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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

AMERICAN VEHICULAR SCIENCES
LLC, a Texas Limited Liability Company,

Plaintiff,

v.

HYUNDAI MOTOR COMPANY, a Korean
company; HYUNDAI MOTOR AMERICA,
a California corporation; KIA MOTORS
CORPORATION, a Korean company; KIA
MOTORS AMERICA, INC., a California
corporation; AUTOLIV, INC., a Delaware
corporation; AUTOLIV ASP, INC., an
Indiana corporation; KEY SAFETY
SYSTEMS, INC., a Delaware corporation;
HYUNDAI MOBIS CO., LTD., a Korean
company; MOBIS ALABAMA LLC, a
Delaware company; AND MOBIS PARTS
AMERICA LLC, a Delaware company,

Defendants.

CASE NO. 8:15-cv-01389-CJC-JCG

**AMERICAN VEHICULAR
SCIENCES LLC'S FIRST
AMENDED COMPLAINT FOR
PATENT INFRINGEMENT**

JURY DEMAND

1 Plaintiff American Vehicular Sciences LLC, (“AVS” or “Plaintiff”) hereby
 2 submits this First Amended Complaint against Defendants Hyundai Motor
 3 Company and Hyundai Motor America (collectively “Hyundai”); Kia Motors
 4 Corporation and Kia Motors America, Inc. (collectively “Kia”); Autoliv, Inc. and;
 5 Autoliv Asp, Inc. (collectively “Autoliv”); Key Safety Systems, Inc. (“KSS”); and
 6 Hyundai Mobis Co., Ltd., Mobis Alabama LLC, and Mobis Parts America LLC
 7 (collectively “Mobis”) and states as follows:

8 **THE PARTIES**

9 1. AVS is a Texas limited liability company, having a principal place of
 10 business at 2400 Dallas Parkway, Suite 200, Plano, Texas 75093.

11 2. On information and belief, Defendant Hyundai Motor Company is a
 12 Korean company with a principal place of business at 231 Yangjae-dong, Seocho-
 13 gu, Seoul, South Korea 137-938.

14 3. On information and belief, Defendant Hyundai Motor America is a
 15 California corporation with a principal place of business at 10550 Talbert Ave.,
 16 Fountain Valley, CA 92708. On information and belief, Hyundai Motor America
 17 is a subsidiary of Hyundai Motor Company and is responsible for distribution,
 18 marketing and sales of Hyundai branded automobiles in the United States.

19 4. On information and belief, Defendant Kia Motors Corporation is a
 20 Korean company with a principal place of business at 231 Yangjae-dong, Seocho-
 21 gu, Seoul, South Korea 137-938.

22 5. On information and belief, Defendant Kia Motors America, Inc. is a
 23 California corporation with a principal place of business at 111 Peters Canyon Rd.,
 24 Irvine, CA 92606. On information and belief, Kia Motors America, Inc. is a
 25 subsidiary of Kia Motors Corporation and is responsible for distribution, marketing
 26 and sales of Kia branded automobiles in the United States.

27 6. On information and belief, Defendant Autoliv, Inc. is a Delaware
 28 corporation. Autoliv, Inc.’s headquarters is located at Vasagatan 11, 7th Floor, SE-

1 111 20, Box 70381, SE-107 24 Stockholm, Sweden, but on information and belief
2 it has a regular and established place of business at 3350 Airport Rd., Ogden, UT
3 84405.

4 7. On information and belief, Defendant Autoliv ASP, Inc. is an Indiana
5 corporation with a regular and established place of business at 3350 Airport Rd.,
6 Ogden, UT 84405. On information and belief Autoliv ASP, Inc. is wholly-owned
7 by Autoliv, Inc.

8 8. On information and belief, Defendant Key Safety Systems, Inc. is a
9 Delaware corporation with a principal place of business located at 7000 Nineteen
10 Mile Rd., Sterling Heights, MI 48314.

11 9. On information and belief, Defendant Hyundai Mobis Co., Ltd. is a
12 Korean company with a principal place of business located at 203, Teheran-ro,
13 Gangnam-gu, Seoul, South Korea 135-977.

14 10. On information and belief, Defendant Mobis Alabama LLC is
15 organized under the laws of the state of Delaware with a principal place of
16 business located at 1395 Mitchell Young Rd., Montgomery, AL 36108. On
17 information and belief, Mobis Alabama LLC. is a subsidiary and/or operational
18 unit of Hyundai Mobis Co., Ltd. and produces, manufactures, imports, sells, and/or
19 offers for sale automotive parts in the United States, particularly for the
20 manufacture of Hyundai and Kia branded automobiles produced in Hyundai's
21 manufacturing facility in Montgomery, AL and Kia's manufacturing facility in
22 West Point, GA.

