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

SMART LOCK, LLC,

Plaintiff,

v.

MASTER LOCK COMPANY LLC; and FORTUNE BRANDS HOME & SECURITY, INC.,

CIVIL ACTION NO. 2:16-cv-1018

ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

JURY TRIAL DEMANDED

Defendants.

Plaintiff Smart Lock, LLC ("Smart Lock") files this original complaint against the abovenamed defendants, alleging, based on its own knowledge as to itself and its own actions, and based on information and belief as to all other matters, as follows:

## PARTIES

1. Smart Lock is a limited liability company formed under the laws of the State of Texas, with a principal place of business in Tyler, Texas.

2. Defendant Master Lock Company LLC ("Master Lock") is a limited liability company organized under the laws of Delaware with a place of business in Wisconsin. It can be served through its resident agent for service of process in Texas: Corporation Service Company dba CSC - Lawyers Incorporating Service Company, 211 E 7th Street, Suite 620, Austin, TX 78701-3218.

3. Defendant Fortune Brands Home & Security, Inc. ("Fortune Brands") is a corporation organized under the laws of Delaware with a place of business in Illinois. It can be served through its resident agent for service of process in Illinois: Illinois Corporation Service Co, 801 Adlai Stevenson Drive, Springfield, IL 62703.

4. Master Lock is a subsidiary of Fortune Brands.

Master Lock and Fortune Brands are collectively referred to herein as
"Defendant."

### JURISDICTION AND VENUE

6. This is an action for infringement of a United States patent arising under 35 U.S.C. §§ 271, 281, and 284–85, among others. This Court has subject matter jurisdiction of the action under 28 U.S.C. §§ 1331 and 1338(a).

7. Venue is proper in this district under 28 U.S.C. §§ 1391 and 1400(b). Defendant has transacted business in this district and has committed acts of patent infringement in this district.

8. Defendant is subject to this Court's specific and general personal jurisdiction under due process and/or the Texas Long Arm Statute due at least to Defendant's substantial business in this forum, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Texas and in this district.

#### COUNT I: DIRECT INFRINGEMENT OF U.S. PATENT NO. 7,012,503

9. On March 14, 2006, United States Patent No. 7,012,503 ("the 503 patent") was duly and legally issued by the United States Patent and Trademark Office for an invention titled "Electronic Key Device a System and a Method of Managing Electronic Key Information."

10. Smart Lock is the owner of the 503 patent with all substantive rights in and to that patent, including the sole and exclusive right to prosecute this action and enforce the 503 patent against infringers, and to collect damages for all relevant times.

11. The 503 patent generally covers systems and methods for controlling access to a location using an electronic key device which has the ability to store and transmit user-editable access codes to a corresponding lock control unit, which in turn operates a lock mechanism.

12. Defendant, without authority from Smart Lock, made, had made, used, imported, provided, supplied, distributed, sold, and/or offered for sale access-control systems and other products which use electronic key devices to store and transmit user-editable access codes to a corresponding lock control unit, which in turn operates a lock mechanism (the "accused products"). These acts constitute direct infringement (literally and/or under the doctrine of equivalents) under 35 U.S.C. § 271(a). Defendant's infringement is ongoing.

13. The accused products include at least the following models and/or systems: Master Lock Indoor Bluetooth Smart Padlock, Master Lock Outdoor Bluetooth Smart Padlock, and Master Lock Vault eLocks app. The accused products and methods infringe at least claims 1 and/or 12 of the 503 patent.

14. Smart Lock has been damaged as a result of the infringing conduct by Defendant alleged above. Thus, Defendant is liable to Smart Lock in an amount that adequately compensates Smart Lock for such infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

15. Smart Lock and/or its predecessors-in-interest have satisfied all statutory obligations required to collect pre-filing damages for the full period allowed by law.

#### JURY DEMAND

Smart Lock hereby requests a trial by jury on all issues so triable by right.

#### PRAYER FOR RELIEF

Smart Lock requests that the Court find in its favor and against Defendant and that the Court grant Smart Lock the following relief:

a. Judgment that one or more claims of the 503 patent have been infringed, either literally and/or under the doctrine of equivalents, by Defendant and/or all others acting in concert therewith;

b. Judgment that Defendant accounts for and pays to Smart Lock all damages to and costs incurred by Smart Lock because of Defendant's infringing activities and other conduct complained of herein, including an award of all increased damages to which Smart Lock is entitled under 35 U.S.C. § 284;

c. A permanent injunction enjoining Defendant and its respective officers, directors, agents, servants, affiliates, employees, divisions, branches, subsidiaries, parents, and all others acting in active concert therewith from infringement of the 503 patent; or, in the alternative, an award of a reasonable ongoing royalty for future infringement of the 503 patent by such entities;

d. Pre-judgment and post-judgment interest on the damages caused by Defendant's infringing activities and other conduct complained of herein;

e. A declaration by the Court that this is an exceptional case and an award to Smart Lock of its reasonable attorneys' fees and costs in accordance with 35 U.S.C. § 285; and

f. Other and further relief as the Court may deem just and proper under the circumstances.

Dated: September 16, 2016

Respectfully submitted,

<u>/s/ Larry D. Thompson, Jr.</u> Larry D. Thompson, Jr. (lead attorney) Texas Bar No. 24051428 larry@ahtlawfirm.com

Matthew J. Antonelli Texas Bar No. 24068432 matt@ahtlawfirm.com Zachariah S. Harrington Texas Bar No. 24057886 zac@ahtlawfirm.com ANTONELLI, HARRINGTON & THOMPSON LLP 4306 Yoakum Blvd., Ste. 450 Houston, TX 77006 (713) 581-3000 (713) 581-3020 fax

Stafford Davis State Bar No. 24054605 THE STAFFORD DAVIS FIRM, PC 102 North College Ave, 13th Floor Tyler, Texas 75702 (903) 593-7000 (903) 705-7369 fax sdavis@stafforddavisfirm.com

Attorneys for Smart Lock, LLC