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8 *Attorneys for Plaintiff Document Security Systems, Inc.*

9 **IN THE UNITED STATES DISTRICT COURT**
10 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

11 DOCUMENT SECURITY SYSTEMS,
12 INC.,

13 Plaintiff,

14 v.

15 CREE, INC.,

16 Defendant.
17

Civil Action No. 2:17-cv-04263

JURY TRIAL DEMANDED

18 **COMPLAINT FOR PATENT INFRINGEMENT**

19 This is an action for patent infringement arising under the Patent Laws of the
20 United States of America, 35 U.S.C. § 1 *et seq.* in which Document Security Systems,
21 Inc. (“DSS” or “Plaintiff”) makes the following allegations against Defendant Cree,
22 Inc. (“Cree” or “Defendant”).

23 **PARTIES**

24 1. Document Security Systems, Inc. is a publicly-traded New York
25 corporation. Founded in 1984, DSS is a global leader in brand protection, digital
26 security solutions and anti-counterfeiting technologies.

27 2. In November 2016, DSS acquired a portfolio of patents covering
28 technologies used in Light-Emitting Diode (“LED”) lighting products, including the

1 patents-in-suit. The patents in this portfolio were originally assigned to Agilent
2 Technologies, Inc. and/or the successors of its LED business. Since its recent
3 acquisition of these patents, DSS has worked to expand its business efforts regarding
4 LED technology. DSS is pursuing both licensing and commercialization of this
5 technology acquisition, and is establishing those activities within its Plano location.

6 3. On information and belief, Cree, Inc. is a North Carolina corporation with its
7 principal place of business at 4600 Silicon Drive, Durham, North Carolina 27703-
8 8475. Defendant Cree, Inc. can be served through its registered agent, CT
9 Corporation System, 818 W 7th St. Suite 930, Los Angeles, CA 90017.

10 **JURISDICTION AND VENUE**

11 4. This action arises under the patent laws of the United States, Title 35 of the
12 United States Code. Accordingly, this Court has subject matter jurisdiction under 28
13 U.S.C. §§ 1331 and 1338(a).

14 5. This Court has personal jurisdiction over Defendant in this action because,
15 among other reasons, Defendant has committed acts within the Central District of
16 California giving rise to this action and has established minimum contacts with the
17 forum state of California. Defendant directly and/or through subsidiaries or
18 intermediaries (including distributors, retailers, and others), has committed and
19 continues to commit acts of infringement in this District by, among other things,
20 making, using, importing, offering for sale, and/or selling products and/or services
21 that infringe the patents-in-suit. Thus, Defendant purposefully availed itself of the
22 benefits of doing business in the State of California and the exercise of jurisdiction
23 over Defendant would not offend traditional notions of fair play and substantial
24 justice. Cree is registered to do business in the State of California, and has an office
25 and regular and established place of business at 340 Storke Road, Goleta, California
26 93117.

27 6. Venue is proper in this District under 28 U.S.C. §§ 1391 (b)-(c) and 1400(b)
28 because Defendant has a regular and established place of business in this District and

1 has committed acts of patent infringement in this District. Defendant, for example,
2 has a regular and established place of business at 340 Storke Road, Goleta, California
3 93117.

4 **BACKGROUND**

5 7. DSS is the owner by assignment of United States Patent No. 6,949,771 (“the
6 ’771 Patent”) entitled “Light Source.” The ’771 Patent was duly and legally issued by
7 the United States Patent and Trademark Office on September 27, 2005. A true and
8 correct copy of the ’771 Patent is included as Exhibit A.

9 8. DSS is the owner by assignment of United States Patent No. 7,256,486 (“the
10 ’486 Patent”) entitled “Packing Device for Semiconductor Die, Semiconductor Device
11 Incorporating Same and Method of Making Same.” The ’486 Patent was duly and
12 legally issued by the United States Patent and Trademark Office on August 14, 2007.
13 A true and correct copy of the ’486 Patent is included as Exhibit B.

14 9. DSS is the owner by assignment of United States Patent No. 7,279,355 (“the
15 ’355 Patent”) entitled “Method for Fabricating a Packing Device for Semiconductor
16 Die and Semiconductor Device Incorporating Same.” The ’355 Patent was duly and
17 legally issued by the United States Patent and Trademark Office on October 9, 2007.
18 A true and correct copy of the ’355 Patent is included as Exhibit C.

