IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

DATAQUILL LIMITED,

Case No.

Plaintiff,

JURY TRIAL DEMANDED

v.

AMAZON.COM, INC., AMAZON DIGITAL SERVICES LLC, and AMAZON.COM SERVICES LLC,

Defendant.

COMPLAINT

This is an action for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code, against Defendants Amazon.com, Inc., Amazon Digital Services LLC, and Amazon.com Services LLC (collectively "Amazon" or "Defendants") that relates to U.S. Patent No. 6,058,304 owned by DataQuill Limited ("DataQuill").

PARTIES

- Plaintiff DataQuill Limited is a limited company organized under the laws of the British Virgin Islands.
- 2. Defendant Amazon.com, Inc. is a Delaware corporation with its principal place of business at 410 Terry Avenue North, Seattle, Washington 98109. Amazon.com, Inc.'s registered agent for service in Delaware is Corporation Service Company, 251 Little Falls Drive, Wilmington, Delaware 19808. Amazon.com, Inc. does business across the United States, including in the State of Delaware and in the District of Delaware.

- 3. Defendant Amazon Digital Services LLC is a Delaware limited liability company with its principal place of business at 410 Terry Avenue North, Seattle, Washington 98109.
 Amazon Digital Services LLC 's registered agent for service is Corporation Service Company,
 251 Little Falls Drive, Wilmington, Delaware 19808. Amazon Digital Services LLC does
 business across the United States, including in the State of Delaware and in the District of
 Delaware.
- 4. Amazon Digital Services LLC's predecessor was Amazon Digital Services, Inc., which filed an Amended Certificate of Authority with the State of Washington in 2016 stating "Amazon Digital Services, Inc. converted to a Delaware limited liability company on December 30, 2015, and its new name is Amazon Digital Services LLC." As indicated on Amazon Digital Services, Inc.'s Certificate of Authority form filed with the State of Washington, Amazon Digital Services, Inc. was a Delaware corporation that was incorporated on December 7, 2004. Amazon Digital Services Inc. did business across the United States, including in the State of Delaware and in the District of Delaware.
- 5. Defendant Amazon.com Services LLC is a Delaware limited liability company with its principal place of business at 410 Terry Avenue North, Seattle, Washington 98109.
 Amazon.com Services LLC 's registered agent for service is Corporation Service Company, 251
 Little Falls Drive, Wilmington, Delaware 19808. Amazon Digital Services LLC does business
 across the United States, including in the State of Delaware and in the District of Delaware.
- 6. Amazon.com Services LLC's predecessor was Amazon.com Services, Inc., which filed an Application for Transfer of Foreign Entity Registration on Merger or Conversion with the State of Washington in January 2020. As indicated in Amazon.com Services LLC's filing, Amazon.com Services, Inc. converted to a Delaware limited liability company in January 2020

with the new name Amazon.com Services LLC. Amazon.com Services Inc. did business across the United States, including in the State of Delaware and in the District of Delaware.

- 7. Amazon.com Services, Inc. formerly was Amazon Fulfillment Services, Inc. Amazon.com Services, Inc. filed a Foreign Registration Amendment with the State of Washington in January 2018. As indicated in Amazon.com Services, Inc.'s filing, the Delaware corporation that was incorporated on January 18, 2002, changed its name from Amazon Fulfillment Services, Inc. to Amazon.com Services, Inc. Amazon Fulfillment Services, Inc. did business across the United States, including in the State of Delaware and in the District of Delaware.
- 8. For the relevant time periods of this action, Amazon made, used, imported, offered for sale and sold in the United States wireless mobile devices under the brand names including but not limited to Fire Phone, Kindle Fire HDX WAN, Fire HDX WAN, Kindle, Kindle 7, Kindle Paperwhite, and Kindle Oasis.

JURISDICTION AND VENUE

- 9. This is a civil action for patent infringement arising under the Patent Laws of the United States, 35 U.S.C. § 1, et seq., and more particularly 35 U.S.C. § 271.
- 10. This Court has jurisdiction over the subject matter of this action under 28 U.S.C. §§ 1331 and 1338(a).
- 11. Each Amazon Defendant is subject to this Court's jurisdiction because it is organized under Delaware law or incorporated in the State of Delaware.
- 12. Venue is proper in this District under 28 U.S.C. §1400(b), because each Amazon Defendant is organized under Delaware law or incorporated in Delaware.

