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8 Attorneys for Plaintiff
CYPRESS SEMICONDUCTOR CORPORATION

9
10 **UNITED STATES DISTRICT COURT**
11 **NORTHERN DISTRICT OF CALIFORNIA**

12 CYPRESS SEMICONDUCTOR
13 CORPORATION,

14 Plaintiff,

15 v.

16 LG ELECTRONICS, INC.,
17 LG ELECTRONICS U.S.A., INC., and
18 LG ELECTRONICS MOBILECOMM U.S.A.,
19 INC.,

20 Defendants.

Case No.

**COMPLAINT FOR PATENT
INFRINGEMENT**

JURY TRIAL DEMANDED

1 Plaintiff Cypress Semiconductor Corporation (“Cypress” or “Plaintiff”) alleges:

2 **PARTIES**

3 1. Cypress is a corporation organized and existing under the laws of the State of
4 Delaware with its principal place of business located at 198 Champion Court, San Jose,
5 California. Cypress is a supplier of high-performance, mixed-signal, programmable solutions that
6 provide customers with rapid time-to-market and exceptional system value. Cypress’s
7 innovations are used in a wide variety of consumer electronics, such as networking and
8 telecommunication equipment, touchscreen devices, mobile handsets, video and imaging devices,
9 as well as in military communication devices.

10 2. On information and belief, Defendant LG Electronics, Inc. (“LGE Inc.”) is a
11 corporation organized and existing under the laws of Korea with a principal place of business at
12 20, Yeouido-dong, Yeongdeungpo-Gu, Seoul 150-721, Korea.

13 3. On information and belief, Defendant LG Electronics U.S.A., Inc. (“LGE U.S.A.”)
14 is a corporation organized and existing under the laws of the State of Delaware with a principal
15 place of business at 1000 Sylvan Avenue, Englewood Cliffs, New Jersey 07632.

16 4. On information and belief, Defendant LG Electronics Mobilecomm U.S.A., Inc.
17 (“LGE Mobilecomm”) is a corporation organized and existing under the laws of the State of
18 California with a principal place of business at 10225 Willow Creek Road, San Diego, California
19 92131.

20 5. As further described below, LGE Inc., LGE U.S.A., and LGE Mobilecomm
21 (collectively, “LGE”) manufacture and sell mobile phones and other products that infringe
22 multiple Cypress patents.

23 **JURISDICTION AND VENUE**

24 6. This action arises under the patent laws of the United States, 35 U.S.C. § 100, *et*
25 *seq.* This Court has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and
26 1338(a).

27 7. This Court has personal jurisdiction over LGE and venue is proper in the Northern
28 District of California pursuant to 28 U.S.C. § 1391(b) and (c) and § 1400(b). LGE maintains

1 offices in this District, transacts business involving infringing products within this District, and
2 offers infringing products for sale in this District. On information and belief, LGE derives
3 significant revenue from the sale of infringing products distributed and used within this District,
4 and/or expects or should reasonably expect its actions to have consequences within this District,
5 and derives substantial revenue from interstate and international commerce.

6 **INTRADISTRICT ASSIGNMENT**

7 8. This is an Intellectual Property Action to be assigned on a district-wide basis
8 pursuant to Civil Local Rule 3-2(c).

9 **BACKGROUND**

10 9. For over thirty years, Cypress has been a pioneer and market innovator in
11 semiconductor technology. Cypress products include the PSoC® 1, PSoC® 3, PSoC® 4, and
12 PSoC® 5 programmable system-on-chip families, and Cypress is the world leader in capacitive
13 user interface solutions including CapSense® touch sensing, TrueTouch® touchscreens, and
14 trackpad solutions for notebook PCs and peripherals. Cypress is also the world leader in
15 universal serial bus (“USB”) controllers, which enhance connectivity and performance in a wide
16 range of consumer and industrial products. Cypress is also the world leader in static random
17 access memory (“SRAM”) and nonvolatile RAM memories.

18 10. To develop its industry-leading products, Cypress has made extensive and
19 continuous investments in research and development (“R&D”). Cypress’s R&D efforts have
20 been essential to its success as a supplier of semiconductor solutions. Cypress’s R&D
21 organization works closely with its manufacturing facilities, suppliers and customers to improve
22 semiconductor designs and lower manufacturing costs.