23 11. On information and belief, Defendant Mobis Parts America LLC is
24 organized under the laws of the state of Delaware with a principal place of
25 business located at 111 Peters Canyon Rd., Irvine, CA 92606. On information and
26 belief, Mobis Parts America LLC, sells and offers for sale parts, including
27 warranty parts, for Hyundai and Kia automobiles in the United States.

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JURISDICTION AND VENUE

12. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a) because this action arises under the patent laws of the United States, 35 U.S.C. §§ 101 et seq.

13. This Court has personal jurisdiction over Hyundai and Kia due to their systematic and continuous contacts within this state. Among other things, on information and belief, Hyundai and Kia, either directly or through intermediaries, regularly sell products and services into this judicial district and specifically, Orange County, and manufactures products intended to be sold and in fact sold into and within this judicial district and specifically, Orange County. Additionally, on information and belief, this Court has personal jurisdiction over Hyundai and Kia because Hyundai and Kia have committed and/or participated in the commission of acts within this judicial district and specifically, Orange County, giving rise to this action. Hyundai and Kia have sold and offered to sell infringing Hyundai and Kia branded automobiles through authorized dealers located in this state and this judicial district and specifically, Orange County.

14. In particular, Hyundai Motor America, which is responsible for distribution, marketing and sales of Hyundai branded automobiles in the United States, is a California corporation that is located in Fountain Valley, California within this judicial district.

15. Also, Kia Motors America, Inc., which is responsible for distribution, marketing and sales of Kia branded automobiles in the United States, is a California corporation that is located in Irvine, California within this judicial district.

16. This Court has jurisdiction over each of the Autoliv, KSS, and Mobis Defendants due to their systematic and continuous contacts with this state. Each of the Autoliv, KSS, and Mobis Defendants is in the business of designing, manufacturing, assembling, testing, promoting, advertising, distributing, and

1 selling vehicle restraint systems to various automakers, including Hyundai and
 2 Kia, including the side-curtain airbags incorporated and used by Hyundai and Kia
 3 in the infringing Hyundai and Kia branded automobiles. On information and
 4 belief, each of the Autoliv, KSS, and Mobis Defendants offers to sell and sells
 5 side-curtain airbags to Hyundai and Kia, both of which operate their principal
 6 place of business in the United States within this judicial district, and specifically,
 7 Orange County, and resells the infringing Hyundai and Kia branded automobiles,
 8 containing the side-curtain airbags, through authorized dealers located throughout
 9 the United States, including in this state and this judicial district and specifically,
 10 Orange County.

11 17. Infringement in this case relates to the presence of side-curtain airbags
 12 in the Hyundai and Kia branded automobiles. Each of the Autoliv, KSS, and
 13 Mobis Defendants knew, if not intended, that the accused Hyundai and Kia
 14 branded automobiles would be sold in this state and this judicial district and
 15 specifically, Orange County. As such, each of the Autoliv, KSS, and Mobis
 16 Defendants could reasonably foresee being brought before a Court in this judicial
 17 district, and specifically, Orange County, with respect to activities related to the
 18 side-curtain airbags.

19 18. Venue is proper in this federal district pursuant to 28 U.S.C.
 20 §§1391(b) – (d) and 1400(b). A substantial part of the events or omissions giving
 21 rise to this action have occurred in this judicial district and specifically, Orange
 22 County. Infringement has occurred in this judicial district and specifically, Orange
 23 County, and will continue to occur in this judicial district and specifically, Orange
 24 County. Defendant Hyundai Motor America, whose Hyundai branded automobiles
 25 are accused of infringement, is a California corporation and has a regular and
 26 established place of business in this judicial district and specifically, Orange
 27 County. Defendant Kia Motors America, Inc., whose Kia branded automobiles are
 28 accused of infringement, is a California corporation and has a regular and

1 established place of business in this judicial district and specifically, Orange
 2 County. All of the Defendants are subject to personal jurisdiction in this judicial
 3 district and specifically, Orange County.

4 **COUNT I: INFRINGEMENT OF U.S. PATENT NO. 9,043,093**

5 19. On May 26, 2015, the United States Patent and Trademark Office
 6 (“USPTO”) duly and legally issued United States Patent No. 9,043,093 (“the ’093
 7 Patent”), entitled “Single Side-Curtain Airbag For Vehicles.” David S. Breed is
 8 the named inventor of the ’093 Patent. AVS owns the ’093 Patent and holds the
 9 rights to sue and recover damages for infringement thereof.

10 20. Upon information and belief, Hyundai and Kia have infringed directly
 11 and continue to infringe directly the ’093 Patent in the state of California, in this
 12 judicial district, and elsewhere within the United States. The infringing acts
 13 include, but are not limited to, the manufacture, use, sale, importation, and/or offer
 14 for sale of products and/or methods encompassed by the claims of the ’093 Patent.
 15 Hyundai’s and Kia’s infringement of the ’093 Patent relates to the presence in its
 16 vehicles of side-curtain airbags within the scope of the claims of the ’093 Patent.