BACKGROUND FACTS REGARDING THE DATAQUILL PATENT

- 13. DataQuill is the owner of record and assignee of U.S. Patent No. 6,058,304 ("the '304 Patent") (the "Patent-in-Suit"). Ex. A.
- 14. DataQuill has sought to protect its invention through a licensing program (which has on several occasions required litigation). Many of the largest high-tech companies, including HTC, Nokia, Motorola, LG, Samsung, Palm, and Hewlett-Packard, have purchased a license to DataQuill's patent portfolio. To date, DataQuill has obtained over \$128 million in licensing revenue.
- 15. The value of DataQuill's asserted patent is further demonstrated by DataQuill's repeated success against validity challenges. The Patent-in-Suit has been through a reexamination at the United States Patent and Trademark Office, Reexamination Control No. 90/008,340 ("the '8,340 reexamination"), presumably requested by Research in Motion, where hundreds of references have been considered.
- 16. In 2020, TCL filed a petition for *inter partes* review of the '304 patent and the Patent Trial and Appeal Board denied institution of the IPR an *inter partes* (IPR2020-00745). In 2021, the United States Patent and Trademark Office ("USPTO") ordered a second reexamination of the Patent-in-Suit, Reexamination Control No. 90/014,654 ("the '4,654 reexamination"), pursuant to TCL's request, that is currently pending for claims that are not asserted in Plaintiff's DataQuill's complaint.
- 17. On October 20, 2021, the USPTO issued an office action expressly confirming the '304 Patent's claims 62 and 64 are patentable over art cited in the '4,564 reexamination. Claims 62 and 64 of the '304 patent are part of Plaintiff's infringement count in this complaint. Other

claims of the '304 patent that remain subject to the '4,564 reexamination are not presently asserted in this complaint.

- 18. On April 29, 2022, the USPTO mailed the Notice of Intent to Issue *Ex Parte* Reexamination Certificate for the '304 patent. The Notice again confirms the patentability of claims 62 and 64.
- 19. In prior litigations, the Patent-in-Suit withstood heavy scrutiny, including motions for summary judgment of anticipation, obviousness, inequitable conduct, lack of enablement, and lack of an adequate written description—all of which were resolved in DataQuill's favor. In a case against ZTE, a jury returned a verdict finding the asserted claims of the '304 Patent valid and infringed and awarded damages of \$31,500,000 and ZTE was ordered complete denial of its motions against the verdict for judgment as a matter of law.

20. The abstract of the Patent-in-Suit states:

A data entry system includes a hand held data entry unit having a reading sensor for sensing commands and/or data, rewritable storage for storing information relating to selectable items, a controller (a microprocessor or other processing circuitry) and a display screen for displaying a user readable representation of the commands and/or stored information for a selected item, and a telecommunication interface for the telephonic transmission of information relating to a selected item or items from the storage to a remote processing center and for the telephonic information relating to selectable items from the remote processing center to the storage. Preferably a telecommunications interface is provided in the hand held unit for cellular or other wireless telephony systems. The hand held unit can be configured to combine the data entry functions with those of audio telephony.

21. The Patent-in-Suit, with priority to a 1993 application, discloses and claims many key features of modern smartphones. Over twenty years ago, the DataQuill inventors invented a handheld device that, in several embodiments, functioned as both a cellular telephone and a merchandising system that enabled users to wirelessly download and update information about

items at a remote processing center, as well as display, browse, select, and wirelessly place orders for those items. Ex. A at 2:13-44, 3:10-15, 4:27-32, 10:49-61.

THE PATENT-IN-SUIT AND CLAIMS-IN-SUIT

- 22. DataQuill has the exclusive right to sue and the exclusive right to recover damages for infringement of the Patent-in-Suit during all relevant time periods.
- 23. On May 2, 2000, the '304 Patent entitled "Data Entry Systems" was duly and legally issued by the USPTO. On April 13, 2010, the USPTO issued an Ex Parte Reexamination Certificate for the '304 Patent.

AMAZON'S INFRINGING PRODUCTS

- 24. Amazon made, used, offered for sale, sold, and imported into the United States smartphones that enable users to browse and download items such as apps, games, ringtones, music, videos, books, and magazines. These devices include but are not limited to the following models: Fire Phone ("Accused Amazon Smartphones").
- 25. In addition to the specific models listed above, for the purpose of direct infringement, the "Accused Amazon Smartphones" are all Amazon smartphones that incorporated a touch-sensitive screen and the Fire operating system ("Fire OS") that were offered for sale or sold in the United States between the period that is six years before the filing date of this complaint and the expiration of the Patent-in-Suit.
- 26. Amazon made, used, offered for sale, sold, and imported into the United States tablet devices that enable users to browse and download items such as apps, games, ringtones, music, videos, books, and/or magazines.
- 27. For the purpose of Amazon's direct infringement, these devices include all tablet devices that incorporate a touch-sensitive screen including without limitation a touch-sensitive

screen with a 7-inch or smaller diagonal size and either Kindle system or Fire OS that were offered for sale or sold in the United States between the period that is six years before the filing date of this complaint and the expiration of the Patent-in-Suit ("Accused Amazon Tablets").

