

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Case No. 9:19-cv-81160-RS

APPLE INC.,

Plaintiff,

v.

CORELLIUM, LLC,

Defendant.

SECOND AMENDED COMPLAINT AND DEMAND FOR JURY TRIAL

1. Plaintiff Apple Inc. (“Apple”) brings this complaint against Corellium, LLC (“Corellium”) for copyright infringement in violation of 17 U.S.C. § 501 and unlawful trafficking of a product used to circumvent security measures in violation of 17 U.S.C. § 1201.

INTRODUCTION

2. This is a straightforward case of infringement of highly valuable copyrighted works, along with the trafficking of and profiting from technology that enables such infringement. Corellium’s business is based entirely on commercializing the illegal replication of the copyrighted operating system and applications that run on Apple’s iPhone, iPad, and other Apple devices. The product Corellium offers is a “virtual” version of Apple mobile hardware products, accessible to anyone with a web browser. Specifically, Corellium serves up what it touts as a perfect digital facsimile of a broad range of Apple’s market-leading devices—recreating with fastidious attention to detail not just the way the operating system and

applications appear visually to *bona fide* purchasers, but also the underlying computer code. Corellium does so with no license or permission from Apple.

3. Corellium’s conduct plainly infringes Apple’s copyrights. This is not a case in which it is questionable or unclear whether the defendant reproduced the rights-owner’s works, or more subtly, whether particular portions of the works that the defendant took are ultimately protected by federal copyright law. Instead, Corellium simply copies everything: the code, the graphical user interface, the icons—all of it, in exacting detail. And that’s not all. Corellium goes even farther by providing its users with the tools to do the same.

4. Corellium explicitly markets its product as one that allows the creation of “virtual” Apple devices. For a million dollars a year, Corellium will even deliver a “private” installation of its product to any buyer. There is no basis for Corellium to be selling a product that allows the creation of avowedly perfect replicas of Apple’s devices to anyone willing to pay.

5. Although Corellium paints itself as providing a research tool for those trying to discover security vulnerabilities and other flaws in Apple’s software, Corellium’s true goal is profiting off its blatant infringement. Far from assisting in *fixing* vulnerabilities, Corellium encourages its users to sell any discovered information on the open market to the highest bidder. Indeed, Corellium’s largest customer admits that it has *never* reported any bugs to Apple.¹

6. Apple strongly supports good-faith security research on its platforms, and has never pursued legal action against a security researcher. Not only does Apple publicly credit researchers for reporting vulnerabilities, it has created several programs to facilitate such research activity so that potential security flaws can be identified and corrected. Apple’s

¹ Lorenzo Franceschi-Bicchierai, *iPhone Emulation Company Sued by Apple Says It’s Making iPhones Safer*, Motherboard Vice (Oct. 29, 2019), https://www.vice.com/en_us/article/8xw7gx/iphone-emulation-company-sued-by-apple-says-its-making-iphones-safer.

programs include providing as much as \$1 million per report through “bug bounty” programs in accordance with the provisions of those programs. Apple has also announced that it will provide custom versions of the iPhone to legitimate security researchers to allow them to conduct research on Apple devices and software. These efforts recognize the critical role that members of the security research community play in Apple’s efforts to ensure its devices contain the most secure software and systems available.

7. The purpose of this lawsuit is not to encumber good-faith security research, but to bring an end to Corellium’s unlawful commercialization of Apple’s valuable copyrighted works. Accordingly, Apple respectfully seeks an injunction, along with the other remedies described below, to stop Corellium’s acts of naked copyright infringement.

THE PARTIES

8. Apple Inc. is a California corporation with its principal place of business at One Apple Park Way, Cupertino, California 95014.

9. On information and belief, Corellium, LLC is a limited liability company registered in Delaware with its principal place of business at 630 George Bush Blvd., Delray Beach, Florida 33483.

JURISDICTION AND VENUE

10. Pursuant to 28 U.S.C. § 1338(a), this Court has subject matter jurisdiction over Apple’s claims for relief for violations of the federal copyright statute.

11. This Court has personal jurisdiction over Corellium because it resides, maintains offices, and conducts business in this State.

12. Venue in this Court is proper under 28 U.S.C. § 1400(a). Corellium resides in this District because its principal place of business is located in this District.

FACTS COMMON TO ALL CLAIMS FOR RELIEF

A. Apple's Copyrighted Works

13. Apple is a leading designer and manufacturer of mobile communication devices, personal computers, and media devices. Apple sells a variety of related software, services, accessories, and third-party digital content and applications. Apple's products and services include iPhone®, Mac®, iPad®, Apple Watch®, AirPods®, AppleTV®, Beats® products, HomePod™, a portfolio of consumer and professional software applications, iOS, iPadOS™, macOS®, watchOS® and tvOS® operating systems, iCloud®, Apple Pay® and a variety of accessory, service, and support offerings. Apple sells and delivers digital content through the iTunes Store®, App Store®, Mac App Store, TV App Store, Book Store and Apple Music®. Apple has created numerous innovative technologies that have changed the face of the computer and telecommunications industries.

14. One such technology is the iOS operating system. iOS comes pre-installed on Apple mobile devices, including the iPhone, iPad, and iPod Touch. As the operating system for these mobile devices, iOS is the technological foundation for software “application” programs (or “apps”) that serve particular functions for end-users—from shopping to playing music and beyond. Both Apple and third-party programmers write and develop apps that run on iOS.

15. Apple has periodically created and released new versions of iOS to enhance the functionality and security of the operating system and the devices it runs. Apple released its prior major version of iOS, iOS 12, on September 17, 2018, to coincide with its release of the latest versions of the iPhone—iPhone XS and iPhone XS Max (both of which Apple released on September 21, 2018), and iPhone XR (which Apple released on October 26, 2018). Apple released iOS 13 on September 19, 2019.

16. In addition to an operating system and certain applications, Apple's mobile devices include a number of graphic design elements that Apple has created. These include background wallpaper images, icons, and other features that make iOS and iTunes visually attractive to consumers. These visual design elements (referred to here as "graphical user interface elements," or, more formally, "GUI Elements") are critical to the appeal of Apple's products, and Apple continually updates them to account for design trends and changing tastes.

17. Apple owns copyrights in (i) each version of iOS, (ii) each version of iTunes, and (iii) the GUI Elements, including different versions of graphic icons and preinstalled background wallpaper images. A list of copyright registrations for the works-in-suit is provided in Exhibit A. Apple registered all or virtually all of these copyrights with the U.S. Copyright Office either prior to Corellium's acts of infringement, or within three months of publication.

18. Apple has put in place a series of technological protection measures that control access to and protect Apple's exclusive rights in its software. These include several measures that prevent iOS and iTunes from being installed onto non-Apple-manufactured hardware. In addition, after iOS is installed on an Apple device, iOS includes software restrictions that prevent unfettered access to the operating system. Among other things, these restrictions prevent a user from modifying the operating system.

19. These various technological protection measures both control access to iOS and iTunes (for example, by requiring that users access the installed version of that software only on an Apple-manufactured device) and protect Apple's exclusive rights (for example, by preventing the creation of unauthorized derivative versions of iOS).

20. Four other points regarding Apple's products are relevant to this action. First, in the course of creating and upgrading its market-leading mobile devices, Apple has spent

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