23 11. To protect these critical R&D efforts, Cypress places a high value on its
24 intellectual property. Cypress has applied for and received over 2000 patents worldwide in a
25 variety of semiconductor-related technologies, and has more than 800 pending U.S. and foreign
26 patent applications. Cypress has over 250 issued U.S. patents and over 200 pending U.S. patent
27 applications directed towards USB and touchscreen technology.
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1 Methods for Detecting a Conductive Object at a Location,” to Cypress. Cypress owns the ’973
2 patent by assignment. A true and correct copy of the ’973 patent is attached as Exhibit F to this
3 Complaint.

4 19. The ’103 patent, ’825 patent, and ’770 patent will be referred to below as the
5 “Cypress USB Patents.” The ’497 patent, ’015 patent, and ’973 patent will be referred to below
6 as the “Cypress Touchscreen Patents” (and together with the USB Patents, the “Asserted
7 Patents”).

8 **INFRINGEMENT BY LGE**

9 20. The products manufactured, imported and sold by LGE that infringe one or more
10 claims of the Cypress USB Patents include, but are not limited to, the Fathom VS750 mobile
11 phone and associated software, firmware, and peripheral components, as well as other LGE
12 mobile phones and products, and associated software, firmware, and peripheral components that
13 incorporate the same or similar USB features, functionality, and/or architecture (collectively, the
14 “LGE Infringing USB Products”). The identification of products and parts in this Complaint is
15 by way of example only, and on information and belief, the exemplary products and parts
16 identified in this Complaint are representative of all LGE products and parts with reasonably
17 similar features, functionality and/or architecture, whether discontinued, current or future.

18 21. The products manufactured, imported and sold by LGE that infringe one or more
19 claims of the Cypress Touchscreen patents include, but are not limited to, the Optimus S LS670
20 mobile phone and associated software, firmware, and peripheral components, as well as other
21 LGE mobile phones and products, and associated software, firmware, and peripheral components
22 that incorporate the same or similar touchscreen features, functionality, and/or architecture
23 (collectively, the “LGE Infringing Touchscreen Products”). The identification of products and
24 parts in this Complaint is by way of example only, and on information and belief, the exemplary
25 products and parts identified in this Complaint are representative of all LGE products and parts
26 with reasonably similar features, functionality and/or architecture, whether discontinued, current
27 or future.

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1 selling, and supporting the infringing devices. On information and belief, at least one LGE end
2 customer or distributor has directly infringed the '103 patent by acting as instructed by LGE. For
3 example, LGE supplies end customers and distributors of the LGE Infringing USB Products with
4 user manuals and other information that instruct downstream users how to operate the LGE
5 Infringing USB Products, with knowledge that use in accordance with such instructions infringes
6 the '103 patent. As detailed by the user manuals and other information supplied by LGE, the
7 LGE Infringing USB Products infringe multiple Cypress patents. Sale or use of the LGE
8 Infringing USB Products by end customers or distributors in accordance with LGE's instructions
9 constitutes direct infringement of the '103 patent. LGE had awareness of the '103 patent and
10 knew, or was willfully blind to the fact, that its actions would cause direct infringement by end-
11 users.

12 30. LGE has indirectly infringed and continues to indirectly infringe the '103 patent
13 by contributing to direct infringement by end-users who use the LGE Infringing USB Products.
14 LGE supplied a component whose use by downstream users is infringing; the component is not a
15 common component suitable for non-infringing use; and LGE supplied the component with the
16 knowledge of the '103 patent and knowledge that the component was especially made or adapted
17 for use in an infringing manner.

18 31. LGE's actions are in violation of one or more of the provisions of 35 U.S.C. § 271.

19 32. Cypress has been damaged and irreparably injured by LGE's infringing activities
20 and will continue to be so damaged and irreparably injured unless LGE's infringing activities are
21 enjoined by this Court.

22 33. On information and belief, LGE's infringement has been, and continues to be,
23 willful, wanton, and deliberate, without license or excuse and with full knowledge of the '103
24 patent.

25 **SECOND CLAIM FOR RELIEF**
26 **(Infringement of the '825 Patent)**

27 34. Cypress incorporates and realleges the allegations of the preceding paragraphs as
28 though set forth in full herein.