- 28. Amazon directly infringed claims of the Patent-in-Suit under 35 U.S.C. § 271(a) by making, using, offering for sale, selling, and/or importing the Accused Amazon Smartphones and/or Accused Amazon Tablets ("Accused Amazon Smartphones and Tablets") in this District and elsewhere in the United States that include the systems claimed in the Patent-in-Suit.
- 29. Amazon indirectly infringed claims of the Patent-in-Suit, inducing direct infringement pursuant to U.S.C. § 271(b) in this District and elsewhere in the United States at least by: (i) its customers of Accused Amazon Smartphones and Amazon Tablets having directly infringed the Patent-in-Suit by making, using, selling, offering for sale, and/or importing Accused Amazon Smartphones and Tablets in this District and elsewhere in the United States in direct infringement of the Patent-in-Suit; (ii) Amazon having knowingly induced with the intent to encourage the customers' direct infringement, for example, by providing user guides and other support materials and services for Accused Amazon Smartphones and Tablets to its customers and by advertising features and benefits of Accused Amazon Smartphones and/or Tablets to customers that were made, used, and/or sold intending customers to make, use, and/or sell those features and/or achieve those benefits while Amazon knew that Accused Amazon Smartphones and Tablets infringed the Patent-in-Suit.
- 30. Despite Amazon's awareness of the Patent-in-Suit, Amazon continued these acts of inducement with specific intent to infringe the Patent-in-Suit with knowledge or willful blindness that such activities occurred and constituted direct infringement of the Patent-in-Suit.

AMAZON'S KNOWLEDGE OF THE PATENT-IN-SUIT, HOW AMAZON INFRINGES IT, AND

AMAZON'S CONTINUED INFRINGEMENT DESPITE THAT KNOWLEDGE

- 31. At least as early as December 21, 2009, DataQuill, through counsel, provided a notice letter to Amazon.com Legal Department, Amazon.com's agent, regarding the '304 Patent. Ex. B.
- 32. Responding for Amazon.com, Amazon's Associate General Counsel replied in a letter December 22, 2009, acknowledging receipt of the letter and that DataQuill had alleged the '304 patent related to the Kindle devices, and stating that Amazon was studying the patents and DataQuill's allegations.
- 33. On August 2, 2010, DataQuill provided a second letter to Amazon.com's legal department. The letter included the re-examination certificate, issued April 13, 2010, for U.S. 6,058,304. The letter specifically cited the '304 Patent's claims 62, 80, 81, 95, 98, 104, 107, and 115, among others, respecting the Kindle product line. Ex. B.
- 34. Amazon did not enter into a license agreement with DataQuill following the December 2009 letter or the August 2, 2010 letter. Despite knowledge of the Patent-in-Suit and knowledge of how the Patent-in-Suit was infringed, Amazon continued to infringe, and induce the infringement of, the Patent-in-Suit.

COUNT I: INFRINGEMENT OF PAT. 6,058,304

- 35. DataQuill reasserts and realleges paragraphs 1 through 34 of this Complaint as though set forth fully here.
- 36. Amazon directly infringed the '304 Patent in the State of Delaware, in this judicial district, and elsewhere within the United States by making, using, offering for sale, selling, and/or importing Accused Amazon Smartphones and Tablets that infringe one or more claims of the '304 Patent.

- 37. Accused Amazon Smartphones and Tablets sold by Amazon infringed at least claim 100 of the '304 Patent, for example as explained in the following paragraphs (39-52) with reference to Accused Amazon Tablets.
- 38. The Accused Amazon Tablets are data entry devices for use in a data entry system.
- 39. Each Accused Amazon Tablet contains at least one reading sensor. "Reading sensor" has been repeatedly construed by several courts to cover a touchscreen. Each Accused Amazon Tablet has a touchscreen. The touchscreen is a reading sensor responsive to commands and/or sensed commands and data. The touchscreen produces input signals.
- 40. For example, the touchscreen of each Accused Amazon Tablet is responsive to commands and/or sensed commands and data that enable a user to navigate and download books and other content from Amazon.
- 41. The Accused Amazon Tablets contain a controller coupled to the reading sensor to receive and process input signals from the touchscreen, e.g., circuitry coupled to the touchscreen including the touchscreen controller and processor. This circuitry responds to input signals to control the Accused Amazon Tablets and to select items.
- 42. The Accused Amazon Tablets' controller is coupled to a communications interface to selectively control transmission over said communications interface of command and/or data signals as determined by said input signals processed by the controller.
- 43. For example, Accused Amazon Tablets contain a communications interface (e.g., the 3G circuitry). The communications interface is coupled to the controller. The communications interface provides for transmission of commands and/or data signals as determined by input signals processed by the controller in several ways including: commands

and/or data signals are transmitted over the communications interface when a user navigates the Kindle Store, for example, and selects to view additional information about an item or to rate or review an item or when a user chooses to download an item from Amazon.

