

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

SHARP CORPORATION,

Plaintiff,

v.

AU OPTRONICS CORP. and AU
OPTRONICS CORPORATION AMERICA,

Defendants.

C.A. No. _____

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff, Sharp Corporation (“Sharp”), for its complaint against Defendants AU Optronics Corp. and AU Optronics Corporation America (“AUO” or “Defendants”), states and alleges as follows:

INTRODUCTION

1. Sharp engages in research, manufacturing and marketing of advanced electronic and electrical products, including information and communications equipment and systems, electronic components, and household appliances. The United States Patent and Trademark Office has awarded Sharp numerous patents that reflect its innovation and protect the company’s investment in the technology it has developed. Among these are patents relating to technology used in liquid crystal display (“LCD”) devices, including United States Patent Nos. 6,879,364 (“the ’364 patent”); 7,304,626 (“the ’626 patent”); 7,532,183 (“the ’183 patent”); 7,283,192 (“the ’192 patent”); 6,937,300 (“the ’300 patent”); 7,057,689 (“the ’689 patent”); and 7,838,881 (“the ’881 patent”)) (collectively, “the Sharp patents”).

2. Prior to January 1, 2011, AUO was licensed under most of the Sharp patents. AUO does not currently have a license to Sharp’s patented technology to make, use,

sell, offer to sell, or import LCD devices or LCD products. AUO's LCD products continue to be available in the United States, including in this judicial district, since the expiration of AUO's license on December 31, 2010. Such instances are evidence of AUO's continuing infringing manufacture, assembly, use, importation, or sale of Sharp's patented technology.

PARTIES

3. Plaintiff Sharp is a corporation organized under the laws of Japan, with its principal place of business at 22-22 Nagaike-cho, Abeno-ku, Osaka 545-8522, Japan. Sharp and its subsidiaries have facilities worldwide, including offices in the United States, Japan, Canada, China, Great Britain, Korea and Taiwan.

4. On information and belief, Defendant AU Optronics Corp. is a Taiwanese corporation with its principal place of business at No. 1 Li-Hsin Road 2, Hsinchu Science Park, Hsinchu 300, Taiwan. On information and belief, Defendant AU Optronics Corporation America is a California corporation with its principal place of business at 9720 Cypresswood Drive, Suite 241, Houston, TX 77070, and is a subsidiary of AU Optronics Corp. On information and belief, Defendants AU Optronics Corp. and AU Optronics Corporation America are in the business of, *inter alia*, manufacturing and selling LCD devices that are imported into the United States or incorporated into products that are imported into the United States.

JURISDICTION AND VENUE

5. This action arises under the patent laws of the United States, Title 35, United States Code § 1, *et seq.* The jurisdiction of this Court over the subject matter of this action is proper under 28 U.S.C. §§ 1331 and 1338.

6. This Court has personal jurisdiction over Defendants because they have minimum contacts with this forum as a result of business regularly conducted within the State of

Delaware and within this district and specifically as a result of, at least, Defendants' distribution networks wherein Defendants place products that infringe Sharp's patents within the stream of commerce such that those products are imported into the United States and flow into Delaware and this district, and by committing the tort of patent infringement within Delaware and this district.

7. Venue is proper in this Court under 28 U.S.C. §§ 1391(b) and (c) and 1400(b).

PATENTS AT ISSUE

8. U.S. Patent No. 6,879,364, "Liquid Crystal Display Apparatus Having Alignment Control For Brightness And Response," issued on April 12, 2005. The '364 patent identifies Takahiro Sasaki, Arihiro Takeda, Katsufumi Ohmuro, Hideo Chida, Yoshio Koike, Kimiaki Nakamura, and Kunihiro Tashiro as the inventors. Sharp is the owner, by valid assignment, of the entire right, title and interest in and to the '364 patent. A copy of the '364 patent is attached hereto as Exhibit A.

9. U.S. Patent No. 7,304,626, "Display Device and Display Method," issued on December 4, 2007. The '626 patent identifies Toshihiro Yanagi, Hideki Morii, and Hidekazu Miyata as the inventors. Sharp is the owner, by valid assignment, of the entire right, title and interest in and to the '626 patent. A copy of the '626 patent is attached hereto as Exhibit B.

10. U.S. Patent No. 7,532,183, "Liquid Crystal Display Device and Its Drive Method," issued on May 12, 2009. The '183 patent identifies Katsufumi Ohmuro, Arihiro Takeda, Hideo Chida, Kimiaki Nakamura, and Yoshio Koike as the inventors. Sharp is the owner, by valid assignment, of the entire right, title and interest in and to the '183 patent. A copy of the '183 patent is attached hereto as Exhibit C.

11. U.S. Patent No. 7,283,192, "Liquid Crystal Display," issued on October 16, 2007. The '192 patent identifies Fumikazu Shimoshikiro as the inventor. Sharp is the owner, by valid assignment, of the entire right, title and interest in and to the '192 patent. A copy of the '192 patent is attached hereto as Exhibit D.