17 21. On information and belief, the scope of infringement includes, but is
 18 not necessarily limited to, at least the following Hyundai vehicle models: 2015
 19 Hyundai Accent; 2015 and 2016 Hyundai Elantra; 2015 Hyundai Veloster; 2015
 20 Hyundai Sonata; 2015 Hyundai Azera; 2015 and 2016 Hyundai Sonata Hybrid;
 21 2015 and 2016 Hyundai Tucson; 2015 and 2016 Hyundai Sante Fe; 2015 Hyundai
 22 Genesis (4-door); and 2015 and 2016 Hyundai Equus.

23 22. On information and belief, the scope of infringement includes, but is
 24 not necessarily limited to, at least the following Kia vehicle models: 2015 Kia
 25 Optima; 2015 Kia Optima Hybrid; 2015 Kia Cadenza; 2015 Kia K900; 2015 and
 26 2016 Kia Sorento; 2015 and 2016 Kia Sedona; 2015 Kia Soul; 2015 and 2016 Kia
 27 Sportage; 2015 and 2016 Kia Rio; and 2015 Kia Forte.

23. On information and belief, each of the Autoliv, KSS, and Mobis Defendants has been and is now indirectly infringing by way of inducing infringement and/or contributing to the infringement of the claims of the '093 Patent in the state of California, in this judicial district, and specifically, Orange County, and elsewhere within the United States by selling, offering for sale, and/or importing the side-curtain airbags used in the accused Hyundai and Kia branded automobiles. In the case of such indirect infringement, the direct infringer of the '093 Patent is at least Hyundai and Kia. Each of the Autoliv, KSS, and Mobis Defendants advertises and promotes its side-curtain airbags on its websites and in other means of advertising. On information and belief, each of the Autoliv, KSS, and Mobis Defendants also engages in direct sales activities with Hyundai and Kia. Each of the Autoliv, KSS, and Mobis Defendants provides, makes, sells, and offers for sale side-curtain airbags with the specific intention that Hyundai and Kia use the side-curtain airbags in Hyundai and Kia branded automobiles. The side-curtain airbags provided by each of the Autoliv, KSS, and Mobis Defendants, have no substantial non-infringing uses and are especially made and or especially adapted so as to be used in automobiles so as to infringe the '093 Patent.

24. The acts of infringement by the Hyundai, Kia, Autoliv, KSS, and Mobis Defendants have caused damage to AVS, and AVS is entitled to recover from these Defendants damages sustained by AVS as a result of Defendants' wrongful acts in an amount subject to proof at trial, which by law can be no less than a reasonable royalty. The infringement of AVS's exclusive rights under the '093 Patent by Defendants has damaged and will continue to damage AVS.

25. At least as early as its receipt of this Complaint, Defendants Hyundai and Kia have had knowledge of the '093 Patent and written notice of the infringement. On August 31, 2015, letters were transmitted via Federal Express to the Autoliv, KSS, and Mobis Defendants. These letters identified the '093 Patent and the relevance of the '093 Patent to the side curtain airbags manufactured and

1 sold by each of the Autoliv, KSS, and Mobis Defendants that are incorporated by
2 automakers into vehicles. Thus, each of the Autoliv, KSS, and Mobis Defendants
3 have knowledge of the '093 Patent and notice of infringement. AVS intends to
4 seek discovery on the issue of willfulness and reserves the right to seek a
5 willfulness finding and increased damages under 35 U.S.C. § 284 and attorneys'
6 fees and costs incurred in prosecuting this action under 35 U.S.C. § 285.

7 **JURY DEMAND**

8 26. AVS hereby demands a trial by jury on all issues.

9 **PRAYER FOR RELIEF**

10 WHEREFORE, AVS requests entry of judgment in its favor against
11 Defendants as follows:

12 a. A declaration that the Defendants have infringed and are infringing
13 the '093 Patent;

14 b. An award of damages to AVS arising out of Defendants' infringement
15 of the '093 Patent, including enhanced damages pursuant to 35 U.S.C. § 284,
16 together with prejudgment and post-judgment interest, in an amount according to
17 proof;

18 c. An award of attorneys' fees pursuant to 35 U.S.C. § 285 or as
19 otherwise permitted by law; and,

20 d. Granting AVS its costs and further relief as the Court may deem just
21 and proper.

22 DATED: September 3, 2015

STRADLING YOCCA CARLSON &
23 RAUTH, P.C.

24 By: /s/ Douglas Q. Hahn
Douglas Q. Hahn

25
26 *Attorneys for Plaintiff*
27 *American Vehicular Sciences LLC*
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