

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION**

ANCORA TECHNOLOGIES, INC.

Plaintiff,

v.

LG ELECTRONICS INC., and LG
ELECTRONICS U.S.A., INC.,

Defendants.

Civil Action No. 2:19-cv-384

Jury Trial Requested

COMPLAINT FOR PATENT INFRINGEMENT

This is an action for patent infringement in which Ancora Technologies, Inc. makes the following allegations against LG Electronics Inc., and LG Electronics U.S.A., Inc. (collectively, “LGE”):

RELATED CASE

1. This case is related to the action *Ancora Technologies, Inc. v. Samsung Electronics, Co., Ltd., et al.*, filed June 21, 2019, in the United States District Court for the Western District of Texas, Waco Division.

PARTIES

2. Plaintiff Ancora Technologies, Inc. is a corporation organized and existing under the laws of the State of Delaware with a place of business at 23977 S.E. 10th Street, Sammamish, Washington 98075.

3. Defendant LG Electronics Inc. is a corporation organized and existing under the laws of the Republic of Korea with a principal place of business at LG Twin Towers, 128 Yeoui-daero, Yeongdungpo-gu, Seoul, South Korea.

4. Defendant LG Electronics U.S.A., Inc. is a Delaware corporation with places of business in Texas at least at 9420 Research Blvd, Austin, Texas 78759; 21251-2155 Eagle Parkway, Fort Worth, Texas 76177; and 14901 Beach St, Fort Worth, TX 76177.

5. Further, Defendant LG Electronics U.S.A., Inc. merged with LG Electronics MobileComm U.S.A., Inc., on August 1, 2018, and has stated that it assumed all rights and responsibilities of LG Electronics MobileComm U.S.A., Inc. *3G Licensing S.A., et al. v. LG Electronics, Inc., et al.*, Case No. 1:17-cv-00085-LPS (D. Del.) at Dkt. 144.

6. Defendant LG Electronics U.S.A., Inc. thus is liable for any act for which LG Electronics MobileComm U.S.A., Inc., otherwise would be or would have been liable, including for any infringement alleged in this matter, and references herein to Defendant LG Electronics U.S.A., Inc. should be understood to encompass such acts by LG Electronics MobileComm U.S.A., Inc.

JURISDICTION AND VENUE

7. This action arises under the patent laws of the United States, Title 35 of the United States Code.

8. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

9. This Court has personal jurisdiction over LG Electronics Inc., and LG Electronics U.S.A., Inc., because, directly or through intermediaries, each has committed acts within the Western District of Texas giving rise to this action and/or has established minimum contacts with the Western District of Texas such that the exercise of jurisdiction would not offend traditional notions of fair play and substantial justice.

10. For example, on information and belief, Defendants LG Electronics U.S.A., Inc. maintains one or more physical fixed places of business in Texas, including offices at 9420 Research Blvd, Austin, Texas 78759. See also <https://lgcareers.com/search/?=&businessunit=LG%20Electronics%20USA&spage=2> (last visited June 20, 2019) (listing available LG Electronics USA job positions, including position in Austin, Texas).

11. Further, on information and belief, LG Electronics Inc. directs and controls the actions of LG Electronics U.S.A., Inc. such that it also effectively maintains places of business in Texas, including at 9420 Research Blvd, Austin, Texas 78759.

12. In addition, LG Electronics Inc. and LG Electronics U.S.A., Inc., have placed or contributed to placing infringing products like the LG G5 into the stream of commerce via an established distribution channel knowing or understanding that such products would be sold and used in the United States, including in the Western District of Texas.

13. On information and belief, LG Electronics Inc., and LG Electronics U.S.A., Inc., also have each derived substantial revenues from infringing acts in the Western District of Texas, including from the sale and use of infringing products like the LG G5.

