IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS SHERMAN DIVISION

LARGAN PRECISION CO., LTD.,	
Plaintiff,	
v.	Case No.
ABILITY OPTO-ELECTRONICS TECHNOLOGY CO., LTD.; NEWMAX TECHNOLOGY CO., LTD.; AND HP INC.	JURY TRIAL DEMANDED
Defendants.	

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Largan Precision Co., Ltd. ("Largan") files this complaint for patent infringement against Defendants Ability Opto-Electronics Technology Co., Ltd.; Newmax Technology Co., Ltd.; and HP Inc. (collectively, "Defendants"), and asserts as follows:

THE PARTIES

- 1. Largan is the world's largest supplier of high-end imaging lenses for smartphones. Largan's lenses can be found in Apple iPhones, as well as in a wide array of other consumer electronic products, including notebook computers, laptop computers, tablets, webcams, and scanners, from a variety of end-product manufacturers.
- 2. Innovation has been the cornerstone of Largan's success in the imaging lens industry. When other manufacturers were still using glass, Largan pioneered the design and production of plastic aspherical lenses. Largan's innovations have continued as phones and computers have become smaller and imaging capability in these devices has become indispensable. To address the ever-growing need for compact, high-performance imaging lenses,



Largan has developed new technologies, for which it has sought patent protection in the United States and elsewhere. Largan currently holds 668 United States patents.

- 3. These patents include the four patents-in-suit here: U.S. Patent Nos. 7,274,518 ("the '518 Patent"); 8,395,691 ("the '691 Patent"); 8,988,796 ("the '796 Patent"); and 9,146,378 ("the '378 Patent") (collectively, "the patents-in-suit").
- 4. Largan is a Taiwanese corporation with its principal place of business located at No. 11, Jingke Road, Nantun District, Taichung City 40852, Taiwan. Largan was founded in 1987 and has been publicly listed on the Taiwan Stock Exchange since 2002.
- 5. On information and belief, Defendant Ability Opto-Electronics Technology Co., Ltd. ("AOET") is a Taiwanese corporation with its principal place of business located at 2F, No. 33, Keya Road, Daya District, Taichung City 428, Taiwan.
- 6. On information and belief, Newmax Technology Co., Ltd. ("Newmax") is a Taiwanese corporation with its principal place of business located at No. 37, Jiadong Road, Waipu District, Taichung City 438, Taiwan.
- 7. On information and belief, Defendant HP Inc. ("HP") is a Delaware corporation with its principal place of business located at 1501 Page Mill Road, Palo Alto, CA 94304.

JURISDICTION AND VENUE

- 8. This is a complaint for patent infringement that arises under the laws of the United States, Title 35 of the United States Code.
- 9. This Court has subject-matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338.
- 10. This Court has personal jurisdiction over Defendant AOET in this action because AOET has committed acts within the Eastern District of Texas giving rise to this action and has established minimum contacts with this forum such that the exercise of jurisdiction over AOET



would not offend traditional notions of fair play and substantial justice. Defendant AOET, directly and through subsidiaries or intermediaries (including distributors, resellers, and others), has committed and continues to commit acts of infringement in this District by, among other things, offering to sell and selling products that infringe the patents-in-suit.

- 11. This Court has personal jurisdiction over Defendant Newmax in this action because Newmax has committed acts within the Eastern District of Texas giving rise to this action and has established minimum contacts with this forum such that the exercise of jurisdiction over Newmax would not offend traditional notions of fair play and substantial justice. Defendant Newmax, directly and through subsidiaries or intermediaries (including distributors, resellers, and others), has committed and continues to commit acts of infringement in this District by, among other things, offering to sell and selling products that infringe the patents-in-suit.
- 12. This Court has personal jurisdiction over Defendant HP in this action because HP has committed acts within the Eastern District of Texas giving rise to this action and has established minimum contacts with this forum such that the exercise of jurisdiction over HP would not offend traditional notions of fair play and substantial justice. Defendant HP, directly and through subsidiaries or intermediaries (including distributors, resellers, and others), has committed and continues to commit acts of infringement in this District by, among other things, offering to sell and selling products that infringe the patents-in-suit. HP is registered to do business in the State of Texas and has appointed CT Corporation System, 1999 Bryan St., Ste. 900, Dallas, TX 75201 as its agent for service of process.
- 13. On information and belief, HP has regular and established places of business in Texas and this District. Without limitation, these include HP's campus in Plano, Texas, located



at 6080 Tennyson Parkway, Suite 400, Plano, TX 75024, and/or 5400 Legacy Drive, Plano, TX 75024. Additionally, the "Service Center Locator" on HP's website indicates that HP has authorized service centers for "Consumer Desktops and Notebooks" located at 1201 E Spring Creek Parkway Suite C-130, Plano, TX, 75074; 1920 Eldorado Parkway, Suite 600, McKinney, TX, 75069; and 6205 Coit Road Suite 336, Plano, TX 75024. Further, HP has committed patent infringement in this District; solicits and induces customers/users in this District, including via its website at www.hp.com; and has customers/users who are residents of this District and who purchase, acquire, and/or use HP's infringing products in this District.

- 14. Based on the above, venue is proper in the Eastern District of Texas under 28 U.S.C. §§ 1391(b)–(c) and 1400.
- 15. Joinder of the Defendants is also proper under 35 U.S.C. § 299 because Largan's right to relief is asserted against Defendants jointly, severally, or in the alternative with respect to or arising out of the same transaction, occurrence, or series of transactions or occurrences relating to the making, using, importing into the United States, offering for sale, or selling of the same accused products or processes, including imaging lenses and HP products incorporating imaging lenses; and questions of fact common to all Defendants will arise in the action.

BACKGROUND

- 16. AOET is a direct competitor of Largan. And this isn't the first case Largan has brought to stop AOET's infringement of Largan's intellectual property rights.
- 17. In December 2017, Taiwan's Intellectual Property Court awarded Largan 1.52 billion Taiwanese dollars (roughly \$50 million) for AOET's misappropriation of Largan's trade secrets. International press coverage hailed the outcome as the largest-ever award for trade secret misappropriation in Taiwan.



- 18. As these media reports recounted, that litigation began nearly four years earlier and stemmed from AOET's hiring away of several engineers from Largan. AOET convinced those engineers to disclose protected Largan information and used that misappropriated information to file patent applications seeking to capture ownership over Largan's own trade secrets. Because of this, the court's award also transferred ownership of a set of Taiwanese patents filed by AOET to Largan.
- 19. Besides the civil proceedings at Taiwan's Intellectual Property Court, Largan also filed a December 2012 criminal complaint in Taiwan against AOET, the former Largan engineers that AOET had hired, and AOET's then General Manager Andy Lo. As the international press reported, the public prosecutor filed an indictment in Taichung District Court in April 2015, after completing the criminal investigation. The indictment charged AOET for copyright violations, and the engineers and Mr. Lo for copyright violations and disclosure of commercial or industrial secrets, among other charges. These criminal proceedings remain pending.
- 20. After Largan learned of AOET's trade secret theft, Largan also discovered that AOET and other companies were producing lens systems that infringed Largan's United States patents.
- 21. Largan notified AOET that its 877C and 798 series lens products infringed several Largan United States patents, including the '691 Patent, via August 9 and 12, 2013 letters.
- 22. On August 9, 2013, Largan also notified manufacturers, including HP, that AOET's 877C and 798 series and another company's lens products may infringe Largan patents, including the '691 patent.



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