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15 *Attorneys for Plaintiffs*
Samsung Electronics Co., Ltd. and
16 *Samsung Electronics America, Inc.*

17
18 **UNITED STATES DISTRICT COURT**
NORTHERN DISTRICT OF CALIFORNIA

19
20 SAMSUNG ELECTRONICS CO., LTD and)
SAMSUNG ELECTRONICS AMERICA,)
21 INC.)

22 Plaintiffs,)

23 v.)

24 IXI MOBILE (R&D) LTD. and IXI IP,)
LLC,)

25 Defendants.)
26)
27)
28)

CASE NO. _____

**COMPLAINT FOR DECLARATORY
JUDGMENT OF
NONINFRINGEMENT AND
INVALIDITY**

DEMAND FOR JURY TRIAL

1 Plaintiffs Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. (collectively,
2 “Samsung”) seek a declaratory judgment against Defendants IXI Mobile (R&D), Ltd. and IXI IP, LLC
3 that (1) Samsung does not infringe U.S. Patent No. 7,295,532 (the “’532 Patent”) and (2) the ’532
4 Patent is invalid.

5 **NATURE OF THE ACTION**

6 1. This is an action for a declaratory judgment arising under the patent laws of the United
7 States, Title 35 of the United States Code. Samsung seeks a declaratory judgment that res judicata
8 bars IXI from asserting the ’532 Patent against Samsung. In the alternative, Samsung seeks a
9 declaratory judgment that Samsung does not infringe the ’532 Patent and that the ’532 Patent is invalid.

10 **PARTIES**

11 2. Samsung Electronics Corporation, Ltd. (“SEC”) is based in South Korea. SEC designs
12 and manufactures a wide variety of products, including cellular mobile devices.

13 3. Samsung Electronics America, Inc. (“SEA”) is a New York corporation with its
14 principal place of business at 85 Challenger Road, Ridgefield Park, New Jersey 07660.

15 4. On information and belief, Defendant IXI Mobile (R&D) Ltd. (“IXI Mobile (R&D)”),
16 formerly known as IXI Mobile (Israel) Ltd., is a company incorporated and registered under the laws
17 of Israel with a registered address of 11 Moshe Levi Street Lezion 75658, Israel. On information and
18 belief, IXI Mobile (R&D) is a subsidiary of non-party IXI Mobile, Inc. On information and belief, at
19 the time the ’532 Patent was prosecuted, and until at least 2007, IXI Mobile, Inc. and its subsidiary
20 IXI Mobile (R&D) were based in Belmont, California. IXI Mobile (R&D) has alleged that it
21 previously owned the ’532 Patent, and that it now has an exclusive license to the ’532 Patent.

22 5. On information and belief, Defendant IXI IP LLC (“IXI IP”) is a New York limited
23 liability company with its principal place of business at 405 Lexington Avenue, New York, New York
24 10174 and with a registered address for service of 1218 Central Avenue, Suite 100, Albany, New York
25 12205. IXI IP has alleged that it is the owner of the ’532 Patent and has exclusively licensed the ’532
26 Patent to IXI Mobile (R&D). On information and belief, IXI IP is a patent licensing entity formed in
27 April 2014 that produces no products, and instead exists solely to assert IXI’s patents.
28

1 **IXI, FOUNDED IN CALIFORNIA, DEVELOPS, PROSECUTES, ENFORCES, AND**
2 **LICENSES ITS PATENTS IN CALIFORNIA**

3 **A. IXI Was Founded in California and Used California Counsel to Prosecute and**
4 **Obtain the '532 Patent**

5 6. On information and belief, IXI Mobile, Inc. was founded in 2000 and was
6 headquartered in Redwood City or in Belmont, California, both of which are within this District. On
7 information and belief, Defendant IXI Mobile (R&D), the alleged former owner and current exclusive
8 licensee of the '532 Patent, was a subsidiary of IXI Mobile, Inc., and was also located in Redwood
9 City or in Belmont, California, within this District, until at least 2007. A true and correct copy of IXI
10 Mobile, Inc.'s SEC Form 8-K Report dated August 12, 2008, listing the location of IXI Mobile, Inc.'s
11 headquarters in Belmont, California, is attached hereto as Ex. A (IXI Mobile, Inc., Current Report
12 (Form 8-k) (Aug. 13, 2008)). IXI has alleged that during the time in which IXI Mobile, Inc. was
13 headquartered in California, IXI Mobile, Inc. and its subsidiary IXI Mobile (R&D) designed,
14 developed, and commercialized products, including the IXI Ogo family of mobile devices that IXI
15 asserts practice the '532 Patent.

16 7. On information and belief, IXI retained patent prosecution counsel in California to
17 prosecute and secure the '532 Patent. The '532 Patent was prosecuted by the California law firm
18 Century IP Group.

19 8. The U.S. Patent and Trademark Office ("PTO") issued the '532 Patent, titled "System,
20 Device and Computer Readable Medium for Providing Networking Services on a Mobile Device," on
21 November 13, 2007. A true and correct copy of the '532 Patent is attached as Ex. B, which includes
22 an *Ex Parte* Reexamination Certificate, issued June 17, 2020, that issued new and amended claims for
23 the '532 Patent.

