10-cv-688 (“Wisconsin Case”). Plaintiff Lantiq California is not a party to that suit.
20 The Wisconsin Complaint alleges that Lantiq DE “has infringed the ‘116 patent . . . by making,
21 using, importing, offering for sale, or selling without a license or authority in this district and
22 elsewhere in the United States, infringing semiconductor products, including but not limited to
23 DSL (digital subscriber line) chipsets, DSL controllers, Ethernet chipsets, Ethernet switches,
24 Ethernet controllers, and Ethernet physical layer components, router chipsets, and other chipsets
25 and components used in routers, switches, and modems.”

26 9. Lantiq California acts as a sales agent and performs other functions for Lantiq DE
27 and offers for sale products in the United States, including, on information and belief, products
28 that Defendant expressly alleged to infringe the ‘116 Patent in the Wisconsin Complaint.

1 10. Lantiq’s sales in California are orders of magnitude greater than any sales in
2 Wisconsin it may have.

3 11. Because Ralink Taiwan has accused Lantiq’s products of infringing the ‘116
4 Patent in the Wisconsin Case, there exists a substantial controversy between parties having
5 adverse legal interests that is of sufficient immediacy and reality to warrant the issuance of a
6 declaratory judgment. Accordingly, an actual controversy exists between Ralink Taiwan and
7 Lantiq as to non-infringement and invalidity of the ‘116 Patent.

8 12. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b) & (c)
9 and 1400(b).

10 **INTRADISTRICT ASSIGNMENT**

11 13. Under Local Rule 3-2(c), this action for patent infringement and declaratory
12 judgment shall be assigned on a district-wide basis.

13 **GENERAL ALLEGATIONS**

14 14. Lantiq is a privately-held international semiconductor company that develops,
15 manufacturers, and sells a broad portfolio of semiconductor solutions for next generation
16 networks. Lantiq’s semiconductor solutions address a wide variety of technologies, including
17 xDSL (digital subscriber line), VoIP, wireless LAN (local area network), Gigabit Ethernet and
18 home networking. Until 2009, Lantiq was a part of Infineon Technologies AG (“Infineon”).
19 Through Infineon, Lantiq traces its roots back to the dawn of the semiconductor era as a part of
20 Siemens AG’s Semiconductor Group. In 1952, five years after the invention of the transistor,
21 Siemens built one of the first fabrication facilities (“fabs”) in the world to manufacture
22 semiconductor products. In 1954, Siemens became the first company in the world to use silicon
23 as the basis for semiconductor fabrication. Silicon is one of only a handful of materials that
24 permit electrical current to flow under some conditions but not others (hence the name “semi”
25 conductor). Today, silicon is used by the vast majority of all semiconductor manufacturers. In
26 the early 1960s, Siemens pioneered the development of integrated circuits (“ICs”) for use in
27 consumer products.
28

1 15. Siemens', Infineon's and Lantiq's inventions and innovations, over many
2 decades, have enabled the exponential expansion of the global semiconductor market. In 1954,
3 global sales of semiconductors were only \$5 million. In 2008, more than \$250 billion of
4 semiconductors were sold worldwide.

5 16. Lantiq's success depends on its ability to invest in research and development and
6 to innovate. The semiconductor industry is highly cyclical and characterized by constant and
7 rapid technological change, rapid product obsolescence, evolving standards, and wide
8 fluctuations in product supply and demand. The nature of the industry demands constant
9 innovation. Research and development ("R&D") activities are therefore critical for developing
10 successful products over the longer term. Patents and other intellectual property rights enable
11 Lantiq to protect its technologies and processes and to realize the full benefit of its investments
12 in research and development.

13 17. On information and belief, Ralink Taiwan was founded and entered the
14 semiconductor market in 2001. Ralink Taiwan and Ralink California (collectively "Ralink")
15 offer networking, computing, integrated circuit (IC) and semiconductor products and products
16 containing the same using, without permission, Lantiq's innovations and patented technologies.

17
18 **COUNT I**

19 **INFRINGEMENT OF U.S. PATENT NO. 6,351,799**

20 18. Lantiq realleges and incorporates by reference the allegations stated in paragraphs
21 1 through 17 of this Complaint.

22 19. U.S. Patent No. 6,351,799, entitled "Integrated Circuit for Executing Software
23 Programs" duly and legally issued on February 26, 2002, naming Dieter Födlmeier, Udo Stuting
24 and Bernd Brachmann as inventors. Lantiq DE owns by assignment all right, title and interest in
25 the Födlmeier Patent, including the right to sue for and recover all past, present and future
26 damages for infringement of the Födlmeier Patent. A copy of the Födlmeier Patent is attached
27 hereto as Exhibit A.

1 20. On information and belief, Ralink’s networking, computing, integrated circuit
2 (IC) and semiconductor products and products containing the same (“Accused Products”),
3 include all elements of one or more claims of the Födlmeier Patent.

