

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

MAXELL, LTD.,

Plaintiff,

v.

APPLE INC.,

Defendant.

Civil Action No. 6:21-cv-00158

**COMPLAINT AND DEMAND
FOR JURY TRIAL**

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. Maxell's well-recognized logo and iconic "blown away" image exemplify the reputation Maxell carefully developed in these markets.



4. As more fully described below, in 2009 Hitachi, Ltd. assigned much of its consumer product-facing intellectual property to Hitachi Consumer Electronics Co., Ltd. Then, in 2013, Hitachi Consumer Electronics Co., Ltd. assigned the intellectual property, including the patents in this case, to Hitachi Maxell, Ltd., which later assigned the patents to Maxell as a result of a reorganization and name change. This reorganization was an effort to align its intellectual property with the licensing, business development, and research and development efforts of Maxell, including in the mobile and mobile-media device market (Hitachi, Ltd. and Hitachi Consumer Electronics Co., Ltd. are referred to herein collectively as "Hitachi"). 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 the state of Texas, 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, including the identification of specific products that are infringing. Through this process, Apple's representatives requested and received detailed explanations regarding Maxell's patents and allegations. In 2018, for example, Maxell provided written correspondence to Apple that identified specific products and claims of Maxell patents (including claims of six of the patents asserted herein) that Apple was, and continues to infringe. A resident of Marshall, Texas, Alan Loudermilk, was involved in these extensive licensing negotiations with Apple on Maxell's behalf.

6. 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. Apple elected, however, not to enter into an agreement and did not license Maxell's patents. Accordingly, in 2019, Maxell brought litigation against Apple asserting infringement of ten other patents from the same portfolio of which the currently asserted

patents are a part. Case No. 5:19-cv-00036-RWS (E.D. Tex.). Maxell also brought litigation against Apple asserting infringement of five other patents in 2020 in this Court. Case No. 6:20-cv-00646 (W.D. Tex.). Apple has moved for that case to be stayed pending a parallel ITC Action. Yet, Apple has still elected not to license Maxell's patents and these prior litigations remain pending. The result is that Apple has continued, and continues today, to make, use, sell and offer for sale Maxell's patented technology without license.

7. Since 2014, Maxell has had regular and continuous business in 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. MRDA is part of a joint venture with another business in Marshall, and the entities work together on research and development related to IoT, mobile, media and battery technologies. MRDA's ongoing projects include, for example, the research and development of lensless camera technology, which Maxell hopes will be utilized for sensor and camera technology in smartphones. Prior to the pandemic, Maxell engineers and executives would regularly travel to Marshall to meet and work to expand the research and development activities, business, and investments being made by Maxell, MRDA, and their business partners in Texas to further the goals of these companies. While these efforts continue remotely for the time being, they will continue in-person once travel restrictions are eased.

8. In addition to the litigations filed against Apple, noted above, Maxell has filed five other lawsuits in Texas in order to enforce the patent portfolio of which the currently asserted patents are a part against various smartphone manufacturers including ASUSTeK Computer Inc., Huawei Technologies Co. Ltd., and ZTE (USA) Inc. Three of the patents accused of infringement herein, including U.S. Patent Nos. 8,736,729, 6,816,491, and 8,098,695 were previously asserted

in the Eastern District of Texas against ZTE (USA), Inc., ZTE Corporation, and/or ASUSTeK Computer Inc. The prior case against and ZTE (USA) Inc., *Maxell Ltd. v. ZTE (USA) Inc.*, Case No. 5:16-cv-00179-RWS, culminated in a ten day jury trial resulting in a verdict in favor of Maxell. At this point, all of Maxell's cases, except those against Apple, have been resolved and dismissed.

PARTIES

9. Plaintiff Maxell, Ltd. is a Japanese corporation with a registered place of business at 1 Koizumi, Oyamazaki, Oyamazaki-cho, Otokuni-gun, Kyoto, Japan.

10. 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 and regular and established places of business at 12545 Riata Vista Cir, Austin, Texas and 5501 W. Parmer Lane, Austin, Texas, as well as other locations in Texas (*e.g.*, 3121 Palm Way, Austin, 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 Western District of Texas. Apple may be served with process through its registered agent for service in Texas: CT Corporation System, 1999 Bryan Street, Suite 900, Dallas, Texas 75201.

NATURE OF THE ACTION, JURISDICTION, AND VENUE

11. Maxell brings this action for patent infringement under the patent laws of the United States, 35 U.S.C. § 271 *et seq.*

12. 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.

13. 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

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