

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

COMPOUND PHOTONICS LIMITED,

Plaintiff,

v.

SYNDIANT, INC.,

Defendant.

Civil Action No. 4:12-cv-158

DEMAND FOR TRIAL BY JURY

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Compound Photonics Limited (“Compound Photonics”) hereby pleads the following claims for patent infringement against Defendant Syndiant, Inc. (“Syndiant” or “the Defendant”) and alleges as follows:

JURISDICTION AND VENUE

1. This is an action for patent infringement based upon and arising under the patent laws of the United States, 35 U.S.C. § 101 *et seq.*, including §§ 271, 281, 283, 284, and 285.

2. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).

3. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 (b) and (c) and 28 U.S.C. § 1400(b) because Syndiant resides in and has a regular and established place of business in this judicial district and has committed acts of infringement in this judicial district.

4. This Court has personal jurisdiction over Syndiant, which is based in and maintains its principal place of business in Collin County, Texas, and which regularly conducts

transactions and continues to transact business in this judicial district by: using or causing to be used; making or causing to be made; importing or causing to be imported; offering to sell or causing to be offered for sale; and/or selling or causing to be sold directly, through intermediaries and/or as an intermediary, infringing products to customers in the United States, including customers in this judicial district, and Syndiant will continue to do so unless enjoined by this Court.

THE PARTIES

5. Plaintiff Compound Photonics is a corporation formed under the laws of England and Wales, having its principal place of business at Gunpowder House, 66-68 Great Suffolk Street, Southwark, London, SE1-0BL United Kingdom.

6. On information and belief, Defendant Syndiant is a Delaware corporation with its principal place of business at 18325 Waterview Parkway, Suite A101, Dallas, Texas, 75252-8026.

NATURE OF THE ACTION

7. This patent infringement action concerns Syndiant's unauthorized use of U.S. Patent 5,963,289 (the '289 Patent), U.S. Patent 6,140,983 (the '983 Patent), U.S. Patent 6,339,417 (the '417 Patent), and U.S. Patent 6,414,337 (the '337 Patent) (collectively the "Patents-in-Suit").

8. The '289 Patent, entitled "Asymmetrical Scribe and Separation Method of Manufacturing Liquid Crystal Devices on Silicon Wafers," was duly and legally issued on October 5, 1999. Compound Photonics is the owner by assignment of all rights, title, and interest

in and to the '289 Patent. A true and correct copy of the '289 Patent is attached hereto as Exhibit A.

9. The '289 Patent teaches an improved method of manufacturing liquid crystal on silicon ("LCoS") devices, in which the scribing and separating process involve asymmetric or offset scribing to reduce the amount of non-functional area of a silicon substrate.

10. The '983 Patent, entitled "Display System Having Multiple Memory Elements Per Pixel With Improved Layout Design," was duly and legally issued on October 31, 2000. Compound Photonics is the owner by assignment of all rights, title, and interest in and to the '983 Patent. A true and correct copy of the '983 Patent is attached hereto as Exhibit B.

11. The '983 Patent teaches reducing bandwidth requirements for communicating display information to each display element, which increases operating efficiency of the device.

12. The '417 Patent, entitled "Display System Having Multiple Memory Elements Per Pixel," was duly and legally issued on January 15, 2002. Compound Photonics is the owner by assignment of all rights, title, and interest in and to the '417 Patent. A true and correct copy of the '417 Patent is attached hereto as Exhibit C.

13. The '417 Patent is a parent application to the '983 Patent, identified above, and similarly teaches reducing the bandwidth requirements for communicating display information to each display element and thereby increasing the operating efficiency of the device.

14. The '337 Patent, entitled "Aperture Frame for Liquid Crystal Display Device," was duly and legally issued on July 2, 2002. Compound Photonics is the owner by assignment of all rights, title, and interest in and to the '337 Patent. A true and correct copy of the '337 Patent is attached hereto as Exhibit D.