- 44. The Accused Amazon Tablets contain a communications interface (e.g., the 3G circuitry) that directly connects the Accused Amazon Tablets to a wireless telecommunications network. This connection is made over a wireless telecommunications network via an antenna.
- 45. The Accused Amazon Tablets contain a touchscreen display coupled to a controller to display commands and/or information under control of the input signals processed by the controller. For instance, the Amazon Play store displays buttons under the control of input signals the Accused Amazon Tablets' controller processes.
- 46. The Accused Amazon Tablets' reading sensors, controllers, and displays comprise a unitary assembly. The Accused Amazon Tablets are sold as complete, integrated units. The Accused Amazon Tablets' touchscreens comprise a reading sensor and a display. The controller is located within the Accused Amazon Tablets.
- 47. The Accused Amazon Tablets contain a communications interface (e.g., the 3G circuitry) that is a cellular telephone network interface. The cellular telephone network interface directly connects the Accused Amazon Tablet to a wireless telecommunications network that is a cellular telephone network.
- 48. The controller is configured to respond to a user update command by downloading information from a remote processing center required for updating information previously stored in the Accused Amazon Tablets. For example, a user can choose to update a Kindle's software by tapping on the Quick Actions icon on the toolbar, and then tapping on All Settings, Device Options, and Advanced Options. The existing Kindle software was previously

stored on the Accused Amazon Tablets, and selecting "Update Your Kindle" initiates a download of information from a remote server to update the Kindle's software that was previously stored in the Kindle. Additionally, when a user syncs content across Kindle devices by tapping the setting icon and then the "Sync My Kindle" button, information required for updating applications to snychronize the Kindle with other devices on the account is downloaded from a remote processing center (e.g., an Amazon server). For instance, syncing content may sync a device to the furthest page read or sync notes, highlights, and bookmarks, that the user added to an e-book that the user previously downloaded and stored on the Kindle device.

- 49. The Accused Amazon Tablets comprise a touchscreen, which is a carrier. "Carrier" has been construed by multiple courts to mean "a medium that carries one or more data and/or command codes." The touchscreen is a medium associated with displaying a plurality of data and/or command codes. The data and/or command codes are displayed on the screen as buttons, links, or icons. The touchscreen is associated with displaying a plurality of selectable items, such as books, personal documents, newspapers, blogs, and magazines.
- 50. The Accused Amazon Tablets' touchscreens carry a plurality of codes representing natural language characters and numbers, as well as commands for controlling operation of the data entry and/or merchandising systems. For natural language characters and numbers, the Accused Amazon Tablets display a keyboard that can be used to input information. For commands, the touchscreen displays apps, buttons, or links that a user may select to control the system.
- 51. Each code is associated with a visual representation displayed on the Accused Amazon Tablets' screens. The codes may be product identifications such as links to products

such as books, newspapers, and magazines.

- 52. Accused Amazon Smartphones and Tablets sold by Amazon infringed at least claim 64 of the '304 Patent, for example as explained in the following paragraphs (54-85) with reference to Accused Amazon Smartphones.
- 53. The Accused Amazon Smartphones are data entry devices. They may be used to selectively download description information for later user access, to select and order merchandisable items, to select from multi-lingual display, and as cellular telephone handsets.
- 54. Each Accused Amazon Smartphone contains at least one reading sensor.

 "Reading sensor" has been repeatedly construed by several courts to cover a touchscreen. Each

 Accused Amazon Smartphone has a touchscreen. The touchscreen is a reading sensor responsive to commands and/or sensed commands and data. The touchscreen produces input signals.
- 55. For example, the touchscreen can sense commands and/or data that enable a user to navigate and download media files including but not limited to music, personal photos and videos, motives, television shows, books, magazines, newspapers, audiobooks, games, and apps from Amazon services such as the Kindle Store.
- 56. The Accused Amazon Smartphones contain a controller coupled to the reading sensor to receive and process input signals from the touchscreen, *e.g.*, circuitry coupled to the touchscreen including the touchscreen controller and processor. This circuitry responds to input signals to control the Accused Amazon Smartphones and to select items.
- 57. The Accused Amazon Smartphones' controller is coupled to a communications interface to selectively control transmission over said communications interface of command and/or data signals as determined by said input signals processed by the controller.
 - 58. For example, Accused Amazon Smartphones contain a communications interface

(e.g., the GSM/WCDMA/LTE circuitry). The communications interface is coupled to the controller. The communications interface provides for transmission of commands and/or data signals as determined by input signals processed by the controller in several ways including: commands and/or data signals are transmitted over the communications interface when a user: clicks on, for instance, the Music, Photos, Books, Newsstand, or Audiobooks icons, or on the Kindle Store, Shop Amazon, or Amazon Appstore app; navigates menus or lists of digital content or merchandise; and selects to view additional information about an item or to rate or review an item or when a user chooses to download an item from Amazon.

