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Attorneys for Plaintiff
ZTE (USA) Inc.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

ZTE (USA) INC.,

Plaintiff,

v.

AGIS SOFTWARE DEVELOPMENT LLC,

Defendant.

CASE NO. 4:18-cv-06185-HSG
(Former Case No. 2:17-cv-00517-JRG)
(E.D. Tex.)

**PLAINTIFF'S FIRST AMENDED
COMPLAINT FOR DECLARATORY
JUDGMENT**

1 Plaintiff ZTE (USA) Inc. (“ZTE”), files this First Amended Complaint against Defendant
2 AGIS Software Development LLC (“AGIS”) seeking declaratory judgment of non-infringement,
3 invalidity, and/or unenforceability as to U.S. Patent Nos. 8,213,970; 9,408,055; 9,445,251;
4 9,467,838; and 9,749,829 (collectively, the “Patents-in-Suit”). Additionally, ZTE hereby
5 incorporates by reference the Complaint filed against Defendant AGIS on October 9, 2018. ZTE
6 hereby alleges as follows:

7 **NATURE OF ACTION**

8 1. This is an action arising under the patent laws of the United States, 35 U.S.C. § 1 et.
9 seq. and the Declaratory Judgment Act, 28 U.S.C. §§ 2201-2202, seeking a declaratory judgment of:
10 (i) non-infringement of the Patents-in-Suit; (ii) invalidity of the Patents-in-Suit; (iii) unenforceability
11 of certain of the Patents-in-Suit due to inequitable conduct; and for such other relief as the Court
12 deems just and proper.

13 **THE PARTIES**

14 2. Plaintiff ZTE (USA) Inc. is a corporation organized and existing under the laws of the
15 state of New Jersey, with its principal place of business at 2425 N. Central Expressway, Suite 600,
16 Richardson, Texas 75080 with an office located at 1900 McCarthy Blvd, Milpitas, California 95035.

17 3. Upon information and belief, Defendant AGIS Software Development LLC is a
18 limited liability company organized and existing under the laws of the State of Texas, and maintains
19 its principal place of business at 100 W. Houston Street, Marshall, Texas 75670. Upon information
20 and belief, AGIS Software Development LLC is wholly owned by AGIS Holdings, Inc. Upon
21 information and belief, AGIS Holdings, Inc. is organized and existing under the laws of the State of
22 Florida, and maintains its principal place of business at 92 Lighthouse Drive, Jupiter, Florida 33469.
23 Upon information and belief, Advanced Ground Information Systems, Inc. is organized and existing
24 under the laws of the State of Florida, and maintains its principal place of business at 92 Lighthouse
25 Drive, Jupiter, Florida 33469.

26 **JURISDICTION AND VENUE**

27 4. This Court has exclusive subject matter jurisdiction over this action pursuant to

28 Federal question jurisdiction, 28 U.S.C. §§ 1331 and 1332(c); the Declaratory Judgment Act, 28

1 U.S.C. §§ 2201-2202, and the Patent Laws of the United States, 35 U.S.C. § 1 et seq.

2 5. An actual and justiciable controversy exists between ZTE and AGIS as to the alleged
3 infringement, validity, and enforceability of the claims of the Patents-in-Suit.

4 6. This Court has subject matter jurisdiction over this action based on a real and
5 immediate controversy between ZTE and AGIS regarding whether various ZTE's mobile devices
6 infringe the Patents-in-Suit, which AGIS purports to own, whether those AGIS patents are
7 unenforceable, and whether AGIS is barred from asserting infringement of those patents. As
8 described in more detail below, this controversy arises out of AGIS's infringement assertions
9 demands over ZTE's products allegedly "pre-configured or adapted with map-based communication
10 applications and/or features such as Google Maps, Android Device Manager, Find My Device,
11 Google Messages, Android Messenger, google Hangouts, Google Plus, and Google Latitude among
12 other relevant applications and/or features." *See* case no. 2:17-cv-00517-JRG (Dkt. No. 32) (E.D.
13 Tex.); *see also* Exs. A-E (Infringement Contentions).

14 7. On information and belief, AGIS is subject to this Court's specific and/or general
15 personal jurisdiction, pursuant to due process and/or the California Long Arm Statute, due at least to
16 (1) AGIS's activities purposefully directed at residents of this forum, (2) the claims arise out of or
17 relate to the AGIS's activities with this forum, and (3) the assertion of personal jurisdiction is
18 reasonable and fair.

19 8. On information and belief, AGIS asserted one or more of the Patents-in-Suit against
20 Apple Inc. in *AGIS Software Development LLC v. Apple, Inc.*, case no. 2:17-cv-00516-JRG (E.D.
21 Tex.). Additionally, on information and belief, Apple Inc. is a California incorporated company and
22 AGIS conducted meaningful enforcement activities in California. On information and belief, AGIS
23 retained counsel in California, traveled there, and deposed witnesses there.

24 9. On information and belief, AGIS asserted one or more patents related to the Patent-
25 in-Suit against Life360, Inc. in *Advanced Ground Information Systems, Inc. v. Life360, Inc.*, case no.
26 9:14-cv-80651-DMM (S.D. Fla.). Additionally, on information and belief, Life360 Inc. is a
27 California incorporated company and AGIS conducted meaningful enforcement activities in

28 California. On information and belief, AGIS retained counsel in California, traveled there, and

1 deposed witnesses there.

