

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

FAT STATZ, LLC

*Plaintiff,*

vs.

SAMSUNG ELECTRONICS CO., LTD.,  
and SAMSUNG ELECTRONICS AMERICA,  
INC.

*Defendants.*

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Case No. \_\_\_\_\_

**JURY TRIAL DEMANDED**

**COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff Fat Statz, LLC (“Fat Statz”) brings this action against defendants Samsung Electronics Co., Ltd, (“SEL”) and Samsung Electronics America, Inc. (“SEA”) (collectively “Samsung”), and alleges:

**THE PARTIES**

1. Fat Statz, LLC is a company organized and existing under the laws of California. Fat Statz owns the entire right, title, and interest in the patent at issue in this case.

2. On information and belief, Samsung Electronics Co., Ltd., is a corporation organized and existing under the laws of the Republic of Korea, with its principal place of business located at 129, Samsung-ro, Yeongtong-gu, Suwon-si, Gyeonggi-do, 443-742, Republic of Korea. Upon information and belief, SEL does business in Texas and this District, directly or through intermediaries, and offers its products and/or services, including those accused herein of infringement, to customers and potential customers located in Texas, including this District.

3. On information and belief, Samsung Electronics America, Inc. is a corporation organized and existing under the laws of New York, has a principal place of business at 85 Challenger Rd, Ridgefield Park, NJ 07660-2101 and has offices in the Eastern District of Texas at 6625

Excellence Way, Plano, Texas 75023. SEA is doing business in this judicial district. SEA has designated its registered agent for purposes of service of process in Texas as CT Corporation System, 1999 Bryan St., Suite 900, Dallas, Texas 75201-3136.

4. On information and belief, Samsung has authorized sellers, employees, agents and/or sales representatives that regularly conduct business, market, promote, sell and/or offer to sell products pertinent to this suit throughout Texas and this District, including at the aforementioned address and at other locations in this District, such as Best Buy locations in this District and throughout the state of Texas.

#### **JURISDICTION AND VENUE**

5. This is an action for patent infringement of U.S. Patent No. 9,757,066 (“the ‘066 patent”), arising under the provisions of the Patent Laws of the United States of America, Title 35, United States Code.

6. Subject-matter jurisdiction over Fat Statz’ claims is conferred upon this Court by 28 U.S.C. §§ 1331 and 1338(a).

7. On information and belief, each defendant has solicited business in the State of Texas, transacted business within the State of Texas and attempted to derive financial benefit from residents of the State of Texas, including benefits directly related to the instant patent infringement cause of action set forth herein.

8. On information and belief, SEA has a regular and established place of business in this District and has committed acts of infringement in this District.

9. On information and belief, SEL is a foreign company, organized under the laws of South Korea.

10. On information and belief, SEA and SEL have made, used, sold, offered to sell and/or imported smartphones that have the Samsung Health app (previously known as S Health) preloaded or

preinstalled, or available for download, and “wearables” (including “smart watches”) that have the Samsung Health app and that communicate with such Samsung smartphones. Such smartphones include the Galaxy S series (including the S 10, S10e, S10+, S20, S20+, S20 Ultra 5G, S9, S9+, S8, S8+, S7, S7 Edge, S6), the Galaxy Note series (including the Note 10, 10+, 9), the Galaxy A series (including the A20, A10e, A50, A6) and/or Galaxy Z series (including the Fold and Z Flip). Such “wearables” include the Galaxy Watch Active, Galaxy Watch Active2 (LTE), Galaxy Watch Active2, Galaxy Watch, Galaxy Watch (LTE), and Galaxy Fit. SEA and SEL has placed such smartphones and wearables into the stream of commerce, which smartphones and wearables with Samsung Health have been offered for sale, sold, and/or used in the State of Texas.

11. On information and belief, each defendant has made, used, sold, offered for sale and/or imported infringing smart phones and wearables with the Samsung Health app, and/or have each placed such infringing devices into the stream of commerce, which systems and/or devices have been made, offered for sale, sold, and/or used in the State of Texas.

