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

STOIC VENTURES LLC	
Plaintiff,)) Civil Action No. 2:17-cv-32
v.)) JURY TRIAL DEMANDED
ZTE (USA) INC.)
Defendants.)
)

COMPLAINT

For its Complaint, Plaintiff Stoic Ventures LLC ("Stoic Ventures"), by and through the undersigned counsel, alleges as follows:

THE PARTIES

- 1. Stoic Ventures is a Texas limited liability company with a place of business located at 1400 Preston Road, Suite 400, Plano, Texas 75093.
- 2. Defendant ZTE (USA) Inc. is a New Jersey company with, upon information and belief, its headquarters located in Richardson, Texas.
- 3. Upon information and belief, Defendant has registered with the Texas Secretary of State to conduct business in Texas.

JURISDICTION AND VENUE

- 4. This action arises under the Patent Act, 35 U.S.C. § 1 *et seq*.
- 5. Subject matter jurisdiction is proper in this Court under 28 U.S.C. §§ 1331 and 1338.
- 6. Upon information and belief, Defendant conducts substantial business in this forum, directly or through intermediaries, 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 this district.

7. Venue is proper in this district pursuant to §§ 1391(b), (c) and 1400(b).

THE PATENT-IN-SUIT

- 8. On May 31, 2016, U.S. Patent No. 9,356,763 (the "'763 patent"), entitled "Timer Management in Wireless Communication," was duly and lawfully issued by the U.S. Patent and Trademark Office. A true and correct copy of the '763 patent is attached hereto as Exhibit A.
- 9. Stoic Ventures is the assignee and owner of the right, title and interest in and to the '763 patent, including the right to assert all causes of action arising under said patents and the right to any remedies for infringement of it.

COUNT I – INFRINGEMENT OF U.S. PATENT NO. 9,356,763

- 10. Stoic Ventures repeats and realleges the allegations of paragraphs 1 through 9 as if fully set forth herein.
- 11. Without license or authorization and in violation of 35 U.S.C. § 271(a), Defendants are liable for infringement of at least claim 1 of the '763 patent by making, using, importing, offering for sale, and/or selling a transceiver for processing data units using a timer for a connection with another transceiver, including, but not limited to, ZTE Axon 7, ZTE Axon 7 Mini, ZTE Axon Pro, ZTE Axon, ZTE ZMAX PRO, ZTE ZMAX 2 and ZTE Grand X Max 2 (collectively, the "Accused Instrumentalities").
- 12. More specifically and upon information and belief, the Accused Instrumentalities provide LTE connectivity and are each a transceiver. *See* https://www.zteusa.com/compare/ (last accessed Jan. 12, 2017). They process data units using a timer for a connection with another

transceiver. See ETSI TS 136 322 V11.0.0 (2012-10): LTE; Evolved Universal Terrestrial Radio Access (E-UTRA); Radio Link Control (RLC) protocol specification (3GPP TS 36.322 version 11.0.0 11) ("ETSI") 7, 8, 11, 35 (available Release at pp. at http://www.etsi.org/deliver/etsi_ts/136300_136399/136322/11.00.00_60/ts_136322v110000p.pd f (last accessed Jan. 12, 2017)). The Accused Instrumentalities include a first module that processes a data unit according to a processing index of the data unit. ETSI at pp. 14, 26-29, 33. The data unit is processed till one or more of predefined conditions is met, the predefined conditions include a timer assigned to the data unit timing out or an acknowledgement of receiving the data unit. Id. at 11, 15-16, 18-19, 33. The Accused Instrumentalities include a second module designed to initiate the timer assigned to the data unit. Id. at 18-19, 33, 35; ETSI TS 136 523-1 V8.1.0 (2009-04): LTE; Evolved Universal Terrestrial Radio Access (E-UTRA) and Evolved Packet Core (EPC); User Equipment (UE) conformance specification; Part 1: Protocol conformance specification (3GPP TS 36.523-1 version 8.1.0 Release 8) ("ETSI TS") at 210 p. (available at http://www.etsi.org/deliver/etsi_ts/136500_136599/13652301/08.01.00_60/ts_13652301v080100_ p.pdf (last accessed Jan. 12, 2017)). The timer runs until processing of the data unit is terminated. ETSI at p. 19; ETSI TS at p. 210. The timer is then initiated and assigned to a next one of the data units before the next one of the data units is processed. ETSI at pp. 19; ETSI TS at p. 210. The timer is repeatedly initiated and assigned to a next one of the data units till all of the data units are processed for the connection. ETSI at pp. 8, 15-16, 18-19; see also ETSI TS 136 331 V10.7.0 (2012-11): LTE; Evolved Universal Terrestrial Radio Access (E-UTRA); Radio Resource Control (RRC); Protocol specification (3GPP TS 36.331 version 10.7.0 Release 10) at pp. 22 (available at

http://www.etsi.org/deliver/etsi_ts/136300_136399/136331/10.07.00_60/ts_136331v100700p.pd f (last accessed Jan. 12, 2017)).

13. Stoic Ventures is entitled to recover from Defendant the damages sustained by Stoic Ventures as a result of Defendant's infringement of the '763 patent in an amount subject to proof at trial, 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.

JURY DEMAND

Stoic Ventures hereby demands a trial by jury on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Stoic Ventures requests that this Court enter judgment against Defendant as follows:

- A. An adjudication that Defendant has infringed the '763 patent;
- B. An award of damages to be paid by Defendant adequate to compensate Stoic Ventures for Defendant's past infringement of the '763 patent and any continuing or future infringement through the date such judgment is entered, including interest, costs, expenses and an accounting of all infringing acts including, but not limited to, those acts not presented at trial;
- C. A declaration that this case is exceptional under 35 U.S.C. § 285, and an award of Stoic Venture's reasonable attorneys' fees; and
- D. An award to Stoic Ventures of such further relief at law or in equity as the Court deems just and proper.

Dated: January 12, 2017 /s/ Richard C. Weinblatt

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