4 21. On information and belief, Ralink has in the past and continues to directly
5 infringe, literally or under the doctrine of equivalents, one or more claims of the Födlmeier
6 Patent by making, using, offering for sale and/or selling the Accused Products in the United
7 States that are within the scope of one or more claims of the Födlmeier Patent.

8 22. On information and belief, Ralink has in the past and continues to infringe by
9 actively inducing others to infringe one or more claims of the Födlmeier Patent by making,
10 using, offering for sale and/or selling the Accused Products in the United States that are within
11 the scope of one or more claims of the Födlmeier Patent.

12 23. On information and belief, Ralink has in the past and continues to contributorily
13 infringe one or more claims of the Födlmeier Patent by making, using, offering for sale and/or
14 selling the Accused Products in the United States that are within the scope of one or more claims
15 of the Födlmeier Patent.

16 24. On information and belief, Ralink has had notice of the Födlmeier Patent, and
17 therefore Ralink has willfully infringed the Födlmeier Patent.

18 25. Ralink’s infringement of the Födlmeier Patent has irreparably damaged Lantiq,
19 and this harm will continue unless this Court enjoins Ralink.

20
21 **COUNT II**

22 **INFRINGEMENT OF U.S. PATENT NO. 7,061,904**

23 26. Lantiq realleges and incorporates by reference the allegations stated in paragraphs
24 1 through 25 of this Complaint.

25 27. U.S. Patent No. 7,061,904, entitled “Integrated Access Device Controller” duly
26 and legally issued on June 13, 2006, naming Frank Preiss and Oliver von Soosten as inventors.
27 Lantiq DE owns by assignment all right, title and interest in the Preiss Patent, including the right
28

1 to sue for and recover all past, present and future damages for infringement of the Preiss Patent.

2 A copy of the Preiss Patent is attached hereto as Exhibit B.

3 28. On information and belief, Ralink's Accused Products include all elements of one
4 or more claims of the Preiss Patent.

5 29. On information and belief, Ralink has in the past and continues to directly
6 infringe, literally or under the doctrine of equivalents, one or more claims of the Preiss Patent by
7 making, using, offering for sale and/or selling the Accused Products in the United States that are
8 within the scope of one or more claims of the Preiss Patent.

9 30. On information and belief, Ralink has in the past and continues to infringe by
10 actively inducing others to infringe one or more claims of the Preiss Patent by making, using,
11 offering for sale and/or selling the Accused Products in the United States that are within the
12 scope of one or more claims of the Preiss Patent.

13 31. On information and belief, Ralink has in the past and continues to contributorily
14 infringe one or more claims of the Preiss Patent by making, using, offering for sale and/or selling
15 the Accused Products in the United States that are within the scope of one or more claims of the
16 Preiss Patent.

17 32. On information and belief, Ralink has had notice of the Preiss Patent, and
18 therefore Ralink has willfully infringed the Preiss Patent.

19 33. Ralink's infringement of the Preiss Patent has irreparably damaged Lantiq, and
20 this harm will continue unless this Court enjoins Ralink.

21 **COUNT III**
22 **DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '116 PATENT**

23 34. Lantiq realleges and incorporates by reference the allegations stated in paragraphs
24 1 through 33 of this Complaint.

25 35. Lantiq has not directly infringed and does not directly infringe any valid and
26 enforceable claim of the '116 Patent, either literally or under the doctrine of equivalents.

27 36. Lantiq does not contribute to or induce others to engage in direct infringement of
28 any valid and enforceable claim of the '116 Patent.

1 37. A judicial declaration of non-infringement of the '116 Patent is necessary and
2 appropriate so that Lantiq can ascertain the rights, duties, and obligations with respect to the
3 Defendant and the '116 Patent.

4 **COUNT IV**
5 **DECLARATORY JUDGMENT OF INVALIDITY OF THE '116 PATENT**

6 38. Lantiq realleges and incorporates by reference the allegations stated in paragraphs
7 1 through 37 of this Complaint.

8 39. The claims of the '116 Patent are invalid for failure to meet the conditions of
9 patentability and/or otherwise comply with one or more of 35 U.S.C. §§ 100 et seq., including §§
10 102, 103 and 112.

11 40. One or more prior art references disclose or render obvious each of the claims of
12 the '116 Patent, including, but not limited to, prior art references identified during the
13 prosecution of the European Patent Application that claim priority to the application that issued
14 as the '116 Patent and not cited or considered during prosecution of the '116 Patent Application.
15 The patentee withdrew the European Patent Application on August 14, 1997 after the European
16 Patent Office identified these prior art references.

17 41. A judicial declaration of Invalidity of the '116 Patent is necessary and appropriate
18 so that Lantiq can ascertain the rights, duties, and obligations with respect to Ralink Taiwan and
19 the '116 Patent.