12. This Court has personal jurisdiction over each defendant.

13. Each defendant is subject to personal jurisdiction in Texas and this District, and is doing business in this District.

14. On information and belief, Samsung has for, each named defendant, admitted or not contested venue in this District in other patent infringement actions.

15. Venue is proper in this judicial district under 28 U.S.C. §§ 1400(b) and 1391(b) and (c).

#### **BACKGROUND OF FAT STATZ**

16. Fat Statz was formed in 2002 and conducted business under the d/b/a BodySpex. Its mission was to address the motivational needs of people with health and fitness goals. In furtherance of addressing the motivational needs of such people, Fat Statz sought to develop equipment that

provided users with immediate feedback that would fill a person's desire for temporal reward that is inherently lacking in dieting and exercise.

17. Prior to the invention of the '066 patent, Fat Statz designed and manufactured equipment that facilitated the measurement of body composition. This equipment was placed in fitness facilities. Yet the problem of motivating people to achieve the health goals remained. The inventors of the '066 patent recognized the need for a solution to this problem. The inventors of the '066 patent recognized that, in one aspect, a system using biometric data uploaded to a server that could provide rewarding and motivating feedback was desired. The inventors of the '066 patent also recognized a need for a system that included feedback related to dynamic data of more than just one user. The inventors of the '066 patent also recognized a need for users to access a system in which a user could compare such dynamic data of him or herself with others, provide a system with an interface in which the data could be filtered, and a system that included changeable ranks for its users in comparison to other users. Recognition of these problems and solutions lead the inventors of the '066 patent to invent the inventions of the '066 patent.

#### **THE PATENTED INVENTIONS**

18. On September 12, 2017, U.S. Patent No. 9,757,066 entitled "Metrics Assessment System For Health, Fitness and Lifestyle Behavioral Management" (attached as Exhibit A) was duly and legally issued. The '066 patent has been assigned to Fat Statz. Fat Statz owns all right, title and interest in the '066 patent, including the right to sue for and recover all past, present and future damages for infringement of the '066 patent.

19. The '066 patent is presumed valid.

20. The '066 patent is directed to a particular concrete solution to problems that were recognized by the inventors of the '066 patent. The inventions of the '066 patent relate to a new, novel and useful system that constitutes one or more machines that include biometric hardware devices

claimed in claim 1 of the '066 patent working in conjunction with computer hardware and software, such combination being a tangible system that provides more effective and efficient techniques and systems for effective health and lifestyle management. As such, the claimed inventions of the '066 patent are expressly deemed a category of patentable inventions by the United States Congress pursuant to 35 U.S.C. Section 101, which provides that anyone who invents a new and useful machine or any new and useful improvement thereto may obtain a patent thereon. The claims of the '066 patent, including claims 1 and 3, are directed to a system that includes a biometric device which is specifically claimed in claim 1 and hardware and software with the capability to generate and utilize an actively defined data set, allows users to utilize specific filters that generate a filtered data subset based on a specific filter and provide changeable rankings and positions. The systems claimed in the '066 patent are further directed to a system that includes a biometric device, such as a pedometer, with hardware and software being a specific and substantial improvement over the prior art and generic computers.

**21.** As disclosed in the '066 patent, diet, exercise and personal health markets are a multi-billion dollar industry in the United States; yet significant numbers of adults are overweight. Obesity has been linked to serious and fatal health conditions, lost productivity and increased health care costs. Despite these consequences and costs, as recognized in the '066 patent, many people remain unmotivated to achieve a healthy weight. Diets, weight loss counseling, prepared meals, support groups and fitness clubs, among other techniques have been tried for years to obtain a desired goal such as a fixed measurement of weight. Yet, prior to the inventions of the '066 patent, there remained a need for a tangible system that motivates users and provides behavior management using a novel combination of devices that provide users with a set of metrics that are fresh, motivating and meaningful. The inventions of the '066 patent address those needs and the deficiencies in the prior art. The inventions of the '066 patent are different than the prior art and are unconventional. Additionally, the inventions of the '066 patent improve computer functionality by, in general, forming a system

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