35. Cypress has not licensed or otherwise authorized LGE to make, use, offer for sale,

1 sell, or import into the United States any products that embody the inventions of the '825 patent.

2 36. LGE has directly infringed and continues to directly infringe the '825 patent by
3 making, using, importing, offering for sale or selling the LGE Infringing USB Products in the
4 United States.

5 37. LGE has had actual knowledge of the '825 patent since at least April 1, 2011.

6 38. LGE has indirectly infringed and continues to indirectly infringe the '825 patent
7 by inducing end-users to infringe the '825 patent by using the LGE Infringing USB Products.
8 LGE intentionally took action that induced end-users to infringe the '825 patent by marketing,
9 selling, and supporting the infringing devices. On information and belief, at least one LGE end
10 customer or distributor has directly infringed the '825 patent by acting as instructed by LGE. For
11 example, LGE supplies end customers and distributors of the LGE Infringing USB Products with
12 user manuals and other information that instruct downstream users how to operate the LGE
13 Infringing USB Products, with knowledge that use in accordance with such instructions infringes
14 the '825 patent. As detailed by the user manuals and other information supplied by LGE, the
15 LGE Infringing USB Products infringe multiple Cypress patents. Sale or use of the LGE
16 Infringing USB Products by end customers or distributors in accordance with LGE's instructions
17 constitutes direct infringement of the '825 patent. LGE had awareness of the '825 patent and
18 knew, or was willfully blind to the fact, that its actions would cause direct infringement by end-
19 users.

20 39. LGE has indirectly infringed and continues to indirectly infringe the '825 patent
21 by contributing to direct infringement by end-users who use the LGE Infringing USB Products.
22 LGE supplied a component whose use by downstream users is infringing; the component is not a
23 common component suitable for non-infringing use; and LGE supplied the component with the
24 knowledge of the '825 patent and knowledge that the component was especially made or adapted
25 for use in an infringing manner.

26 40. LGE's actions are in violation of one or more of the provisions of 35 U.S.C. § 271.

27 41. Cypress has been damaged and irreparably injured by LGE's infringing activities
28 and will continue to be so damaged and irreparably injured unless LGE's infringing activities are

1 enjoined by this Court.

2 42. On information and belief, LGE's infringement has been, and continues to be,
3 willful, wanton, and deliberate, without license or excuse and with full knowledge of the '825
4 patent.

5 **THIRD CLAIM FOR RELIEF**
6 **(Infringement of the '770 Patent)**

7 43. Cypress incorporates and realleges the allegations of the preceding paragraphs as
8 though set forth in full herein.

9 44. Cypress has not licensed or otherwise authorized LGE to make, use, offer for sale,
10 sell, or import into the United States any products that embody the inventions of the '770 patent.

11 45. LGE has directly infringed and continues to directly infringe the '770 patent by
12 making, using, importing, offering for sale or selling the LGE Infringing USB Products in the
13 United States.

14 46. LGE has had actual knowledge of the '770 patent since at least April 1, 2011.

15 47. LGE has indirectly infringed and continues to indirectly infringe the '770 patent
16 by inducing end-users to infringe the '770 patent by using the LGE Infringing USB Products.
17 LGE intentionally took action that induced end-users to infringe the '770 patent by marketing,
18 selling, and supporting the infringing devices. On information and belief, at least one LGE end
19 customer or distributor has directly infringed the '770 patent by acting as instructed by LGE. For
20 example, LGE supplies end customers and distributors of the LGE Infringing USB Products with
21 user manuals and other information that instruct downstream users how to operate the LGE
22 Infringing USB Products, with knowledge that use in accordance with such instructions infringes
23 the '770 patent. As detailed by the user manuals and other information supplied by LGE, the
24 LGE Infringing USB Products infringe multiple Cypress patents. Sale or use of the LGE
25 Infringing USB Products by end customers or distributors in accordance with LGE's instructions
26 constitutes direct infringement of the '770 patent. LGE had awareness of the '770 patent and
27 knew, or was willfully blind to the fact, that its actions would cause direct infringement by end-
28 users.

48. LGE has indirectly infringed and continues to indirectly infringe the '770 patent

1 by contributing to direct infringement by end-users who use the LGE Infringing USB Products.
2 LGE supplied a component whose use by downstream users is infringing; the component is not a
3 common component suitable for non-infringing use; and LGE supplied the component with the
4 knowledge of the '770 patent and knowledge that the component was especially made or adapted
5 for use in an infringing manner.