12. U.S. Patent No. 6,937,300, "Liquid Crystal Display Device and Method of Fabricating the Same," issued on August 30, 2005. The '300 patent identifies Hiroyasu Inoue, Yuji Nakahata, and Yoji Taniguchi as the inventors. Sharp is the owner, by valid assignment, of the entire right, title and interest in and to the '300 patent. A copy of the '300 patent is attached hereto as Exhibit E.

13. U.S. Patent No. 7,057,689, "Liquid Crystal Display With At Least One Phase Compensation Element," issued on June 6, 2006. The '689 patent identifies Shinichi Terashita, Fumikazu Shimoshikiro, and Shuichi Kozaki as the inventors. Sharp is the owner, by valid assignment, of the entire right, title and interest in and to the '689 patent. A copy of the '689 patent is attached hereto as Exhibit F.

14. U.S. Patent No. 7,838,881, "Active Matrix Substrate, Display Device, Television Apparatus, Manufacturing Method of an Active Matrix Substrate, and Manufacturing Method of a Display Device," issued on November 23, 2010. The '881 patent identifies Toshihide Tsubata as the inventor. Sharp is the owner, by valid assignment, of the entire right, title and interest in and to the '881 patent. A copy of the '881 patent is attached hereto as Exhibit G.

COUNT ONE
INFRINGEMENT OF THE '364 PATENT

15. Sharp realleges and incorporates by reference paragraphs 1 through 14 as if set forth herein in full.

16. In violation of 35 U.S.C. § 271, Defendants are now, and have been, directly infringing, contributorily infringing and/or inducing infringement of the '364 patent by, among other things, making, using, offering to sell, selling and/or importing without authority or license from Sharp LCD devices (including but not limited to LCD panels and LCD modules) manufactured by AUO, its subsidiaries, and its agents or third-party contract manufacturers and LCD products containing such AUO LCD devices.

17. On information and belief, Defendants have had knowledge of the '364 patent through direct or indirect communications with Sharp and/or as a result of their participation in the LCD industry. Thus Defendants' infringement of the '364 patent is and has been deliberate and willful.

18. Unless enjoined, Defendants will continue to infringe the '364 patent, and Sharp will suffer irreparable injury as a direct and proximate result of Defendants' conduct.

19. Sharp has been damaged by Defendants' conduct, and until an injunction issues will continue to be damaged in an amount yet to be determined.

COUNT TWO
INFRINGEMENT OF THE '626 PATENT

20. Sharp realleges and incorporates by reference paragraphs 1 through 19 as if set forth herein in full.

21. In violation of 35 U.S.C. § 271, Defendants are now, and have been, directly infringing, contributorily infringing and/or inducing infringement of the '626 patent by, among other things, making, using, offering to sell, selling and/or importing without authority or license from Sharp LCD devices (including but not limited to LCD panels and LCD modules) manufactured by AUO, its subsidiaries, and its agents or third-party contract manufacturers and LCD products containing such AUO LCD devices.

22. On information and belief, Defendants have had knowledge of the '626 patent through direct or indirect communications with Sharp and/or as a result of their participation in the LCD industry. Thus Defendants' infringement of the '626 patent is and has been deliberate and willful.

23. Unless enjoined, Defendants will continue to infringe the '626 patent, and Sharp will suffer irreparable injury as a direct and proximate result of Defendants' conduct.

24. Sharp has been damaged by Defendants' conduct, and until an injunction issues will continue to be damaged in an amount yet to be determined.

COUNT THREE
INFRINGEMENT OF THE '183 PATENT

25. Sharp realleges and incorporates by reference paragraphs 1 through 24 as if set forth herein in full.

26. In violation of 35 U.S.C. § 271, Defendants are now, and have been, directly infringing, contributorily infringing and/or inducing infringement of the '183 patent by, among other things, making, using, offering to sell, selling and/or importing without authority or license from Sharp LCD devices (including but not limited to LCD panels and LCD modules) manufactured by AUO, its subsidiaries, and its agents or third-party contract manufacturers and LCD products containing such AUO LCD devices.

27. On information and belief, Defendants have had knowledge of the '183 patent through direct or indirect communications with Sharp and/or as a result of their participation in the LCD industry. Thus Defendants' infringement of the '183 patent is and has been deliberate and willful.

28. Unless enjoined, Defendants will continue to infringe the '183 patent, and Sharp will suffer irreparable injury as a direct and proximate result of Defendants' conduct.

29. Sharp has been damaged by Defendants' conduct, and until an injunction issues will continue to be damaged in an amount yet to be determined.

COUNT FOUR
INFRINGEMENT OF THE '192 PATENT

30. Sharp realleges and incorporates by reference paragraphs 1 through 29 as if set forth herein in full.

31. In violation of 35 U.S.C. § 271, Defendants are now, and have been, directly infringing, contributorily infringing and/or inducing infringement of the '192 patent by, among other things, making, using, offering to sell, selling and/or importing without authority or license from Sharp LCD devices (including but not limited to LCD panels and LCD modules) manufactured by AUO, its subsidiaries, and its agents or third-party contract manufacturers and LCD products containing such AUO LCD devices.