14. Venue is proper under 28 U.S.C. § 1391(b)-(c) and 28 U.S.C. § 1400.

15. In particular, LG Electronics Inc. is a corporation organized and existing under the laws of the Republic of Korea, and LG Electronics U.S.A., Inc. has maintained a regular and established physical place of business in Austin, Texas, including at least at 9420 Research Blvd, Austin, Texas 78759. *In re HTC Corp.*, 889 F.3d 1349, 1354 (Fed. Cir. 2018); *In re Cray Inc.*, 871 F.3d 1355, 1362-63 (Fed. Cir. 2017).

THE ASSERTED PATENT

16. This lawsuit asserts causes of action for infringement of United States Patent No. 6,411,941 (“the ’941 patent”), which is entitled “Method of Restricting Software Operation Within a License Limitation.” A true and correct copy of the ’941 patent is attached as Exhibit A.

17. The U.S. Patent and Trademark Office duly and legally issued the ’941 patent on June 25, 2002.

18. Subsequent to issue, and at least by December 21, 2004, all right, title, and interest in the ’941 patent, including the sole right to sue for any infringement, were assigned to Ancora Technologies, Inc., which has held, and continues to hold, all right, title, and interest in the ’941 patent.

19. The president of Ancora Technologies, Inc.—Mr. Miki Mullor—is one of the inventors of the ’941 patent.

20. A reexamination certificate to the ’941 patent subsequently was issued on June 1, 2010. A true and correct copy of that certificate is attached as Exhibit A.

21. Since being assigned to Ancora Technologies, Inc., the ’941 patent has been asserted in patent infringement actions filed against Microsoft Corporation, Dell Incorporated, Hewlett Packard Incorporated, Toshiba America Information Systems, Apple Incorporated, HTC America, Inc., and HTC Corporation.

22. In the course of these litigations, a number of the ’941 patent’s claim terms have been construed and the validity of the ’941 patent has repeatedly been affirmed.

23. For example, in December 2012, the United States District Court for the Northern District of California issued a claim construction order construing the terms (1) “volatile memory”; (2) “non-volatile memory”; (3) “BIOS”; (4) “program”; (5) “license record”; and (6) “verifying the

program using at least the verification structure.” *Ancora Techs., Inc. v. Apple Inc.*, No. 11–CV–06357 YGR, 2012 WL 6738761, at *1 (N.D. Cal. Dec. 31, 2012).

24. Further, in its order, the court rejected Apple’s indefiniteness arguments and further held that, at least with respect to Claims 1-3 and 5-17, “[t]he steps of the Claim do not need to be performed in the order recited.” *Ancora Techs., Inc. v. Apple Inc.*, No. 11–CV–06357 YGR, 2012 WL 6738761, at *5, 13 (N.D. Cal. Dec. 31, 2012).

25. Subsequently, the United States Court of Appeals for the Federal Circuit affirmed the district court’s rejection of Apple’s indefiniteness argument. *Ancora Techs., Inc. v. Apple, Inc.*, 744 F.3d 732, 739 (Fed. Cir. 2014).

26. Further, the Federal Circuit agreed with Ancora Technologies, Inc. that “the district court erred in construing ‘program’ to mean ‘a set of instructions for software applications that can be executed by a computer’”—holding that, as Ancora had argued, the term should be accorded its normal meaning of “‘a set of instructions’ for a computer.” *Ancora Techs., Inc. v. Apple, Inc.*, 744 F.3d 732, 734-35, 737 (Fed. Cir. 2014).

27. Further, in a recent decision, the Federal Circuit again affirmed the validity of the ’941 patent—stating: “[W]e conclude that claim 1 of the ’941 patent is not directed to an abstract idea.” *Ancora Techs., Inc. v. HTC Am., Inc.*, 908 F.3d 1343 (Fed. Cir. 2018), *as amended* (Nov. 20, 2018).

28. In addition, the Patent Trial and Appeal Board rejected HTC’s request to institute covered business method review proceedings on the ’941 patent—explaining that “the ’941 patent’s solution to the addressed problem is rooted in technology, and thus, is a ‘technical solution’” and also rejecting HTC’s argument that “the ’941 patent recites a technological solution that is not novel and nonobvious.” A true and correct copy of this decision is attached as Exhibit B.

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