2 10. On information and belief, AGIS asserted one or more patents against ZTE (USA),
3 Inc. and ZTE (USA), Inc.'s sister company ZTE (TX) Inc. in *AGIS Software Development LLC v.*
4 *ZTE Corp. et al.*, case no. 2:17-cv-00517-JRG (E.D. Tex.) (the "Former Case"). Additionally, ZTE
5 (TX) Inc.'s primary place of business is in California and AGIS conducted meaningful enforcement
6 activities in California. For example, AGIS retained counsel in California, traveled there, and
7 deposed witnesses there including at least a 30(b)(6) deposition of ZTE (USA), Inc. in Redwood
8 Shores, California.

9 11. On information and belief, twenty days before bringing an action against ZTE TX
10 Inc. in the Eastern District of Texas, AGIS Holdings, Inc. formed and incorporated Defendant AGIS
11 Software Development LLC in Texas. Of note, only two months prior, the sister company of AGIS
12 Software Development LLC, Advanced Ground Information Systems, Inc., was litigating in the
13 Southern District of Florida with patents from the same family as the Patents-in-Suit. Once the
14 Florida matter was resolved, in a loss (with non-infringement and attorneys' fees awarded against
15 AGIS for almost \$750,000 due to litigating "an exceptionally weak case"), AGIS then sought a new
16 district. *See Advanced Ground Information Systems, Inc. v. Life360, Inc.* case no. 14-cv-80651 (Dkt.
17 No. 200) (S.D. Fla.) ("While I stop short of finding of bad faith, . . . these claims seemed designed to
18 extract settlement not based upon the merits of the claim but on the high cost of litigation.").

19 12. On information and belief, on June 21, 2017, AGIS filed the original Complaint (Dkt.
20 No. 1 in 2:17-cv-00517) in the Former Case in the Eastern District of Texas, asserting four patents
21 against ZTE (TX), Inc. and ZTE Corporation. On September 26, 2017, ZTE (TX) filed a Motion to
22 Dismiss AGIS's original Complaint for (1) failure to state a claim and (2) improper venue under 28
23 U.S.C. § 1400, or in the alternative, to transfer under §1404. Dkt. No. 28. Rather than responding to
24 ZTE (TX) Inc.'s motion, AGIS took advantage of Federal Rule of Civil Procedure 15(a)(1)(B) and
25 amended its Complaint, without leave of Court, on October 17, 2017 (the "Amended Complaint").
26 Dkt. No. 32. In the Amended Complaint, which allowed AGIS to avoid responding to ZTE (TX)
27 Inc.'s motion, AGIS added new legal theories of infringement, including a fifth patent, and added

1 13. On information and belief, on November 21, 2017, ZTE moved to dismiss AGIS's
2 Amended Complaint under § 1400, or in the alternative, to transfer for convenience to the Northern
3 District of California under § 1404. *See* Dkt. No. 38. In response, not only did AGIS contest that
4 venue was proper for ZTE (USA), Inc., but AGIS also dismissed the relevance, location, and
5 convenience of non-party Google in the Northern District of California. Dkt. No. 46 at 2, 24. AGIS
6 eventually admitted Google's importance in these matters when they subpoenaed Google, indicating
7 that Google possesses relevant documents in the Northern District of California. *See* Dkt. No. 85 at
8 7. On September 28, 2018, the Eastern District of Texas court found that "AGIS [] failed to meet its
9 burden" and found that venue is improper as to ZTE (USA), Inc. in the Eastern District of Texas. *Id.*
10 at 5-7. Rather than dismissing this case under § 1400, the Eastern District of Texas transferred the
11 Former Case to the Northern District of California under § 1406. *Id.* The court specifically found
12 that "[a] transfer, rather than dismissal, is also appropriate where the plaintiff is certain to 'almost
13 immediately' refile the action in the proper venue and, as here, 'discovery has already begun' and
14 the Parties have 'already invested a considerable amount of time and money' in the case." *Id.* at 7.
15 Additionally, in transferring to the Northern District of California and not another district, the court
16 noted (A) that AGIS never proposed an alternative district to which this case should be transferred;
17 and (B) that "transfer to the Northern District of California serves the interests of justice." *Id.* (citing
18 AGIS's service of subpoenas on Google in the Northern District of California).

19 14. On information and belief, AGIS circumvented the Eastern District of Texas's
20 transfer order (Dkt. No. 85) to the Northern District of California by filing a Notice of Voluntary
21 Dismissal without Prejudice (Dkt. No. 86).

22 15. On information and belief, in four actions against Android device manufactures HTC
23 Corporation (2:17-cv-00514), Huawei Device USA Inc. et al. (2:17-cv-00513), LG Electronics, Inc.
24 (2:17-cv-00515), and ZTE (USA), Inc. et al. (2:17-cv-00517), all in the Eastern District of Texas,
25 AGIS asserted infringement contentions relying nearly exclusively on Android and Google
26 application functionalities. Additionally, AGIS served several subpoenas on Google in the Northern
27 District of California seeking information and proprietary information relating to Google Maps, Find

28 My Device and Device Manager. *See* Ex. F.

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