32. On information and belief, Defendants have had knowledge of the '192 patent through direct or indirect communications with Sharp and/or as a result of their participation in the LCD industry. Thus Defendants' infringement of the '192 patent is and has been deliberate and willful.

33. Unless enjoined, Defendants will continue to infringe the '192 patent, and Sharp will suffer irreparable injury as a direct and proximate result of Defendants' conduct.

34. Sharp has been damaged by Defendants' conduct, and until an injunction issues will continue to be damaged in an amount yet to be determined.

COUNT FIVE
INFRINGEMENT OF THE '300 PATENT

35. Sharp realleges and incorporates by reference paragraphs 1 through 34 as if set forth herein in full.

36. In violation of 35 U.S.C. § 271, Defendants are now, and have been, directly infringing, contributorily infringing and/or inducing infringement of the '300 patent by, among other things, making, using, offering to sell, selling and/or importing without authority or license from Sharp LCD devices (including but not limited to LCD panels and LCD modules) manufactured by AUO, its subsidiaries, and its agents or third-party contract manufacturers and LCD products containing such AUO LCD devices.

37. On information and belief, Defendants have had knowledge of the '300 patent through direct or indirect communications with Sharp and/or as a result of their participation in the LCD industry. Thus Defendants' infringement of the '300 patent is and has been deliberate and willful.

38. Unless enjoined, Defendants will continue to infringe the '300 patent, and Sharp will suffer irreparable injury as a direct and proximate result of Defendants' conduct.

39. Sharp has been damaged by Defendants' conduct, and until an injunction issues will continue to be damaged in an amount yet to be determined.

COUNT SIX
INFRINGEMENT OF THE '689 PATENT

40. Sharp realleges and incorporates by reference paragraphs 1 through 39 as if set forth herein in full.

41. In violation of 35 U.S.C. § 271, Defendants are now, and have been, directly infringing, contributorily infringing and/or inducing infringement of the '689 patent by, among other things, making, using, offering to sell, selling and/or importing without authority or license from Sharp LCD devices (including but not limited to LCD panels and LCD modules) manufactured by AUO, its subsidiaries, and its agents or third-party contract manufacturers and LCD products containing such AUO LCD devices.

42. On information and belief, Defendants have had knowledge of the '689 patent through direct or indirect communications with Sharp and/or as a result of their participation in the LCD industry. Thus Defendants' infringement of the '689 patent is and has been deliberate and willful.

43. Unless enjoined, Defendants will continue to infringe the '689 patent, and Sharp will suffer irreparable injury as a direct and proximate result of Defendants' conduct.

44. Sharp has been damaged by Defendants' conduct, and until an injunction issues will continue to be damaged in an amount yet to be determined.

COUNT SEVEN
INFRINGEMENT OF THE '881 PATENT

45. Sharp realleges and incorporates by reference paragraphs 1 through 44 as if set forth herein in full.

46. In violation of 35 U.S.C. § 271, Defendants are now, and have been, directly infringing, contributorily infringing and/or inducing infringement of the '881 patent by, among other things, making, using, offering to sell, selling and/or importing without authority or license from Sharp LCD devices (including but not limited to LCD panels and LCD modules) manufactured by AUO, its subsidiaries, and its agents or third-party contract manufacturers and LCD products containing such AUO LCD devices.

47. On information and belief, Defendants have had knowledge of the '881 patent through direct or indirect communications with Sharp and/or as a result of their participation in the LCD industry. Thus Defendants' infringement of the '881 patent is and has been deliberate and willful.

48. Unless enjoined, Defendants will continue to infringe the '881 patent, and Sharp will suffer irreparable injury as a direct and proximate result of Defendants' conduct.

49. Sharp has been damaged by Defendants' conduct, and until an injunction issues will continue to be damaged in an amount yet to be determined.

DEMAND FOR JURY TRIAL

50. Sharp hereby demands a trial by jury on all issues triable to a jury.

PRAYER FOR RELIEF

WHEREFORE, Sharp prays for relief as follows:

A. For a judicial determination and declaration that Defendants directly, contributorily and through inducement infringe the Sharp patents, and that their infringement is willful;

B. For an order preliminarily and permanently enjoining Defendants and their directors, officers, employees, attorneys, agents and all persons in active concert or participation with Defendants from further acts of direct infringement, contributory infringement, or inducement of infringement of the Sharp patents;

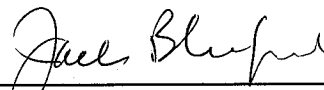
C. For damages resulting from infringement of the Sharp patents by Defendants in an amount to be determined at trial, and the trebling of such damages due to the willful nature of their infringement;

D. For an award of interest on damages;

E. For a declaration that this case is exceptional pursuant to 35 U.S.C. § 285 and an award of attorneys' fees and costs; and

F. For an award of such other and further relief as this Court deems just and proper.

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