19 10. DSS is the owner by assignment of United States Patent No. 7,524,087
20 (“the ’087 Patent”) entitled “Optical Device.” The ’087 Patent was duly and legally
21 issued by the United States Patent and Trademark Office on April 28, 2009. A true
22 and correct copy of the ’087 Patent is included as Exhibit D.

23 11. DSS is the owner by assignment of United States Patent No. 7,919,787
24 (“the ’787 Patent”) entitled “Semiconductor Device with a Light Emitting
25 Semiconductor Die.” The ’787 Patent was duly and legally issued by the United
26 States Patent and Trademark Office on April 5, 2011. A true and correct copy of the
27 ’787 Patent is included as Exhibit E.

28 12. DSS owns all rights, title, and interest in and to the ’771, ’486, ’355,

1 '087, and '787 Patents (collectively, “asserted patents” or “patents-in-suit”), including
2 all rights to sue and recover for past and future infringement.

3 **COUNT I**

4 **INFRINGEMENT OF THE '771 PATENT**

5 13. DSS references and incorporates by reference paragraphs 1 through 11 of
6 this Complaint.

7 14. On information and belief, Defendant makes, uses, offers for sale, sells,
8 and/or imports in the United States products and/or services that infringe various
9 claims of the '771 Patent, and continues to do so. By way of illustrative example,
10 Defendant's infringing products include without limitation, all versions and variations,
11 including predecessor and successor models, of its XLamp ML-B, XLamp ML-C,
12 XLamp ML-E, Xlamp MX-3S, XLamp XR-C, XLamp XR-E, XLamp MC-E, CLM1
13 Series Color, CLM2 Series, CLM3 Series Color, CLM4 Series, CLP6 Series White,
14 CLP6 Series Color, SMD Full Color, SMD Full Color Side-View, XLamp CX
15 Family, and XLamp XB-D Family LED products. Defendant's infringing products
16 also include products, e.g., light bulbs, displays and fixtures that contain at least one
17 infringing LED product. Defendant's infringing products are collectively referred to
18 hereinafter as “'771 Accused Instrumentalities.”

19 15. On information and belief, Defendant has directly infringed and
20 continues to directly infringe the '771 Patent by, among other things, making, using,
21 offering for sale, selling, and/or importing the '771 Accused Instrumentalities. On
22 information and belief, such products and/or services are covered by one or more
23 claims of the '771 Patent's including at least claims 1 through 8 because they contain
24 each element of those claims.

25 16. By making, using, offering for sale, selling, and/or importing the '771
26 Accused Instrumentalities infringing the '771 Patent, Defendant has injured DSS and
27 is liable to DSS for infringement of the '771 Patent pursuant to 35 U.S.C. § 271(a)
28 directly and/or under the doctrine of equivalents.

1 17. In addition, Defendant is actively inducing others, such as its affiliates,
2 customers, and end users of Accused Instrumentalities, services based thereupon, and
3 related products and/or processes, to directly infringe—and/or to combine outside of
4 the United States in a manner that would infringe if such combination occurred within
5 the United States—each and every claim limitation, including without limitation
6 claims 1 through 8 of the '771 Patent, in violation of 35 U.S.C. §§ 271(b) and/or
7 271(f). Upon information and belief, Defendant's customers and/or end users have
8 directly infringed and are directly infringing—and/or combining outside of the United
9 States in a manner that would infringe if such combination occurred within the United
10 States—each and every claim limitation, including without limitation claims 1 through
11 8 of the '771 Patent. Defendant has had actual knowledge of the '771 Patent at least
12 as of service of this Complaint. Defendant is knowingly inducing its customers and/or
13 end users to directly infringe—and/or to combine outside of the United States in a
14 manner that would infringe if such combination occurred within the United States—
15 the '771 Patent, with the specific intent to encourage such infringement, and knowing
16 that the induced acts constitute patent infringement. Defendant's inducement
17 includes, for example, providing technical guides, product data sheets,
18 demonstrations, software and hardware specifications, installation guides, and other
19 forms of support that induce its customers and/or end users to directly infringe—
20 and/or to combine outside of the United States in a manner that would infringe if such
21 combination occurred within the United States—the '771 Patent. The '771 Accused
22 Instrumentalities are designed in such a way that when they are used for their intended
23 purpose, the user infringes the '771 Patent. Defendant knows and intends that
24 customers that purchase the '771 Accused Instrumentalities will use those products for
25 their intended purpose.

26 18. Defendant has been aware of the '771 Patent and of its infringement as of
27 a date no later than the date it was served with this Complaint in this action. To the
28 extent facts learned in discovery show that Defendant's infringement of the '771

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