6 49. LGE's actions are in violation of one or more of the provisions of 35 U.S.C. § 271.

7 50. Cypress has been damaged and irreparably injured by LGE's infringing activities
8 and will continue to be so damaged and irreparably injured unless LGE's infringing activities are
9 enjoined by this Court.

10 51. On information and belief, LGE's infringement has been, and continues to be,
11 willful, wanton, and deliberate, without license or excuse and with full knowledge of the '770
12 patent.

13 **FOURTH CLAIM FOR RELIEF**
14 **(Infringement of the '497 Patent)**

15 52. Cypress incorporates and realleges the allegations of the preceding paragraphs as
16 though set forth in full herein.

17 53. Cypress has not licensed or otherwise authorized LGE to make, use, offer for sale,
18 sell, or import into the United States any products that embody the inventions of the '497 patent.

19 54. LGE has directly infringed and continues to directly infringe the '497 patent by
20 making, using, importing, offering for sale or selling the LGE Infringing Touchscreen Products in
21 the United States.

22 55. LGE has had actual knowledge of the '497 patent since at least August 25, 2011.

23 56. LGE has had actual knowledge of the published application that finally issued as
24 the '497 patent since at least July 12, 2011.

25 57. LGE has indirectly infringed and continues to indirectly infringe the '497 patent
26 by inducing end-users to infringe the '497 patent by using the LGE Infringing Touchscreen
27 Products. LGE intentionally took action that induced end-users to infringe the '497 patent by
28 marketing, selling, and supporting the infringing devices. On information and belief, at least one

1 LGE end customer or distributor has directly infringed the '497 patent by acting as instructed by
2 LGE. For example, LGE supplies end customers and distributors of the LGE Infringing
3 Touchscreen Products with user manuals and other information that instruct downstream users
4 how to operate the LGE Infringing Touchscreen Products, with knowledge that use in accordance
5 with such instructions infringes the '497 patent. As detailed by the user manuals and other
6 information supplied by LGE, the LGE Infringing Touchscreen Products infringe multiple
7 Cypress patents. Sale or use of the LGE Infringing Touchscreen Products by end customers or
8 distributors in accordance with LGE's instructions constitutes direct infringement of the '497
9 patent. LGE had awareness of the '497 patent and knew, or was willfully blind to the fact, that its
10 actions would cause direct infringement by end-users.

11 58. LGE has indirectly infringed and continues to indirectly infringe the '497 patent
12 by contributing to direct infringement by end-users who use the LGE Infringing Touchscreen
13 Products. LGE supplied a component whose use by downstream users is infringing; the
14 component is not a common component suitable for non-infringing use; and LGE supplied the
15 component with the knowledge of the '497 patent and knowledge that the component was
16 especially made or adapted for use in an infringing manner.

17 59. LGE's actions are in violation of one or more of the provisions of 35 U.S.C. § 271.

18 60. Cypress has been damaged and irreparably injured by LGE's infringing activities
19 and will continue to be so damaged and irreparably injured unless LGE's infringing activities are
20 enjoined by this Court.

21 61. Cypress is entitled to damages based on the provisional rights granted under 35
22 U.S.C. § 154 (d).

23 62. On information and belief, LGE's infringement has been, and continues to be,
24 willful, wanton, and deliberate, without license or excuse and with full knowledge of the '497
25 patent.

26 **FIFTH CLAIM FOR RELIEF**
(Infringement of the '015 Patent)

27 63. Cypress incorporates and realleges the allegations of the preceding paragraphs as
28 though set forth in full herein.

1 64. Cypress has not licensed or otherwise authorized LGE to make, use, offer for sale,
2 sell, or import into the United States any products that embody the inventions of the '015 patent.

3 65. LGE has directly infringed and continues to directly infringe the '015 patent by
4 making, using, importing, offering for sale or selling the LGE Infringing Touchscreen Products in
5 the United States.

6 66. LGE has had actual knowledge of the '015 patent since at least March 7, 2012.

7 67. LGE has had actual knowledge of the published application that finally issued as
8 the '015 patent since at least July 12, 2011.

