

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

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| MONDIS TECHNOLOGY LTD. |) | |
| |) | |
| |) | |
| Plaintiff, |) | |
| |) | |
| v. |) | Civil Case No. 2:12-cv-00309 |
| |) | |
| HON HAI PRECISION INDUSTRY CO. LTD. |) | |
| |) | |
| |) | |
| Defendant. |) | JURY |
| |) | |
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COMPLAINT

Plaintiff Mondis Technology Ltd. (“Mondis” or “Plaintiff”) by way of this Complaint against Defendant Hon Hai Precision Industry Co. Ltd. (“Hon Hai” or “Defendant”) hereby alleges as follows:

NATURE OF THE ACTION

1. This is an action for patent infringement arising under the Patent Laws of the United States, 35 U.S.C. § 101, *et seq.*

THE PARTIES

2. Plaintiff Mondis Technology Ltd. is a corporation organized under the laws of England with its principal place of business at 19 Perrins Lane, Hampstead, London NW3 1QY, England.

3. Defendants Hon Hai Precision Industry Co. Ltd. is a corporation organized under the laws of Taiwan with its principal place of business at 2 Tzu Yu St., Tu-Cheng City, Taiwan,

Republic of China. Hon Hai maintains offices in the United States, including one at 468 E. Lambert Road, Fullerton, California. Hon Hai has a registered agent located at 8801 Fallbrook Dr., Houston, Texas. Hon Hai (a/k/a Foxconn) also maintains offices in Austin, Texas and Houston, Texas.

4. Hon Hai operates under the trade name “Foxconn.”

JURISDICTION AND VENUE

5. This is an action for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code. In this lawsuit, Mondis alleges infringement of U.S. Patent Nos. 6,247,090; 7,089,342; 7,475,180; 6,057,812; and 6,639,588 (“the Patents-in-Suit”). This Court has jurisdiction over the subject matter of this action under 28 U.S.C. §§ 1331 and 1338(a). Venue is proper in this judicial district under 28 U.S.C. §§ 1391(b), (c), (d) and 1400(b).

6. Hon Hai acts as an original equipment manufacturer (“OEM”), an original design manufacturer (“ODM”), and/or a contract manufacturer in which Hon Hai designs, assembles, and manufactures computer monitors for various corporate customers. Hon Hai imports, offers to sell, and sells these computer monitors in the United States, including in the State of Texas and this district, wherein Hon Hai’s customers resell the computer monitors under their own brand and trade names. The computer monitors made by Hon Hai and imported and sold by Hon Hai are distributed and resold throughout the United States by Hon Hai’s customers, including in this district. Hon Hai knows and expects that by importing and selling computer monitors in the United States that some of those computer monitors will be sold in the State of Texas, including this judicial district.

PRIOR LITIGATION

7. On December 31, 2007, Mondis filed a patent infringement suit in this District against Hon Hai alleging that Hon Hai's computer monitors infringed U.S. Patent Nos. 6,247,090; 6,057,812; and 6,639,588. Case No. 2:07-cv-565. On May 14, 2008, Mondis filed a First Amended Complaint alleging that Hon Hai's computer monitors also infringed U.S. Patent No. 7,089,342. On March 9, 2009, Mondis filed a Second Amended Complaint alleging that Hon Hai's computer monitors also infringed U.S. Patent No. 7,475,180. On January 15, 2010, Mondis filed a Third Amended Complaint alleging that Hon Hai televisions also infringed U.S. Patent Nos. 6,247,090; 7,089,342; and 7,475,180. Hon Hai answered Mondis's complaints by asserting counterclaims for declaratory judgment of invalidity and unenforceability against all the Patents-in-Suit. Mondis's complaints also accused computer monitors and televisions imported and sold by Innolux Display Corp. and InnoLux Corp. (collectively "Innolux") of infringing the same patents.

8. The accused Hon Hai computer monitors at issue in Case No. 2:07-cv-565 were manufactured by companies other than Hon Hai, bundled by Hon Hai with computers or other equipment, and delivered to customers. The Court determined that these accused computer monitors were licensed because they were manufactured by companies who possessed a license to the Patents-in-Suit. As a result, only Hon Hai televisions were litigated on the merits of infringement and accused at trial by Mondis.