- 59. The Accused Amazon Smartphones contain a communications interface (e.g., the GSM/WCDMALTE circuitry) that directly connects the Accused Amazon Smartphones to a wireless telecommunications network. This connection is made over a wireless telecommunications network via an antenna.
- 60. The Accused Amazon Smartphones contain a touchscreen display coupled to a controller to display commands and/or information under control of the input signals processed by the controller. For instance, the Fire Phone displays icons for applications (e.g., Calendar, Maps, Camera, Weather, Clock, Shop, Applications, Music, Videos, Books, Newsstand, and Audiobooks) under the control of input signals the Fire Phone controller processes.
- 61. The Accused Amazon Smartphones' reading sensors, controllers, and displays comprise a unitary assembly. The Accused Amazon Smartphones are sold as complete, integrated units. The Accused Amazon Smartphones' touchscreens comprise a reading sensor and a display. The controller is located within the Accused Amazon Smartphones.
- 62. The Accused Amazon Smartphones contain a communications interface (e.g., the GSM/WCDMA/LTE circuitry) that is a cellular telephone network interface. The cellular

telephone network interface directly connects the Accused Amazon Smartphone to a wireless telecommunications network that is a cellular telephone network.

- 63. Each Accused Amazon Smartphones is a data entry device integral with a cellular telephone. The Accused Amazon Smartphones comprise both a data entry device and a cellular telephone.
- 64. The controller is configured to respond to a user update command by downloading information from a remote processing center required for updating information previously stored in the Accused Amazon Smartphones.
- button to receive app or software updates. Sync can update an individual app (e.g., the user can update progress across devices for Kindle books, Audible audiobook, Appstore game, and Amazon Instant video content) that was previously stored on the Accused Amazon Smartphones, and tapping the "Sync" icon initiates a download of information to update that application. Additionally, when a user taps the Books icon, swipes from the left edge of the screen with two fingers, double-taps "Sync to Furthest Page Read", the user can update information previously stored in the Accused Amazon Smartphone about the furthest page read. The information required for updating individual applications is downloaded from a remote processing center (e.g., Amazon's servers. An update may be available if the user previously downloaded and stored said app.
- 66. The Accused Amazon Smartphones are data entry devices integral with a cellular telephone. The Accused Amazon Smartphones comprise both a data entry device and a cellular telephone. The Accused Amazon Smartphones are handholdable devices that may be used as telephone handsets.

- 67. The Accused Amazon Smartphones contain rewritable storage including caches and internal memory. The rewritable storage is made of solid state memory (e.g., RAM, flash).
 - 68. The Accused Amazon Smartphones contain a rechargeable power supply.
- 69. The Accused Amazon Smartphones comprise at least four distinct mechanical/manually operable key switches that input user information. The user engages the "Power" button to turn the phones on and off, to turn on or lock the screen, and to restart the device. The "Volume" buttons allow a user to control the volume of its ring tone, the volume of the receiver during a call, to silence an incoming call, and to zoom in and out of while recording video. The "Camera" button allows the user to access the camera even if the phone is locked and to open the Firefly shopping app. The "Home" button returns the phone to the Home screen, toggles between carousel vie and app grid view, and allows the user to use Voice Control to make calls, send text messages, or send emails.
- 70. An Accused Amazon Smartphone user is able to select the language displayed on his or her Accused Amazon Smartphone. There are multiple languages available for a user to select, including English. Thus, a user operating an Accused Amazon Smartphone is able to select and operate an Accused Amazon Smartphone in a user understandable language from a list of languages that includes English and at least one other language.
- 71. The Accused Amazon Smartphone is a hand holdable device with a network interface that allows a user to connect to Amazon servers through a cellular telephone network. A user can select and download information (including description information) relating to various products available through Amazon. This information is stored in solid state memory in the Accused Amazon Smartphones. The user can access the downloaded information without any further access to the remote processing center (e.g., the Amazon servers).

- 72. For instance, Accused Amazon Smartphones, by utilizing the network interface and cellular telephone network, are operable to download for storage from a remote processing center (*e.g.*, Amazon servers), description information corresponding to each of a plurality of user selectable items including: information related to selectable items such as descriptions of books, newspapers, magazines, music, movies, etc., received when a user navigates, for instance, the Kindle Store, Shop Amazon, or Amazon Appstore app and selects an item such as a book, a game, or an app; information related to selectable items such as the item itself is received when a user chooses to download an item from Amazon; information related to selectable items including whether an update is available is received for apps that are installed; and information related to selectable items such as an update to that item is received when an update is requested.
- 73. This description information is for storage and maintainable in storage by utilizing the Accused Amazon Smartphones' solid state memory for later user access without requiring transmission of any description information to the handheld, Accused Amazon Smartphones.
- 74. Information is downloaded from the remote processing center in response to coded instructions transmitted to the remote processing center by the Accused Amazon Smartphones over a network interface. These coded instructions are transmitted as a user navigates, for instance, the Kindle Store, Shop Amazon, or Amazon Appstore (*e.g.*, by selecting movies & tv or books from the bottom row menu of icons). The coded instructions are transmitted in response to commands such as: selecting to view the categories of Kindle Store products; search queries within the Kindle Store; downloading an item or updating an application or operating system. In response to these actions, or requesting more detailed information about an item (e.g., a product available through the Kindle Store, Shop Amazon, or Amazon Appstore).