15. The '337 Patent teaches placing a frame around a matrix of pixels at a surface of liquid crystal, which is the focal plane of the optical system and provides a single display that can work with many different optical systems, *i.e.*, no customization needed. The '337 Patent also teaches use of the reflective frame to reflect rather than absorb light, thereby reducing heat generated in the device and reducing the need to address additional heat-related issues.

16. In general, the technology at issue involves microdisplays used in projection devices. These microdisplays are commonly used in “ultra portable” or “pico projectors,” which are very small projectors that can be incorporated into a variety of devices, ranging from handheld projectors to smartphones to set-top boxes.

17. Compound Photonics is presently in the process of developing and bringing its microdisplay to commercial markets. Compound Photonics is based in London, England. Administration functions are served out of the Plaintiff’s London office and out of the Plaintiff’s manufacturing and development facility in Phoenix, Arizona and development facility in Vancouver, Washington.

18. Compound Photonics has invested substantial time and money into researching, designing, developing, and acquiring the technology that is embodied in the Patent-in-Suit. Compound Photonics’s interests in this patented technology have been and continue to be harmed by Defendant’s ongoing infringement.

19. Syndiant is a semiconductor company based in Dallas, Texas that has additional offices in Taiwan and Hong Kong.

20. On information and belief, Syndiant is a fabless semiconductor company that works with an established semiconductor foundry (with locations both in the United States and abroad) to manufacture high resolution LCoS light modulation panels. Syndiant presently offers

five models of its LCoS microdisplays: SYL2010; SYL2030; SYL2043; SYL2061; and SYL2271 (the “Syndiant LCoS Microdisplays”).

21. The Syndiant LCoS Microdisplays can be incorporated into a wide array of stand-alone and embedded projectors, including mobile handsets, digital cameras, laptops, videogame players, and digital media players, that are sold in Texas and elsewhere in the United States.

22. Defendant’s acts of infringing the claims of the Patents-in-Suit include the manufacturing, testing, using, marketing, importing, offering for sale, and selling of the Syndiant LCoS Microdisplays and products that contain their microdisplays.

23. Syndiant has also directly and knowingly induced others to infringe the Patents-in-Suit by designing, manufacturing, and selling products that contain the Syndiant LCoS Microdisplays which infringe the inventive features of the Patents-in-Suit. Syndiant’s marketing for its LCoS Microdisplays focus on, *inter alia*, its products’ power efficiency, small size, and low system cost. As stated in one of Syndiant’s press releases, Syndiant’s customers find its technology “to have significant advantages in cost, power, resolution, size, and image quality over competing devices.” <http://www.syndiant.com/pr1.html>.

24. The direct infringers induced by Syndiant include, for example, manufacturers of pico projectors using Syndiant’s LCoS Microdisplays. Other direct infringers include importers of such products and their end users.

25. Syndiant maintains and develops relationships with business partners, such as original equipment manufacturers (“OEM”) and customers, to promote and encourage the import, offering for sale, sale and use of the infringing Syndiant LCoS Microdisplays in the United States. Syndiant coordinates with its OEM customers and others about the designs, specifications, distribution, and placement of orders for Syndiant LCoS Microdisplays. Syndiant

has also established relationships with sales and distribution partners, who work with customers to design-in Syndiant's LCoS Microdisplays into customer's products.

26. Syndiant also regularly communicates with third parties to offer for sale, promote, and encourage the use, sale, importation and offering for sale of these microdisplay products. For example, Syndiant was an exhibitor and met with existing and potential customers at each of the 2010, 2011, and 2012 CES International tradeshow, where Syndiant presented microdisplay products that were both in development and in actual production.

COUNT I
PATENT INFRINGEMENT OF THE '289 PATENT

27. The allegations in the foregoing paragraphs are incorporated by reference herein as if restated and set forth in full.