9. Trial of Case No. 2:07-cv-565 commenced on June 17, 2011, the presentation of evidence was concluded on June 23, 2011, and the case submitted to the jury. On June 25, 2011, prior to the jury returning a verdict, Mondis and Hon Hai entered into a settlement agreement.

The parties' settlement agreement was expressly limited to televisions and did not include computer monitors. On July 19, 2012, the Court dismissed with prejudice all "claims, defenses and counterclaims," with respect to Hon Hai while also expressly referencing and retaining jurisdiction to "enforce the parties' Settlement Agreement."

10. The jury returned a verdict finding that Innolux had infringed claim 15 of the '090 Patent, claim 15 of the '342 Patent, claims 14 and 23 of the '180 Patent, claims 1 and 11 of the '812 Patent, and claim 1 of the '588 Patent. The Court entered Final Judgment on August 30, 2011, determining that the foregoing claims were valid, enforceable and infringed by Innolux's computer monitors and/or televisions.

INNOLUX TRANSFERS MONITOR BUSINESS TO HON HAI

11. On information and belief, after the Court's dismissal of Hon Hai from Case No. 2:07-cv-565, Innolux sold or otherwise transferred its computer monitor business to Hon Hai and/or Hon Hai has otherwise developed a computer monitor manufacturing capability of its own.

12. Since the transfer of the monitor business to Hon Hai from Innolux, Hon Hai has manufactured computer monitors and imported, offered to sell, and/or sell them in the United States to various corporate customers, who resell them under their own brand or trade names.

13. These Hon Hai-made computer monitors are unlicensed.

COUNT I – INFRINGEMENT OF U.S. PATENT NO. 6,247,090

14. Plaintiff repeats and realleges the allegations of the preceding paragraphs as if set forth herein.

15. On June 12, 2001, U.S. Patent No. 6,247,090 (“the ’090 Patent) entitled DISPLAY APPARATUS ENABLED TO CONTROL COMMUNICATABILITY WITH AN EXTERNAL COMPUTE RUSING IDENTIFICATION INFORMATION, was duly and legally issued by the United States Patent and Trademark Office. On July 20, 2010, a reexamination certificate was granted for the ’090 Patent, which confirmed original claims 1-4 and included new claims 5-26. A true and correct copy of the ’090 Patent is attached as Exhibit A to this Complaint.

16. Mondis is the assignee and owner of the right, title, and interest in and to the ’090 Patent, including the right to assert all causes of action arising under said patent, the right to recover damages for past, present, or future infringement of the patent, and the right to any other remedies for infringement of the patent.

17. Hon Hai has been directly infringing and continues to directly infringe, either literally or under the doctrine of equivalents, the ’090 Patent by importing, offering to sell, and selling computer monitors in the United States. Further, end users in the United States directly infringe the ’090 Patent by using their Hon Hai-manufactured computer monitors. Hon Hai, with knowledge of the ’090 Patent, has and does possess the specific intent to encourage end users to directly infringe the ’090 Patent. Hon Hai is therefore liable to Mondis under at least 35 U.S.C. §§ 271(a) and (b).

18. Hon Hai has infringed and continues to infringe the ’090 Patent despite being on notice of the patent since April 1, 2005, and being on notice of the reexamination certificate since July 23, 2010. Hon Hai’s acts of infringement have been and continue to be deliberate, willful, and in reckless disregard of Mondis’s patent rights.

19. Mondis has been damaged by Hon Hai's infringing activities. On information and belief, Hon Hai will continue its infringing activities, and thus continue to damage Mondis, unless enjoined by this Court. Mondis has no adequate remedy at law.

COUNT II – INFRINGEMENT OF U.S. PATENT NO. 7,089,342

20. Plaintiff repeats and realleges the allegations of the preceding paragraphs as if set forth herein.

21. On August 8, 2006, U.S. Patent No. 7,089,342 ("the '342 Patent) entitled METHOD ENABLING UNIT TO BIDIRECTIONALY COMMUNICATE WITH VIDEO SOURCE, was duly and legally issued by the United States Patent and Trademark Office. A true and correct copy of the '342 Patent is attached as Exhibit B to this Complaint.