- 75. For example, selecting a particular book in the Kindle Store or in the Book app is a command. After the user selects a book, the Kindle Store or Book app displays more detailed information about the contents of said book. This is in response to a user command.
- 76. After the description information is downloaded to the Accused Amazon Smartphones from the remote processing server, it is stored in memory on the Accused Amazon Smartphones. The Accused Amazon Smartphones may display user selectable items in list form. This includes, for example, lists of downloaded: Kindle books, movies, music, games, or software applications; and other items available from Kindle Store, Shop Amazon, or Amazon Appstore to download. Each item from the list is individually selectable by the user, at which point description information will be displayed. The description information is stored in the Accused Amazon Smartphones' memory, and the Accused Amazon Smartphones can display the description information without further access to the remote processing center. For instance, users can an select item in the Kindle Store, Shop Amazon, or Amazon Appstore apps and the Accused Amazon Smartphones will display the new description information for the item; the user then can switch to airplane mode and shut off wireless access, select the left arrow to return to the list, and select the item again to display the item's description information while disconnected from any network. An Accused Amazon Smartphone's user selects an item from the list of selectable items by touching the screen at the item's location. Individual items (such as Kindle Store, Shop Amazon, or Amazon Appstore products) that have been downloaded and stored in the Accused Amazon Smartphones are also individually selectable using the display screen
- 77. The information previously stored on the Accused Amazon Smartphones (*i.e.*, information related to a Kindle Store, Shop Amazon, or Amazon Appstore product) is part of the

description of an item downloaded from a remote processing center. The information corresponds to an individual item of a plurality of selectable items.

- 78. The controller is responsive to the user's command to download information from a remote processing center (e.g., the Amazon server) as required for updating information previously stored in the Accused Amazon Smartphones. The controller is configured to respond to a user update command by downloading information required for updating information for an individual item previously stored in the Accused Amazon Smartphones.
- 79. For example, a user can choose to update a user selectable application by tapping the "Sync to Furthest Page Read" button in the Kindle app. The existing application was previously stored on the Accused Amazon Smartphones, and the "Sync to Furthest Page Read" button initiates a download of information to update that application. Additionally, when a user accesses Quick Actions panel by swiping down, app updates will be displayed below the Quick Action icons. This is to bring the information up to date, e.g., syncing progress in an individual book where the Accused Amazon Smartphone was not previously up to date. The update (e.g., to the furthest page read in a book) is maintainable in the Accused Amazon Smartphone's solid state memory for later user access even where no cellular or other wireless networks are available or in airplane mode. The command to "Sync to Furthest Page Read" is to update an individual book out of a plurality of selectable items (e.g., books) in the Kindle app.
- 80. The Accused Amazon Smartphones allow a user to place orders for merchandisable items (e.g., Kindle Store, Shop Amazon, or Amazon Appstore products) via a remote processing center (e.g., the Amazon server) and via user selections from the smartphone's touchscreen display.
 - 81. The handheld Accused Amazon Smartphones allow a user to connect to Amazon

(e.g., the Kindle Shop, Shop Amazon, or Amazon Appstore) through a network interface and a cellular network. A user can select and download information (including description information) relating to various products available for storage from Amazon. This information is stored in solid state memory in the Accused Amazon Smartphones. The user can access the downloaded information from memory without any further access to the remote processing center (e.g., the Amazon server).

- 82. Information is downloaded from the remote processing center in response to coded instructions transmitted to the remote processing center by the Accused Amazon Smartphones over a network interface. These coded instructions are transmitted as a user navigates, e.g., Kindle Shop, Shop Amazon, or Amazon Appstore, by selecting a book or movies or song. The coded instructions are transmitted in response to commands such as selecting to view the categories of Amazon products. Commands could also include search queries within, e.g., Kindle Shop, Shop Amazon, or Amazon Appstore. Another command could be when a user requests more detailed information about an item available through Amazon. For example, a command could be selecting a particular book in the Kindle Shop. After the user selects a book, the Kindle Shop displays more detailed information about the contents of said book. This is in response to a user command. Commands could also include downloading an item or updating an application or operating system. In response to these actions, the Accused Amazon Smartphones transmit coded instructions over a network interface to a remote processing center.
- 83. After the description information is downloaded to the Accused Amazon Smartphones from the remote processing server, it is stored in memory on the Accused Amazon Smartphones. The Accused Amazon Smartphones can display a plurality of user selectable items in list form. This includes, for example, books or applications displayed in the carousel view or

grid view or from the home screen. Each item from the list is individually selectable by the user, at which point description information will be displayed. The description information is stored in the Accused Amazon Smartphones' memory, and the Accused Amazon Smartphones can display the description information from memory.