28. Defendant has infringed and is currently infringing the '289 Patent, in violation of 35 U.S.C. § 271, by making, using, offering for sale, selling and/or importing, within this judicial district and elsewhere in the United States, without license or authority from Compound Photonics, products falling within the scope of one or more claims of the '289 Patent.

29. Syndiant has had knowledge of the '289 Patent since at least the filing date of this Complaint.

30. Syndiant has actively induced and is actively inducing infringement of '289 Patent, in violation of 35 U.S.C. § 271(b), by actively and knowingly aiding and abetting others (as described in the preceding paragraphs) to directly make, use, offer for sale, sell and/or import within this judicial district and elsewhere in the United States, without license or authority from Compound Photonics, products falling within the scope of one or more claims of the '289 Patent.

31. Based on Compound Photonics's current understanding, at least the following Syndiant LCoS Microdisplays infringe at least claims one, seven, and eleven of the '289 Patent, literally or under the doctrine of equivalents, in violation of Compound Photonics's statutory rights: SYL2010; SYL2030; SYL2043; SYL2061; and SYL2271.

32. Compound Photonics has been and will continue to be injured by Defendant's past and continuing infringement of the '289 Patent and is without adequate remedy at law.

33. Unless enjoined, Defendant will continue to infringe the '289 Patent, and Compound Photonics will suffer irreparable injury as a direct and proximate cause of Defendant's conduct.

COUNT II
PATENT INFRINGEMENT OF THE '983 PATENT

34. The allegations in the foregoing paragraphs are incorporated by reference herein as if restated and set forth in full.

35. Defendant has infringed and is currently infringing the '983 Patent, in violation of 35 U.S.C. § 271, by making, using, offering for sale, selling and/or importing, within this judicial district and elsewhere in the United States, without license or authority from Compound Photonics, products falling within the scope of one or more claims of the '983 Patent.

36. Syndiant has had knowledge of the '983 Patent since at least the filing date of this Complaint.

37. Syndiant has actively induced and is actively inducing infringement of '983 Patent, in violation of 35 U.S.C. § 271(b), by actively and knowingly aiding and abetting others (as described in the preceding paragraphs) to directly make, use, offer for sale, sell and/or import

within this judicial district and elsewhere in the United States, without license or authority from Compound Photonics, products falling within the scope of one or more claims of the '983 Patent.

38. Based on Compound Photonics's current understanding, at least the following Syndiant LCoS Microdisplays infringe at least claims one and nine of the '983 Patent, literally or under the doctrine of equivalents, in violation of Compound Photonics's statutory rights: SYL2010; SYL2030; SYL2043; SYL2061; and SYL2271.

39. Compound Photonics has been and will continue to be injured by Defendant's past and continuing infringement of the '983 Patent and is without adequate remedy at law.

40. Unless enjoined, Defendant will continue to infringe the '983 Patent, and Compound Photonics will suffer irreparable injury as a direct and proximate cause of Defendant's conduct.

COUNT III **PATENT INFRINGEMENT OF THE '417 PATENT**

41. The allegations in the foregoing paragraphs are incorporated by reference herein as if restated and set forth in full.

42. Defendant has infringed and is currently infringing the '417 Patent, in violation of 35 U.S.C. § 271, by making, using, offering for sale, selling and/or importing, within this judicial district and elsewhere in the United States, without license or authority from Compound Photonics, products falling within the scope of one or more claims of the '417 Patent.

43. Syndiant has had knowledge of the '417 Patent since at least the filing date of this Complaint.

44. Syndiant has actively induced and is actively inducing infringement of '417 Patent, in violation of 35 U.S.C. § 271(b), by actively and knowingly aiding and abetting others

(as described in the preceding paragraphs) to directly make, use, offer for sale, sell and/or import within this judicial district and elsewhere in the United States, without license or authority from Compound Photonics, products falling within the scope of one or more claims of the ‘417 Patent.

