IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

SAMSUNG ELECTRONICS CO., LTD., and SAMSUNG ELECTRONICS AMERICA, INC.,

Plaintiffs,

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SOLAS OLED LTD. and NEODRON LTD.

Defendants.

FILED UNDER SEAL

Civil Action No. 1:21-cv-05205-LGS

AMENDED COMPLAINT

Plaintiffs Samsung Electronics Co., Ltd. ("SEC") and Samsung Electronics America, Inc. ("SEA" and, collectively, "Samsung"), by and through their undersigned counsel, for their Amended Complaint against Defendants Solas OLED Ltd. ("Solas") and Neodron Ltd. ("Neodron"), allege as follows:

NATURE OF THE ACTION

- 1. Neodron and Solas have engaged in a relentless campaign of litigation against various Samsung entities. Neodron and Solas are "patent trolls" associated with the same hedge fund—Magnetar Capital. Neodron and Solas buy patents not to use the patented technology, but to accuse others of infringement. They hope to obtain large damage awards or, more often, extort settlement payments for unnecessary licenses to practice the patents. Between the two of them, they have filed no fewer than *twelve lawsuits* in the United States since May 2019 against members of the Samsung family.
- 2. Defendants' campaign began in May 2019 with Solas filing an action in the Eastern District of Texas, ultimately asserting infringement of three patents. Over the eight weeks that followed, Neodron filed three more actions against Samsung in the International



Trade Commission and the Western District of Texas asserting infringement of eleven more patents. These lawsuits were followed a few months later by more actions from Neodron and then, a few months after that, more actions by Solas. Samsung has incurred, and continues to incur, substantial expense in defending these actions.

, Samsung settled all of Neodron's pending actions against
Samsung. In exchange for paying more than
. To document the settlement, SEC and Neodron entered into a broad
Patent License Agreement (the "PLA") that incorporated an escrow agreement (the "Escrow
Agreement"). The PLA, the Escrow Agreement, and their exhibits are referred to collectively
herein as the "License Agreement" (attached as Exhibit A and filed under seal). In the PLA,
Neodron represented and warranted that it
. Samsung wanted worldwide peace forever.

4. But Solas continued the campaign. Not only did it fail to drop any of its pending lawsuits against Samsung, it added to the list. In late December 2020, Solas filed another action in the International Trade Commission asserting three patents and in March 2021, Solas filed two more lawsuits against Samsung in the Eastern District of Texas alleging infringement of six more patents. It now appears that Solas and Neodron are alter egos, or at least closely related entities that work together to maximize their revenue from infringement claims. Neodron controls at least some of Solas's patents and has the ability to license them. In fact, two of the patents Solas has asserted



Samsung. That means the license Samsung bought and paid for in encompasses at least some of Solas's patents.

- 5. Samsung cannot have liability under patents Neodron controls, even if Solas owns them and continues to assert them. And Neodron is required to

 from any litigation in which Solas asserts a patent that Neodron controls. Moreover, under the License Agreement's

 for any claim by Solas that Samsung is infringing a patent that Neodron controls because that question rests in part on the License Agreement.
- 6. Samsung therefore brings this action for damages from the breach of the License Agreement, for a declaration that the License Agreement is being breached by Defendants continuing litigations against Samsung based on licensed patents, for a declaration that Samsung is licensed to practice patents Defendants have asserted, and for a declaration that Samsung does not infringe those patents.

PARTIES

- 7. SEC is a corporation organized under the laws of South Korea, with its principal place of business at 129, Samsung-Ro, YeongTong-Gu, Suwon-Si, Gyonggi-Do, 443-742, South Korea.
- 8. SEA is a New York corporation with its principal place of business at 85 Challenger Road, Ridgefield Park, New Jersey 07660. SEA is a wholly owned subsidiary of SEC.
- 9. On information and belief, Solas is a technology licensing company organized under the laws of Ireland, with its headquarters at The Hyde Building, Suite 23, The Park, Carrickmines, Dublin 18, Ireland. On information and belief, Realta Investments Ireland DAC, an Irish corporation managed by Magnetar Capital LLC, owns much of Solas. On information



and belief since no later than November 2020, Solas and Neodron were and are closely related entities or alter egos.

10. On information and belief, Neodron is a technology licensing company organized under the laws of Ireland, with its headquarters at The Hyde Building, Suite 23, The Park, Carrickmines, Dublin 18, Ireland. On information and belief, Realta Investments Ireland DAC, an Irish corporation managed by Magnetar Capital LLC, owns much of Neodron. On information and belief, since no later than November 2020, Neodron and Solas were and are closely related entities or alter egos.

JURISDICTION AND VENUE

- 11. Samsung brings this action under the Declaratory Judgment Act, 28 U.S.C. §§ 2201–02, for declaratory judgments of non-infringement of certain patents under the Patent Laws of the United States, 35 U.S.C. §§ 101 *et seq*. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338.
- 12. This Court has supplemental jurisdiction under 28 U.S.C. § 1367(a) over the state-law causes of action because they are related to claims in the action within the Court's subject-matter jurisdiction and form part of the same case or controversy. In this case, the state-law claims are derived from the same common nucleus of operative fact.
- 13. This Court has personal jurisdiction over Defendants in the Southern District of New York. On August 19, 2021, Defendants informed the Court that Defendants consent to jurisdiction in this District. Under of the Escrow Agreement and and agreed to designate the License Agreement. Solas also consented to personal jurisdiction in this forum because, as explained below, Solas is bound by the License Agreement for the reasons provided throughout



this complaint. Moreover, on information and belief, Defendants, directly or through their agents and alter egos, have conducted the business activities at issue in this lawsuit in New York. Those activities include patent licensing efforts, such as negotiating and signing agreements related to patent licenses within the Southern District of New York. This action arises out of and relates to those activities that Defendants have purposefully conducted in New York or directed at New York and this District. Neodron requested that Samsung , which location is within this

District. On information and belief, the Defendants or their agents and alter egos have an office at this location. On information and belief, Gerald Padian, a director of Neodron and a director of Solas, also has an office at 81 Main Street, Suite 209, White Plains, New York, from which he conducts business for Defendants within this District, including negotiating the License Agreement on behalf of Defendants and offering to commence license negotiations with Samsung on patents at issue in this litigation.

14. Venue is proper within this District under 28 U.S.C. §§ 1391(b) and 1391(c).

BACKGROUND

Defendants Begin Their Campaign

15. On or about May 2, 2019, Solas filed an action in the Eastern District of Texas asserting patent infringement against several Samsung affiliates, ultimately asserting three patents. *See* Amended Complaint, *Solas OLED Ltd. v. Samsung Display Co., Ltd., et al.*, No. 2:19-cv-00152-JRG (E.D. Tex. Aug. 23, 2019), ECF No. 15.¹

¹ The Patent Trial and Appeals Board has since determined in Final Written Decisions that all asserted claims in all three patents are unpatentable, precluding Solas's infringement claims. A jury also found the asserted claims of one of those patents invalid. Samsung therefore at this time does not burden the Court with claims associated with those patents.



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