20 **COUNT V**
21 **DECLARATORY JUDGMENT OF LICENSE**

22 42. Lantiq realleges and incorporates by reference the allegations stated in paragraphs
23 1 through 41 of this Complaint.

24 43. A '116 Patent assignee entered into at least one license agreement with at least
25 one of Lantiq's predecessors. Lantiq is a sub-licensee and beneficiary of those license
26 agreement(s).

27 44. Lantiq is licensed to the '116 Patent and is therefore immune from any allegations
28 of infringement. A judicial declaration that Lantiq is licensed to practice the '116 Patent is

1 necessary and appropriate so that Lantiq can ascertain the rights, duties, and obligations with
2 respect to the Defendant and the '116 Patent.

3 **COUNT VI**
4 **DECLARATORY JUDGMENT OF NO STANDING**

5 45. Lantiq realleges and incorporates by reference the allegations stated in paragraphs
6 1 through 44 of this Complaint.

7 46. On information and belief, Ralink does not own the '116 Patent and therefore
8 lacks standing to bring suit for infringement of the '116 Patent.

9 47. A judicial declaration that Ralink lacks standing to sue for infringement of the
10 '116 Patent is necessary and appropriate so that Lantiq can ascertain the rights, duties, and
11 obligations with respect to the Defendant and the '116 Patent.

12 **REQUEST FOR RELIEF**

13
14 WHEREFORE, LANTIQ requests that this Court:

15 A. Enter a judgment that Ralink has infringed and is infringing, both directly
16 indirectly, the Födlmeier and Preiss Patents as set forth in this Complaint;

17 B. Enter a judgment that Ralink's infringement of the Födlmeier and Preiss Patents
18 has been and continues to be deliberate and willful and enhancing damages under 35 U.S.C. §
19 284;

20 C. Preliminarily and permanently enjoin Ralink, and those in active concert with
21 Ralink, from infringing the Födlmeier and Preiss Patents;

22 D. Award damages adequate to fully compensate Lantiq for Ralink's infringement of
23 the Födlmeier and Preiss Patents, in no event less than a reasonable royalty, together with pre-
24 judgment and post-judgment interests and costs fixed by the Court as provided by 35 U.S.C. §
25 284;

26 E. Declare that Lantiq does not directly or indirectly infringe any claim of the '116
27 Patent, either literally or under the doctrine of equivalents;

28 F. Declare that the claims of the '116 Patent are invalid;

- 1 G. Declare that Lantiq is licensed to practice the '116 Patent;
2 H. Declare that Ralink does not own the '116 Patent;
3 I. Declare that Ralink lacks standing to bring suit for infringement of the '116
4 Patent;
5 J. Declare this case exceptional under 35 U.S.C. § 285 and award Lantiq reasonable
6 attorneys' fees, expenses, and costs incurred in this action; and
7 K. Grant Lantiq further relief as this Court may deem just and proper, or that Lantiq
8 may be entitled to as a matter of law or equity.

9 Dated: January 14, 2011

Respectfully submitted;

10 

11 Lisa Kobialka
12 lkobialka@kslaw.com
13 James Hannah
14 jhannah@kslaw.com
15 KING & SPALDING LLP
16 333 Twin Dolphin Drive
Suite 400
Redwood Shores, CA 94065
Telephone: (650) 590-0700
Facsimile: (650) 590-1900

17 Attorneys for Plaintiffs
18 LANTIQ NORTH AMERICA INC. and
LANTIQ DEUTSCHLAND GMBH

19 Robert Whitman (NY Bar No. 2497147) (*pro hac vice*
to be filed)

20 rwhitman@kslaw.com

21 Scott Kolassa (NY Bar No. 4308409) (*pro hac vice* to
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22 skolassa@kslaw.com

23 KING & SPALDING LLP
24 1185 Avenue of the Americas
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DEMAND FOR JURY TRIAL

Lantiq demands a jury trial on all issues so triable.

Dated: January 14, 2011

Respectfully submitted,



Lisa Kobialka
lkobialka@kslaw.com
James Hannah
jhannah@kslaw.com
KING & SPALDING LLP
333 Twin Dolphin Drive
Suite 400
Redwood Shores, CA 94065
Telephone: (650) 590-0700
Facsimile: (650) 590-1900

Attorneys for Plaintiffs
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LANTIQ DEUTSCHLAND GMBH

Robert Whitman (NY Bar No. 2497147) (*pro hac vice*
to be filed)
rwhitman@kslaw.com
Scott Kolassa (NY Bar No. 4308409) (*pro hac vice* to
be filed)
skolassa@kslaw.com
KING & SPALDING LLP
1185 Avenue of the Americas
New York, NY 10036
Telephone: (212) 556-2310
Facsimile: (212) 556-2222

Attorneys for Plaintiffs
LANTIQ NORTH AMERICA INC. and
LANTIQ DEUTSCHLAND GMBH