24 **B. IXI Sued Samsung For Infringing Originally Issued Claims Of The '532 Patent**
25 **In A Case That Was Transferred To And Currently Remains Pending In The**
26 **Northern District of California**

27 9. On June 17, 2014, IXI sued Samsung in the U.S. District Court for the Southern District
28 of New York, alleging that Samsung devices that include "Wireless Hotspot" functionality (the

1 “accused products”) infringe certain originally issued claims of the ’532 Patent. *See* Complaint, *IXI*
2 *Mobile (R&D) Ltd. et al. v. Samsung Elecs. Co., Ltd. et al.*, No. 1:14-cv-7954-RJS (S.D.N.Y. June 17,
3 2014), Dkt. No. 1.

4 10. IXI similarly sued Apple Inc. (“Apple”) and BlackBerry Limited and BlackBerry
5 Corporation (collectively, “BlackBerry”), in the Southern District of New York for purportedly
6 infringing the same patents. *See IXI Mobile (R&D) Ltd. et al. v. Apple Inc.*, No. 1:14-cv-7954-RJS
7 (S.D.N.Y. Oct. 2, 2014); *IXI Mobile (R&D) Ltd. et al. v. Blackberry Ltd. et al.*, No. 1:14-cv-4428-RJS
8 (S.D.N.Y. filed Jun. 18, 2014). IXI’s lawsuits against Samsung, Apple, and BlackBerry (the “2014
9 Litigations”) were related, but not consolidated.

10 11. On February 3, 2015, Samsung, Apple, and BlackBerry moved to transfer the 2014
11 Litigations from the Southern District of New York to the Northern District of California. On August
12 6, 2015, the Southern District of New York granted the motions and transferred the cases to the
13 Northern District of California. *See* Opinion and Order, *IXI Mobile (R&D) Ltd. et al. v. Apple Inc.*,
14 No. 1:14-cv-7954-RJS (S.D.N.Y. Aug. 6, 2015), Dkt. No. 79. All of the cases were assigned to Judge
15 Gilliam. *See IXI Mobile (R&D) Ltd. et al. v. Apple Inc.*, No. 4:15-cv-3755-HSG (N.D. Cal. filed Aug.
16 17, 2015); *IXI Mobile (R&D) Ltd. et al. v. Samsung Elecs. Co. et al.*, No. 4:15-cv-3752-HSG (N.D.
17 Cal. filed Aug. 17, 2015); *IXI Mobile (R&D) Ltd. et al. v. Blackberry Ltd. et al.*, No. 4:15-cv-3754-
18 HSG (N.D. Cal. filed Aug. 17, 2015)

19 12. In the 2014 Litigations, Samsung, Apple, and BlackBerry deposed a California-based
20 co-inventor of the ’532 and ’033 Patents in Palo Alto, California, which is within this District, on July
21 1, 2015.

22 C. Cancellation of IXI’s Originally Asserted Claims of the ’532 Patent

23 13. On June 19, 2015, Samsung and Apple filed two petitions for *inter partes* review
24 (“IPR”) with the Patent Trial and Appeal Board (“PTAB”) on all of the originally issued claims of the
25 ’532 Patent that were asserted in the 2014 Litigations. *Samsung Elecs. Co., Ltd. et al. v. IXI IP, LLC*,
26 No. IPR2015-01442 (P.T.A.B. Jun. 19, 2015) (the “-01442 IPR”); *Samsung Elecs. Co., Ltd. et al. v.*
27 *IXI IP, LLC*, No. IPR2015-01443 (P.T.A.B. Jun. 19, 2015) (the “-01443 IPR”). Each petition
28

1 challenged the same claims, but on different grounds based on different combinations of prior art
2 references.

3 14. On December 30, 2015, the PTAB instituted review of all the challenged claims of the
4 '532 Patent in the -01443 IPR petition except for claim 10. The PTAB declined to institute the -01442
5 IPR petition. On December 21, 2016, the PTAB found that all of the instituted claims in the -01443
6 IPR were obvious.

7 15. IXI did not appeal PTAB's final written decision regarding the '532 Patent. The PTO
8 issued an IPR certificate cancelling all challenged claims of the '532 Patent except for claim 10 on
9 February 27, 2018.

10 16. IXI subsequently disclaimed claim 10 on December 12, 2019.

11 **D. *Ex Parte* Reexamination of the '532 Patent and IXI's Accusations Against**
12 **Samsung for Infringement of Claims Involved in the Reexamination**

13 17. On April 3, 2018, Apple filed a request for ex parte reexamination of claims 2, 3, 6, 10,
14 and 11 of the '532 Patent. The PTO ordered the reexamination and subsequently rejected all
15 challenged claims. Ex. C (2018-09-25 Non-Final Office Action). In response, IXI cancelled or
16 amended the rejected claims of the '532 patent, and proposed new claims. Ex. D (2019-02-20 Office
17 Action Response).

18 18. On March 5, 2019, IXI sent an email to Samsung regarding the then-pending claims in
19 the ongoing ex parte reexamination of the '532 Patent. The letter stated: "Attached to this email is a
20 set of the new claims that IXI recently submitted in conjunction with that reexamination proceeding.
21 Please let this serve as notice of infringement to your clients in this matter for these new claims and
22 as notice that IXI intends to seek leave to amend its infringement contentions [in the 2014 Litigations]
23 to include the new claims of the '532 Patent." See Ex. E (Email from IXI to Samsung (March 5,
24 2019)).

25 19. On March 7, 2019, IXI filed a motion in the 2014 Litigations to amend its preliminary
26 infringement contentions to add, inter alia, unspecified pending claims of the ongoing ex parte
27 reexamination of the '532 Patent. Samsung argued that IXI's motion should be barred because the
28 Court did not have subject matter jurisdiction over claims that had yet to issue or, alternatively, that

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