- 84. Accused Amazon Smartphone users can purchase merchandisable items (Amazon Products) from, *e.g.*, Kindle Shop, Shop Amazon, or Amazon Appstore. Such items include books, newspapers, magazines, music, movies, etc. When a user makes a purchase selection on their phone through one of these systems, the Accused Amazon Smartphones transmit the selection over a cellular telephone network to a remote processing center (i.e. the Amazon servers). The remote processing centers process the order from the user. The Accused Amazon Smartphones receive information downloaded from remote processing centers through cellular telephone networks. The downloaded information (including the downloaded item) is then displayed on the Accused Amazon Smartphones' screens in the form of lists, icons, links, buttons, etc.
- 85. In addition to independent claims 100 and 64, by way of example, Accused Amazon Smartphones and/or Accused Amazon Tablets sold by Amazon infringed at least claims 62, 78, 80, 81, 82, 83, 85, 86, and 101 and at least the following dependent claims (as depending from the corresponding dependent or independent claims to the right of the slash marks): 33/78, 39/78, 44/78, 45/44/78, 47/78, 79/78; 33/81, 39/81, 44/81, 45/44/81, 47/81; 6/82, 7/82, 8/82, 12/82, 13/12/82; 6/83, 7/83, 8/83, 12/83, 13/12/83; 6/85, 7/85, 8/85, 12/85, 13/12/85; 6/86, 7/86, 8/86, 12/86, 13/12/86; 6/100, 7/100, 8/100, 12/100, 13/12/100; 6/101, 7/101, 8/101, 12/101, and 13/12/101.

- 86. Amazon is thus liable for infringement of the '304 patent under 35 U.S.C. § 271(a).
- 87. Claim 100 of the reexamined '304 patent was added in amendment and is the '304 patent's original dependent claim 21 rewritten in independent form as depending from original claim 1.
- 88. Accordingly, claim 100 did not enlarge the scope of the claims of the '304 Patent or add new subject matter. It recited an embodiment of the invention which provided significant improvement and utility from, and was patentable over, the prior art.
- 89. The technology claimed in claim 100 was not well understood, routine, or conventional at the time that the application was filed and, by improving mobile devices and merchandising systems, provided a technological solution to a technological problem rooted in mobile device and merchandising system technologies.
- 90. Claim 64 was added by amendment during the '8,340 reexamination and includes all of original claim 2 but added further limitations disclosed in the '304 Patent's specification.
- 91. Accordingly, claim 64 did not enlarge the scope of the claim 2 or add new subject matter.
- 92. Claim 64 recited an alternate embodiment of the invention which provided significant improvement and utility from, and was patentable over, the prior art.
- 93. The technologies claimed in claim 64 were not well understood, routine, or conventional at the time that the application was filed and, by improving mobile devices and merchandising systems, provided technological solutions to technological problems rooted in mobile device and merchandising system technologies.

- 94. Amended Claim 62, which was found patentable in the '8,340 reexamination, includes all of original claim 62 but added further limitations disclosed in the '304 Patent's specification.
- 95. Accordingly, amended claim 62, did not enlarge the scope of original claims 62 or add new subject matter.
- 96. Amended claim 62 recited an alternate embodiment of the invention which provided significant improvement and utility from, and was patentable over, the prior art.
- 97. Claims 78, 80, 81, 82, 83, 85, 86, and 101 were added by amendment in the '8,340 reexamination. Claim 78 is original claim 28 re-written in independent form with further limitations disclosed in the '304 Patent's specification. Claim 80 is original claims 10 and 2 rewritten in independent form with further limitations disclosed in the '304 Patent's specification. Claim 81 is original claims 43, 41, and 26 rewritten in independent form, with further limitations disclosed in the '304 Patent's specification. Claim 82 is original claim 11 rewritten in independent form as depending from original claim 1. Claim 83 is original claim 11 rewritten in independent form as depending from original claim 2. Claim 85 is original claim 14 rewritten in independent form as depending from original claim 1. Claim 86 is original claim 14 rewritten in independent form as depending from original claim 2. Claim 101 is original claim 21 rewritten in independent form as depending from original claim 2. Claim 101 is original claim 21 rewritten in independent form as depending from original claim 2.
- 98. Accordingly, claims 78, 80-81, 82-83, 85-86, and 101 did not enlarge the scope of original claims 1, 2, 26, 28, 10, 41, 43, or add new subject matter.
- 99. Claims 78, 80-81, 82-83, 85-86, and 101 recited alternate embodiments of the invention which provided significant improvement and utility from, and was patentable over, the prior art.

