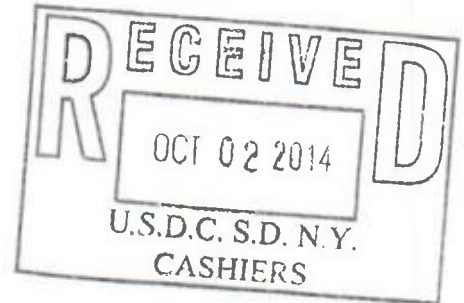


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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



IXI Mobile (R&D) Ltd. and
IXI IP, LLC,
Plaintiffs

v.

Apple, Inc.,
Defendant.

Civil No.: 14-cv-07954-UA
COMPLAINT AND ECF CASE
JURY DEMAND

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiffs IXI Mobile (R&D) Ltd. and IXI IP, LLC (collectively, "Plaintiffs"), for their Complaint against Defendant Apple, Inc. ("Defendant" or "Apple"), allege as follows:

NATURE OF THE ACTION

1. This is an action arising under the patent laws of the U.S. (35 U.S.C. § 100 *et seq.*) based upon Apple's infringement of U.S. Patent Nos. 7,295,532, 7,426,398, 7,016,648, and 7,039,033.

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

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devices (e.g., cellular telephones and messaging devices) and related services. IXI previously owned each of the patents at issue in this litigation (the “Patents-in-Suit”) and now has an exclusive license to the Patents-in-Suit.

3. IXI IP, LLC (“IXI IP”) is a New York limited liability company with its principle place of business located at 405 Lexington Avenue, Seventh Floor, Suite 726, New York, New York and with a registered address of 1218 Central Avenue, Suite 100, Albany, NY 12205. IXI IP owns the Patents-in-Suit. IXI IP has exclusively licensed the Patents-in-Suit to IXI.

4. Apple is a California corporation with its principal offices at 1 Infinite Loop, Cupertino, CA 95014. On information and belief, Apple sells wireless mobile devices and related services.

JURISDICTION AND VENUE

5. 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.

6. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

7. The Court has personal jurisdiction over Apple because, among other things, Apple 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. Additionally, Apple maintains a place of business, including a retail store, in this District.

8. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b) because Apple 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 Patents-in-Suit in this District, provides a substantial volume of goods to this District, and does a substantial amount

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

BACKGROUND

9. This dispute involves technology called “mobile tethering,” which permits a device to access a wide area network (such as the Internet) by way of a connection between the first device and a second, intermediary, device that has access to the wide area network. An example of mobile tethering is use of a cellular telephone as a source of Internet connectivity for a personal computer that is linked with the cellular telephone. Mobile tethering permits devices having only short-range connectivity to access distant networks using the long-range wireless connectivity of a second device. The dispute also involves technology relating to remote control of mobile communication devices such as cellular telephones.

10. IXI was formed in 2000 and develops phone operating systems and messaging devices.

11. IXI filed patent applications describing its technological developments in the field of mobile communications. The Patents-in-Suit are among the patents issued to IXI by the U.S. Patent and Trademark Office (USPTO).

THE PATENTS-IN-SUIT

12. IXI IP is the owner, by assignment, of United States Patent No. 7,295,532 (“the ’532 Patent”), titled “System, Device and Computer Readable Medium for Providing Networking Services on a Mobile Device,” which duly and legally issued on November 13, 2007. The ’532 Patent covers devices and systems that monitor and reconfigure network operators, including without user intervention. IXI Mobile is the exclusive licensee of the ’532 Patent. A copy of the ’532 Patent is attached as Exhibit A.

13. IXI IP is the owner, by assignment, of United States Patent No. 7,426,398 (“the ’398 Patent”), titled “Event Control System and Method for a Mobile Communication Network,” which duly and legally issued on September 16, 2008. The ’398 Patent covers methods and systems for controlling mobile communication devices through messages communicated over a wireless communication network. IXI Mobile is the exclusive licensee of the ’398 Patent. A copy of the ’398 Patent is attached as Exhibit B.

14. IXI IP is the owner, by assignment, of United States Patent No. 7,016,648 (“the ’648 Patent”), titled “Method, System and Computer Readable Medium for Downloading a Software Component to a Device in a Short Distance Wireless Network,” which duly and legally issued on March 21, 2006. The ’648 Patent covers methods, systems, and articles of manufacture for downloading software components to a short distance wireless network in response to device information and/or user information. IXI Mobile is the exclusive licensee of the ’648 Patent. A copy of the ’648 Patent is attached as Exhibit C.

15. IXI IP is the owner, by assignment, of United States Patent No. 7,039,033 (“the ’033 Patent”), titled “System, Device and Computer Readable Medium for Providing a Managed Wireless Network Using Short-Range Radio Signals,” which duly and legally issued on May 2, 2006. The ’033 Patent covers systems, devices, and articles of manufacture that access information responsive to short-range radio signals. IXI Mobile is the exclusive licensee of the ’033 Patent. A copy of the ’033 Patent is attached as Exhibit D.

APPLE’S INFRINGEMENT

16. As described below, Apple infringes the claims of each of the Patents-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, Apple’s iPhone products (e.g., iPhone 3G, iPhone 3GS, iPhone 4, iPhone 5, iPhone5s, iPhone 5c, iPhone 6, and iPhone 6 Plus (the “Accused iPhone Products”)), iPad products (e.g., “3rd Generation” iPad, iPad with Retina display, iPad 2, iPad mini, and iPad Air (the “Accused iPad Products”)), and smartwatch products (e.g., Apple Watch (the “Accused Watch Devices)) (collectively, the “Accused Products”) and reasonably similar products with Wireless Hotspot Features and/or Remote Control Features embody the apparatuses or practice the methods claimed by the Patents-in-Suit. The Accused Products meet the limitations of the Patents-in-Suit literally and/or under the doctrine of equivalents.

17. As identified below, Accused Products with Wireless Hotspot Features, such as the “Personal Hotspot” feature (known as “Internet tethering” on iPhone 3G) or any reasonably similar feature that allows short range wireless tethering (e.g., 802.11, Bluetooth) with other devices to provide access to the Internet via a cellular connection (the “Accused Hotspot Devices”). The Accused Hotspot Devices include at least the Accused iPhone Products and Accused iPad Products that are Wi-Fi + Cellular and infringe certain Patents-in-Suit owned by IXI IP and licensed exclusively to IXI Mobile.

18. As identified below, Accused Products with Remote Control Features, such as the “Wi-Fi syncing” feature or any reasonably similar feature that allows a device to wirelessly control an Accused Product (the “Accused Remote Control Devices”), infringe certain Patents-in-Suit. These Accused Remote Control Devices include at least the Accused iPhone Products and Accused iPad Products and are compatible with the iOS 7 operating system.

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