22. Mondis is the assignee and owner of the right, title, and interest in and to the '342 Patent, including the right to assert all causes of action arising under said patent, the right to recover damages for past, present, or future infringement of the patent, and the right to any other remedies for infringement of the patent.

23. End users in the United States directly infringe the '342 Patent by using their Hon Hai-manufactured computer monitors to perform the claimed methods. Hon Hai, with knowledge of the '342 Patent, has and does possess the specific intent to encourage and induce end users to directly infringe the '342 Patent. Hon Hai is therefore liable to Mondis for indirect infringement under at least 35 U.S.C. §§ 271(b) for importing and selling computer monitors in the United States which are used by end users to infringe.

24. Hon Hai has infringed and continues to infringe the '342 Patent despite being on notice of the patent since May 14, 2008. Hon Hai's acts of infringement have been and continue to be deliberate, willful, and in reckless disregard of Mondis's patent rights.

25. Mondis has been damaged by Hon Hai's infringing activities. On information and belief, Hon Hai will continue its infringing activities, and thus continue to damage Mondis, unless enjoined by this Court. Mondis has no adequate remedy at law.

COUNT III – INFRINGEMENT OF U.S. PATENT NO. 7,475,180

26. Plaintiff repeats and realleges the allegations of the preceding paragraphs as if set forth herein.

27. On January 6, 2009, U.S. Patent No. 7,475,180 ("the '180 Patent) entitled DISPLAY UNIT WITH COMMUNICATION CONTROLLER AND MEMORY FOR STORING IDENTIFICATION NUMBER FOR IDENTIFYING DISPLAY UNIT, was duly and legally issued by the United States Patent and Trademark Office. A true and correct copy of the '180 Patent is attached as Exhibit C to this Complaint.

28. Mondis is the assignee and owner of the right, title, and interest in and to the '180 Patent, including the right to assert all causes of action arising under said patent, the right to recover damages for past, present, or future infringement of the patent, and the right to any other remedies for infringement of the patent.

29. Hon Hai has been directly infringing and continues to directly infringe, either literally or under the doctrine of equivalents, the '180 Patent by importing, offering to sell, and selling computer monitors in the United States. Further, end users in the United States directly infringe the '180 Patent by using their Hon Hai-manufactured computer monitors. Hon Hai, with

knowledge of the '180 Patent, has and does possess the specific intent to encourage end users to directly infringe the '180 Patent. Hon Hai is therefore liable to Mondis under at least 35 U.S.C. §§ 271(a) and (b).

30. Hon Hai has infringed and continues to infringe the '180 Patent despite being on notice of the patent since March 9, 2009. Hon Hai's acts of infringement have been and continue to be deliberate, willful, and in reckless disregard of Mondis's patent rights.

31. Mondis has been damaged by Hon Hai's infringing activities. On information and belief, Hon Hai will continue its infringing activities, and thus continue to damage Mondis, unless enjoined by this Court. Mondis has no adequate remedy at law.

COUNT IV – INFRINGEMENT OF U.S. PATENT NO. 6,057,812

32. Plaintiff repeats and realleges the allegations of the preceding paragraphs as if set forth herein.

33. On May 2, 2000, U.S. Patent No. 6,057,812 ("the '812 Patent) entitled IMAGE DISPLAY APPARATUS WHICH BOTH RECEIVES VIDEO INFORMATION AND OUTPUTS INFORMATION ABOUT ITSELF, was duly and legally issued by the United States Patent and Trademark Office. On May 2, 2010, a first reexamination certificate was issued for the '812 Patent, which confirmed all the original claims. On December 7, 2010, a second reexamination certificate was issued, which again confirmed all the claims. A true and correct copy of the '812 Patent is attached as Exhibit D to this Complaint.

34. Mondis is the assignee and owner of the right, title, and interest in and to the '812 Patent, including the right to assert all causes of action arising under said patent, the right to

recover damages for past, present, or future infringement of the patent, and the right to any other remedies for infringement of the patent.

