

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION

LUMINATI NETWORKS LTD.

Plaintiff,

v.

IP NINJA LTD.

Defendant.

Case No.

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Luminati Networks Ltd. (“Luminati”) brings this action under the patent laws of the United States, Title 35 of the United States Code, and makes the following allegations against IP Ninja Ltd. (“IP Ninja” or “Defendant”):

THE PARTIES

1. Plaintiff Luminati is an Israeli company having a principal place of business at 3 Hamahshev St., Netanya 42507, ISRAEL.
2. Upon information and belief, Defendant IP Ninja is an Israeli corporation headquartered at BSR Tower #4, Floor 24, Metzada 7, Bney Brak, Israel.

JURISDICTION AND VENUE

3. This is an action for patent infringement under the patent laws of the United States of America, 35 U.S.C. § 1, *et seq.*
4. This Court has jurisdiction over the subject matter of this action under 28 U.S.C. §§ 1331 and 1338(a).

5. This Court has personal jurisdiction over IP Ninja because it, directly or through its subsidiaries, divisions, groups, or distributors, has sufficient minimum contacts with this forum as a result of business conducted within the State of Texas, and/or pursuant to Fed. R. Civ. P. 4(k)(2). On information and belief, IP Ninja transacts substantial business in the State of Texas, directly or through agents, including: (i) at least some of the infringement alleged herein in the United States occurring in Texas, and (ii) regularly does or solicits business in Texas, engages in other persistent courses of conduct, maintains continuous and systematic contacts within this Judicial District, purposefully avails itself of the privilege of doing business in Texas, and/or derives substantial revenue from services provided in Texas. For example, on information and belief, IP Ninja utilizes software, which is, *inter alia*, the subject of the infringement alleged herein, that routes internet communications through user devices having IP addresses serving as residential proxies located in the State of Texas, as well as this Judicial District, permitting IP Ninja to include user devices in this Judicial District as part of IP Ninja's residential proxy service. This Court has at least specific personal jurisdiction over IP Ninja for all asserted claims.

6. Following *Brunette Machine Works v. Kockum Industries, Inc.*, 406 U.S. 706 (1972), venue is proper in this Court pursuant to 28 U.S.C. §§ 1391 and 1400(b) at least because, upon information and belief, IP Ninja is a foreign entity.

FACTUAL ALLEGATIONS

7. Derry Shribman and Ofer Vilenski are the named inventors of a number of patents, including U.S. Patent Nos. 9,241,044 ("044 Patent") and divisional 9,742,866 ("866 Patent") (collectively the "Asserted Patents").

8. The Asserted Patents are directed toward methods for fetching content over the Internet through the use of intermediary tunneling devices. Luminati identifies its patents on its

website at <https://luminati.io/patent-marking/#system-and-method-for-streaming-content-from-multiple-servers>.

9. The Asserted Patents were assigned to Hola Networks Ltd. (“Hola”). Hola has subsequently changed its name to Luminati Ltd., before changing its name to Luminati Networks Ltd., the Plaintiff in this action.

10. Luminati, formerly known as Hola, provides a cloud service connecting tens of millions of devices over the Internet through a proxy-based network. Each participating device allows the network to utilize a small fraction of that device’s idle time for the network. Luminati utilizes this network to provide proxy-based services to businesses.

11. Since 2014, Luminati has offered proxy-based services relying on its “Residential Proxy Network” that practice one or more claims of the Asserted Patents. Luminati permits its business customers to utilize its residential proxy network to access data over the Internet using residential IP addresses from various localities as required by the customers. These residential IP addresses provide businesses with a number of advantages. For example, Luminati’s customers may use this network to anonymously compare prices leading to more transparency and lower prices for consumers. Luminati’s customers may also use residential proxy addresses to test their web sites from any city in the world. Prior to and separate from the technology at issue in this case, Hola provided a Virtual Private Network (“VPN”) service called HolaVPN.

12. Upon information and belief, IP Ninja has provided a residential proxy service, since at least May 2018 when Luminati became aware of it. On May 15, 2018, current Luminati Chief Executive Officer Or Lenchner sent a letter to Nadav Moshe, a partner at IP Ninja, notifying IP Ninja that Luminati is aware that Defendant is offering a residential proxy service, Luminati has intellectual property, including the ’866 Patent, Luminati guards its intellectual property and

would be harmed by unauthorized activities covered by these patents, and Luminati is willing to discuss licensing. On June 11, 2018, Mr. Lenchner had a meeting with Mr. Moshe and Idan Sharon, vice president of business development and sales at IP Ninja, at Luminati's office to discuss IP Ninja's residential proxy service. In a subsequent email sent from Mr. Lenchner to Mr. Moshe and Mr. Sharon the next day, IP Ninja was provided with copies of the Asserted Patents. Upon information and belief, IP Ninja was aware of the Asserted Patents and Luminati's allegations of infringement at least as early as May 2018.

13. Upon information and belief, IP Ninja offers residential IP proxy services, advertised as useful for price comparison, advertisement verification, brand protection, and geographic testing. <https://ipninja.io/>. Upon information and belief, this includes a residential proxy network with millions of residential IP addresses from more than 100 countries. *Id.*, <https://ipninja.io/blogs/why-is-ip-ninja-the-best-residential-ip-proxy-service-provider/>. Upon information and belief, the IP addresses of these residential proxies are assigned by a standard Internet Service Provider (ISP) to a homeowner or other residential or mobile user. <https://ipninja.io/blogs/residential-ip-proxies-vs-datacentre-proxies/>. Upon information and belief, this residential proxy network is used to access content over the Internet, wherein that content may be divided into portions, each of which includes part of the content and its own content identifier. IP Ninja touts this service as permitting its customers to harvest data over the web via millions of IPs from all over the world touted as "real residential IPs." <https://ipninja.io/sdk>. IP Ninja also advertises this service as permitting its customers to select the proxy devices based on their location in specific countries, states and cities. <https://ipninja.io/blogs/mobile-ips-for-ad-verification/>. Upon information and belief, IP Ninja pays a premium to its development partners

for proxy devices located in the United States. <https://ipninja.io/blogs/monetizing-desktop-software-and-uwp-apps-with-ip-ninjas-sdk/>.

About IP Ninja

IP Ninja is helping many kinds of businesses to collect quality and reliable data from all over the web by providing them innovative residential proxy services. Our clients are using us to test their ads, QA their websites, compare products and services prices and more. They can do all of that from any place in the world, using endless amount of real residential IP addresses to ensure the most accurate results.

<https://ipninja.io/>

Popular uses of residential proxies



Prices Comparison



Ad verification



Brand Protection



Geo tests

<https://ipninja.io/>



Geo tests

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