9 68. LGE has indirectly infringed and continues to indirectly infringe the '015 patent
10 by inducing end-users to infringe the '015 patent by using the LGE Infringing Touchscreen
11 Products. LGE intentionally took action that induced end-users to infringe the '015 patent by
12 marketing, selling, and supporting the infringing devices. On information and belief, at least one
13 LGE end customer or distributor has directly infringed the '015 patent by acting as instructed by
14 LGE. For example, LGE supplies end customers and distributors of the LGE Infringing
15 Touchscreen Products with user manuals and other information that instruct downstream users
16 how to operate the LGE Infringing Touchscreen Products, with knowledge that use in accordance
17 with such instructions infringes the '015 patent. As detailed by the user manuals and other
18 information supplied by LGE, the LGE Infringing Touchscreen Products infringe multiple
19 Cypress patents. Sale or use of the LGE Infringing Touchscreen Products by end customers or
20 distributors in accordance with LGE's instructions constitutes direct infringement of the '015
21 patent. LGE had awareness of the '015 patent and knew, or was willfully blind to the fact, that its
22 actions would cause direct infringement by end-users.

23 69. LGE has indirectly infringed and continues to indirectly infringe the '015 patent
24 by contributing to direct infringement by end-users who use the LGE Infringing Touchscreen
25 Products. LGE supplied a component whose use by downstream users is infringing; the
26 component is not a common component suitable for non-infringing use; and LGE supplied the
27 component with the knowledge of the '015 patent and knowledge that the component was
28 especially made or adapted for use in an infringing manner.

1 Cypress patents. Sale or use of the LGE Infringing Touchscreen Products by end customers or
2 distributors in accordance with LGE's instructions constitutes direct infringement of the '973
3 patent. LGE had awareness of the '973 patent and knew, or was willfully blind to the fact, that its
4 actions would cause direct infringement by end-users.

5 79. LGE has indirectly infringed and continues to indirectly infringe the '973 patent
6 by contributing to direct infringement by end-users who use the LGE Infringing Touchscreen
7 Products. LGE supplied a component whose use by downstream users is infringing; the
8 component is not a common component suitable for non-infringing use; and LGE supplied the
9 component with the knowledge of the '973 patent and knowledge that the component was
10 especially made or adapted for use in an infringing manner.

11 80. LGE's actions are in violation of one or more of the provisions of 35 U.S.C. § 271.

12 81. Cypress has been damaged and irreparably injured by LGE's infringing activities
13 and will continue to be so damaged and irreparably injured unless LGE's infringing activities are
14 enjoined by this Court.

15 82. On information and belief, LGE's infringement has been, and continues to be,
16 willful, wanton, and deliberate, without license or excuse and with full knowledge of the '973
17 patent.

18 **PRAYER FOR RELIEF**

19 WHEREFORE, Cypress requests that this Court grant the following relief:

20 a. Enter judgment that the LGE Infringing USB Products infringe the '103, '825, and
21 '770 patents and the LGE Infringing Touchscreen Products infringe the '497, '015, and '973
22 patents;

23 b. Enter an order permanently enjoining LGE and its officers, directors, agents,
24 servants, employees, attorneys, licensees, successors, assigns, and customers, and those in active
25 concert or participation with any of them, from making, using, offering to sell, or selling in the
26 United States or importing into the United States any devices that infringe any claim of the
27 Asserted Patents;
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- c. Award Cypress its damages, including lost profits, resulting from LGE’s infringement in an amount to be determined at trial, pursuant to 35 U.S.C. §§ 154 and 284;
- d. Find this to be an exceptional case pursuant to 35 U.S.C. § 285;
- e. Award Cypress prejudgment interest and post-judgment interest on its damages and award Cypress its costs;
- f. Perform an accounting of LGE’s infringing sales not presented at trial and award Cypress additional damages from any such infringing sales; and
- g. Award Cypress its costs and attorneys’ fees and such other and further relief as the Court deems just and appropriate.

DEMAND FOR JURY TRIAL

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Cypress hereby demands trial by jury on all issues raised by the Complaint.

Dated: August 29, 2013

Respectfully submitted,
KAYE SCHOLER LLP

By /s/ Michael J. Malecek
Michael J. Malecek
Attorneys for Plaintiff
CYPRESS SEMICONDUCTOR
CORPORATION