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

MAXELL, LTD.,

Plaintiff,

Case No. 5:19-cv-0036-RWS

v.

APPLE INC.,

COMPLAINT AND DEMAND FOR JURY TRIAL

Defendant.

FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Maxell, Ltd. ("Maxell"), by and through its undersigned counsel, files this complaint under 35 U.S.C. § 271 for Patent Infringement against Defendant Apple Inc. ("Apple") and further alleges as follows, upon actual knowledge with respect to itself and its own acts, and upon information and belief as to all other matters.

OVERVIEW

1. This is an action for patent infringement by Maxell. Founded in 1961 as Maxell Electric Industrial Co., Ltd., Maxell is a leading global manufacturer of information storage media products, including magnetic tapes, optical discs, and battery products such as lithium ion rechargeable micro batteries and alkaline dry batteries, and the company has over 50 years of experience producing industry-leading recordable media and energy products for both the consumer and the professional markets. Maxell is also a leading manufacturer of projectors and lenses and additionally sells various other devices, such as Bluetooth headsets, wireless charging solutions, etc.



- 2. Maxell has built up an international reputation for excellence and reliability, for pioneering the power supplies and digital recording for today's mobile and multi-media devices, and leading the electronics industry in the fields of storage media and batteries.
- 3. Since being one of the first companies to develop alkaline batteries and Blu Ray camcorder discs, Maxell has always assured its customers of industry leading product innovation and is one of the world's foremost suppliers of memory, power, audio, and visual goods.
- 4. As more fully described below, in 2009 Hitachi, Ltd. assigned much of its intellectual property to Hitachi Consumer Electronics Co., Ltd., along with a significant portion of its Consumer Business Group, including manufacturing and research and development capabilities. Then, in 2013, Hitachi Consumer Electronics Co., Ltd. assigned the intellectual property, including many of the patents in this case, along with the related manufacturing and research and development capabilities, to Hitachi Maxell, Ltd., which later assigned the assets to Maxell as a result of a reorganization and name change. This was an effort to align the intellectual property with the licensing, business development, research and development, and manufacturing efforts of Maxell, including in the mobile and mobile-media device market. Maxell continues to sell products in the mobile device market including wireless charging solutions, wireless flash drives, multimedia players, storage devices, and headphones. Maxell also maintains intellectual property related to televisions, computer products, tablets, digital cameras, and mobile phones. As a mobile technology developer and industry leader, and due to its historical and continuous investment in research and development, including in this District, Maxell owns a portfolio of patents related to such technologies and actively enforces its patents through licensing and/or litigation. Maxell is forced to bring this action against Apple as a result of Apple's knowing and ongoing infringement of Maxell's patents as further described herein.



- 5. Since at least June 2013, Apple has been aware of Maxell's patents and has had numerous meetings and interactions regarding its infringement of these patents. These meetings included Apple's representatives being provided with detailed information regarding Maxell's patents, the developed technology, and Apple's ongoing use of this patented technology. Through this process, Apple's representatives requested and received detailed explanations regarding Maxell's patents and allegations. Maxell believed that the parties could reach a mutually beneficial solution and to that end considered a potential business transaction and continued to answer multiple inquiries from Apple over the course of several years, including communicating with Apple as recently as late 2018. Apple elected, however, not to enter into an agreement and did not license Maxell's patents. Instead, Apple continued, and continues today, to make, use, sell and offer for sale Maxell's patented technology without license.
- 6. Since 2014, Maxell has had regular and continuous business in the Eastern District of Texas. As a result of such business dealings and hopes to expand those and other business dealings, a Maxell affiliate, Maxell Research and Development America, LLC ("MRDA"), was founded in Marshall, Texas. Maxell and MRDA have and continue to regularly meet and work to expand the research and development activities, business, and investments being made by Maxell, MRDA, and their business partners in this District to further the goals of these companies.

PARTIES

- 7. Plaintiff Maxell, Ltd. is a Japanese corporation with a registered place of business at 1 Koizumi, Oyamazaki, Oyamazaki-cho, Otokuni-gun, Kyoto, Japan.
- 8. On information and belief, Defendant Apple Inc. is a California corporation having a principal place of business located at One Apple Park Way Cupertino, California 95014. As of the filing of the original Complaint, Apple had regular and established places of business at 2601



Preston Road, Frisco, Texas, and 6121 West Park Boulevard, Plano, Texas, as well as other locations in Texas. Apple offers and sells its products and/or services, including those accused herein of infringement, to customers and potential customers located in Texas, including in the judicial Eastern District of Texas. Apple may be served with process through its registered agent for service in Texas: CT Corporation System, 1999 Bryant Street, Suite 900, Dallas, Texas 75201.

NATURE OF THE ACTION, JURISDICTION, AND VENUE

- 9. Maxell brings this action for patent infringement under the patent laws of the United States, 35 U.S.C. § 271 *et seq*.
- 10. This Court has subject matter jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because the action arises under the patent laws of the United States.
- 11. This Court has personal jurisdiction over Apple. Apple conducts business and has committed acts of direct and indirect patent infringement in this District, the State of Texas, and elsewhere in the United States. Moreover, Apple is registered to do business in the State of Texas, has offices and facilities in the State of Texas and this District, and actively directs its activities to customers located in the State of Texas and this District.
- 12. Venue is proper in this District pursuant to 28 U.S.C. § 1400(b). As of the filing of the original Complaint, Apple had regular and established places of business in this District, including Apple Stores located at 2601 Preston Road, Frisco, Texas and 6121 West Park Boulevard, Plano, Texas, and thus was deemed to reside in this District, has committed acts of infringement described herein in this District, and has purposely transacted business involving the accused devices in this District. Apple has not contested whether venue is proper in this District pursuant to 28 U.S.C. § 1400(b).



13. Six of the patents accused of infringement herein, including U.S. Patent Nos. 6,748,317; 8,339,493; 7,116,438; 6,408,193; 6,928,306; and 6,329,794, were previously asserted in this District against Huawei Device Co., Ltd., Huawei Device USA, Inc., ZTE (USA), Inc., ZTE Corporation, and/or ASUSTeK Computer Inc. Further, U.S. Patent Nos. 6,580,999 and 6,430,498 are the parents of the previously asserted U.S. Patent No. 6,748,317 and include similar subject matter as the one the Court is familiar with. During the course of these lawsuits, this Court heard from the parties and their experts regarding the technology at issue in these patents, construed numerous claim terms, and even conducted a jury trial, during which all patents were found to be valid and willfully infringed. Accordingly, this Court has substantial knowledge of and concerning the majority of the patents asserted in this lawsuit. Judicial economy further supports venue in this District.

COUNT 1 - INFRINGEMENT OF U.S. PATENT NO. 6,748,317

- 14. Maxell incorporates paragraphs 1-13 above by reference.
- 15. U.S. Patent No. 6,748,317 (the "317 Patent," attached hereto at Exhibit 1) duly issued on June 8, 2004 and is entitled *Portable terminal with the function of walking navigation*.
- 16. Maxell is the owner by assignment of the '317 Patent and possesses all rights under the '317 Patent, including the exclusive right to recover for past and future infringement.
- 17. Eight years before Apple released its first GPS-enabled iPhone and five years before Google launched its first Maps product, the inventors of the '317 Patent were experimenting with ways to deliver navigation services to the small sized screens of cellular phones that were available in 1999. At the time of the priority date of the '317 Patent, even the Internet hosted map applications were geared to stationary desktop computers, not to mobile phones. The inventors of the '317 Patent recognized the benefits of delivering mapping services to mobile phones and of



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