35. Hon Hai has been directly infringing and continues to directly infringe, either literally or under the doctrine of equivalents, the '812 Patent by importing, offering to sell, and selling computer monitors in the United States. Further, end users in the United States directly infringe the '812 Patent by using their Hon Hai-manufactured computer monitors and combining them with computers. Hon Hai, with knowledge of the '812 Patent, has and does possess the specific intent to encourage end users to directly infringe the '812 Patent. There is no substantial non-infringing use for the accused Hon-Hai computer monitors, which are not staple items of commerce, other than to combine them with computers. Hon Hai is therefore liable to Mondis under at least 35 U.S.C. §§ 271(a), (b), and (c).

36. Hon Hai has infringed and continues to infringe the '812 Patent despite being on notice of the patent since December 31, 2007. Hon Hai's acts of infringement have been and continue to be deliberate, willful, and in reckless disregard of Mondis's patent rights.

37. Mondis has been damaged by Hon Hai's infringing activities. On information and belief, Hon Hai will continue its infringing activities, and thus continue to damage Mondis, unless enjoined by this Court. Mondis has no adequate remedy at law.

COUNT V – INFRINGEMENT OF U.S. PATENT NO. 6,639,588

38. Plaintiff repeats and realleges the allegations of the preceding paragraphs as if set forth herein.

39. On October 28, 2003, U.S. Patent No. 6,639,588 ("the '588 Patent) entitled IMAGE DISPLAY APPARATUS, was duly and legally issued by the United States Patent and

Trademark Office. A true and correct copy of the '588 Patent is attached as Exhibit E to this Complaint.

40. Mondis is the assignee and owner of the right, title, and interest in and to the '588 Patent, including the right to assert all causes of action arising under said patent, the right to recover damages for past, present, or future infringement of the patent, and the right to any other remedies for infringement of the patent.

41. Hon Hai has been directly infringing and continues to directly infringe, either literally or under the doctrine of equivalents, the '588 Patent by importing, offering to sell, and selling computer monitors in the United States. Further, end users in the United States directly infringe the '588 Patent by using their Hon Hai-manufactured computer monitors. Hon Hai, with knowledge of the '588 Patent, has and does possess the specific intent to encourage end users to directly infringe the '588 Patent. Hon Hai is therefore liable to Mondis under at least 35 U.S.C. §§ 271(a) and (b).

42. Hon Hai has infringed and continues to infringe the '588 Patent despite being on notice of the patent since December 31, 2007. Hon Hai's acts of infringement have been and continue to be deliberate, willful, and in reckless disregard of Mondis's patent rights.

43. Mondis has been damaged by Hon Hai's infringing activities. On information and belief, Hon Hai will continue its infringing activities, and thus continue to damage Mondis, unless enjoined by this Court. Mondis has no adequate remedy at law.

CLAIM PRECLUSION & ISSUE PRECLUSION

44. Hon Hai is barred under the doctrines of claim preclusion (*res judicata*) and/or issue preclusion (collateral estoppel) from challenging or otherwise re-litigating its infringement of the Patents-in-Suit.

45. Hon Hai is barred under the doctrines of claim preclusion (*res judicata*) and/or issue preclusion (collateral estoppel) from challenging or otherwise re-litigating the validity and enforceability of the Patents-in-Suit.

JURY DEMAND

46. Plaintiff Mondis demands a trial by jury on all issues so triable.

PRAYER FOR RELIEF

47. WHEREFORE, Plaintiff Mondis respectfully demands judgment against Defendant Hon Hai as follows:

48. That this Court adjudge that Hon Hai has infringed each of the '090, '342, '180, '812, and '588 Patents;

49. That this Court adjudge that Hon Hai's infringement of the '090, '342, '180, '812, and '588 Patents has been willful;

50. That this Court issue an injunction, enjoining Hon Hai and its officers, agents, servants and employees, privies, and all persons in active concert or participation with it, from further infringement of said patents;

51. That this Court ascertain and award Plaintiff damages sufficient to compensate them for the above infringement, including but not limited to infringement occurring before the

filing of this lawsuit, and that the damages so ascertained be trebled as appropriate and awarded to Plaintiff with any applicable pre-judgment and post-judgment interest;

52. That this Court find this case to be exceptional and award Plaintiff its attorneys fees, costs and expenses in this action; and

53. That this Court award Plaintiff such other relief as the Court may deem just and proper.

Respectfully submitted,

Dated: May 24, 2012

/s/ Jeffrey B. Plies

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