45. Based on Compound Photonics’s current understanding, at least the following Syndiant LCoS Microdisplays infringe at least claims one and twenty-four of the ‘417 Patent, literally or under the doctrine of equivalents, in violation of Compound Photonics’s statutory rights: SYL2010; SYL2030; SYL2043; SYL2061; and SYL2271.

46. Compound Photonics has been and will continue to be injured by Defendant’s past and continuing infringement of the ‘417 Patent and is without adequate remedy at law.

47. Unless enjoined, Defendant will continue to infringe the ‘417 Patent, and Compound Photonics will suffer irreparable injury as a direct and proximate cause of Defendant’s conduct.

COUNT IV
PATENT INFRINGEMENT OF THE ‘337 PATENT

48. The allegations in the foregoing paragraphs are incorporated by reference herein as if restated and set forth in full.

49. Defendant has infringed and is currently infringing the ‘337 Patent, in violation of 35 U.S.C. § 271, by making, using, offering for sale, selling and/or importing, within this judicial district and elsewhere in the United States, without license or authority from Compound Photonics, products falling within the scope of one or more claims of the ‘337 Patent.

50. Syndiant has had knowledge of the ‘337 Patent since at least the filing date of this Complaint.

51. Syndiant has actively induced and is actively inducing infringement of '337 Patent, in violation of 35 U.S.C. § 271(b), by actively and knowingly aiding and abetting others (as described in the preceding paragraphs) to directly make, use, offer for sale, sell and/or import within this judicial district and elsewhere in the United States, without license or authority from Compound Photonics, products falling within the scope of one or more claims of the '337 Patent.

52. Based on Compound Photonics's current understanding, at least the following Syndiant LCoS Microdisplays infringe at least claims one, ten, and eighteen of the '337 Patent, literally or under the doctrine of equivalents, in violation of Compound Photonics's statutory rights: SYL2010; SYL2030; SYL2043; SYL2061; and SYL2271.

53. Compound Photonics has been and will continue to be injured by Defendant's past and continuing infringement of the '337 Patent and is without adequate remedy at law.

54. Unless enjoined, Defendant will continue to infringe the '337 Patent, and Compound Photonics will suffer irreparable injury as a direct and proximate cause of Defendant's conduct.

PRAYER FOR RELIEF

WHEREFORE, Compound Photonics prays for judgment as follows:

A. That Syndiant has infringed each of the '289 Patent, the '983 Patent, the '417 Patent, and the '337 Patent.

B. That Syndiant and its subsidiaries, affiliates, successors, predecessors, assigns, and the officers, directors, agents, servants and employees of each of the foregoing, and those persons acting in concert or participation with any of them, are enjoined and restrained from continued infringement, including but not limited to using, making, importing, offering for sale

and/or selling products that infringe, and from inducing to the infringement of each of the '289 Patent, the '983 Patent, the '417 Patent, and the '337 Patent, for the remaining term of each, including any extensions;

C. That Syndiant and its parents, subsidiaries, affiliates, successors, predecessors, assigns, and the officers, directors, agents, servants and employees of each of the foregoing, and those persons acting in concert or participation with any of them deliver to Compound Photonics all products that infringe the Patents-in-Suit for destruction at Compound Photonics's option;

D. That Compound Photonics be awarded monetary relief adequate to compensate Compound Photonics for Syndiant's acts of infringement of the Patents-in-Suit within the United States prior to the expiration of each of the Patents-in-Suit, including any extensions;

E. That any monetary relief awarded to Compound Photonics be awarded with prejudgment interest; and

F. That Syndiant be ordered to provide an accounting; and

G. That Compound Photonics be awarded such other and further relief as this Court deems just and proper.

JURY DEMAND

Plaintiff demands a trial by jury of any and all issues triable of right by a jury.

Dated: March 21, 2012

Respectfully submitted,

/s/ Jennifer Parker Ainsworth

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