

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

AGIS SOFTWARE DEVELOPMENT, LLC

Plaintiff,

v.

HUAWEI DEVICE USA INC., HUAWEI
DEVICE CO., LTD. AND HUAWEI DEVICE
(DONGGUAN) CO., LTD.

Defendants.

LEAD CASE NO. 2:17-cv-513-JRG

JURY TRIAL DEMANDED

AGIS SOFTWARE DEVELOPMENT, LLC

Plaintiff,

v.

LG ELECTRONICS, INC.

Defendant.

MEMBER CASE NO. 2:17-cv-515-JRG

JURY TRIAL DEMANDED

**DEFENDANT LG ELECTRONICS, INC.'S REPLY IN RESPONSE TO PLAINTIFF'S
OPPOSITION TO DEFENDANT'S MOTION TO DISMISS FOR LACK OF PERSONAL
JURISDICTION OR, IN THE ALTERNATIVE, TO TRANSFER VENUE TO THE
NORTHERN DISTRICT OF CALIFORNIA**

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I. INTRODUCTION

There is no pleading allegation or evidence that LGEKR is responsible for, established, or purposefully contributed to the actual distribution of the Accused Devices within the United States, let alone Texas. And, AGIS does not dispute that, under any traditional analysis of general or specific personal jurisdiction, there is no jurisdiction here over the foreign Korean entity LGEKR that has no presence or activity in Texas. Instead, AGIS solely rests on an extension of the stream of commerce test as an “independent basis” for personal jurisdiction, simply asserting that the presence of products in Texas must mean that LGEKR possesses the requisite awareness. On this record, the unilateral U.S. sales acts of non-party California-based LGEMU – *i.e.*, generally selling to retailers in the U.S. – does not justify exercising jurisdiction over LGEKR under any stream of commerce test.

Regardless, the exercise of personal jurisdiction here does not comport with fairness or substantial justice. AGIS does not dispute that it is a recently-incorporated shell entity controlled by Florida residents and set up to assert patents in Texas that were previously owned by a related Florida corporation who has litigated in California. AGIS offers no basis to conclude that a foreign Korean company should, in fairness, have any expectation that, on these patents, a Florida company would choose to not sue the actual California-based companies that import and distribute products to retailers who in turn sell them in the United States. Nor would Korea-based LGEKR be expected to reasonably anticipate being sued in Texas on patents which are asserted against software on the products that is supplied by California-based Google. Instead, in order to avoid suing the U.S. companies in California, as required by the venue rules, AGIS assigned the patents to a Texas shell company that then sued only the foreign manufacturer. AGIS’s effort to manufacture a claim from Texas, but try to avoid California venue by purposefully not naming any of the U.S.-based companies that actually make the accused

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