- 100. Claims 6, 7, 8, 12, 33, 39, 44, and 47 are the original dependent claims rewritten to depend from claims found patentable in the '8,340 reexamination. Claims 6, 7, 8, 12, 33, 39, 44, and 47 include limitations disclosed in the '304 Patent's specification. As dependent claims, claims 6, 7, 8, 12, 33, 39, and 44 further limit the independent claims (e.g., claims 78, 81, 82, 83, 100, and 101) from which they depend.
- 101. Accordingly, claims 6, 7, 8, 12, 33, 39, 44, and 47 did not enlarge the scope of original claims or add new subject matter.
- 102. Claims 6, 7, 8, 12, 33, 39, 44, and 47 recited alternate embodiments of the invention which provided significant improvement and utility from, and was patentable over, the prior art.
- 103. Claims 13 and 45 are original dependent claims and depend on amended dependent claims that added further limitations disclosed in the '304 Patent's specification.
- 104. Accordingly, claims 13 and 45 did not enlarge the scope of original claims or add new subject matter.
- 105. Claims 13 and 45 recited alternate embodiments of the invention which provided significant improvement and utility from, and was patentable over, the prior art.
- 106. Claim 79 was added by amendment in the '8,340 reexamination. Claim 79 depends from independent claim 78 (claim 78 is original claim 28 re-written in independent form with further limitations disclosed in the '304 Patent's specification) and adds further limitations disclosed in the '304 Patent's specification.
- 107. Accordingly, claim 79 did not enlarge the scope of original claim 28 or add new subject matter.

- 108. Claims 79 recited alternate embodiments of the invention which provided significant improvement and utility from, and was patentable over, the prior art.
- 109. The technologies claimed in the foregoing claims (*see* paragraphs 86, 88-109) were not well understood, routine, or conventional at the time that the application was filed and, by improving mobile devices and merchandising systems, provided technological solutions to technological problems rooted in mobile device and merchandising system technologies.
- 110. Amazon has induced infringement of the '304 patent. With knowledge of the '304 Patent and knowledge of the infringing nature of Accused Amazon Smartphones and Tablets (or, at a minimum, willful blindness thereto), Amazon has encouraged third-party retailers to directly infringe the '304 Patent by offering to sell and selling these devices to end user consumers.

 Amazon knew of and intended to cause its retailers' direct infringement and is therefore liable for actively inducing their infringement of the '304 Patent under 35 U.S.C. § 271(b).
- 111. Additionally, with knowledge of the '304 Patent and knowledge of the infringing nature of Accused Amazon Smartphones and Tablets (or, at a minimum, willful blindness thereto), Amazon has encouraged end users to directly infringe the '304 Patent by using these devices. Amazon has marketed, promoted, and instructed users to use these devices in an infringing manner. This marketing, promotion, and instruction has specifically included instructions to use the devices' functionality to download apps, games, music, videos, books, magazines, and ringtones. Amazon knew of and intended to cause its end users' direct infringement and is therefore liable for actively inducing their infringement of the '304 Patent under 35 U.S.C. § 271(b). See, e.g., Ex. C at 11, 14, 27, 57, 73-83 (advertising features of the Amazon Fire Phone including downloading and purchasing apps, music, ringtones, and updating

apps);¹ Ex. D at 13-16, 25-26, 29-30 (advertising features of the Kindle Paperwhite (7th Gen) including downloading and purchasing books, newspapers, etc.).²

- Amazon Tablets have directly infringed the Patent-in-Suit by using, selling, offering for sale, and/or importing Accused Amazon Smartphones and/or Accused Amazon Tablets in this District and elsewhere in the United States in direct infringement of the Patent-in-Suit *inter alia* for the same reasons alleged in paragraphs 39-52, 54-85.
- 113. Amazon was aware of the '304 patent by at least 2009. DataQuill sent a letter on December 21, 2009, by facsimile and U.S. mail to Amazon's Legal Department:

It has come to our attention that your company has manufactured, offers for sale and/ or sells, etc. a system including the KindleTM line of wireless reading devices. You may wish to have your patent counsel examine the claims of the referenced patents relative to your device and system to determine whether a non-exclusive license or appropriate covenant not to sue is needed. See, for example, '304 patent dependent claim 21 (as depending from claim 1)....

In any event, Amazon should include the above patents and pending U.S. application in its study relative to Amazon's KindleTM system. Information regarding these patents is publicly available, including via the Patent Office's PAIR system. We believe that a license would benefit Amazon by providing it the ability to practice claims of DataQuill's patents without violating rights under the patents, and any relevant rights which may vest under the pending application.

Ex. B (Letter to Amazon).

¹ Fire Phone User Guide – ATT, Amazon.com, https://www.att.com/support_static_files/manuals/Amazon_Fire_Phone_English.pdf (last visited May 2, 2022).

² Kindle User Guide – HTML [Kindle Paperwhite (7th Generation)], Amazon.com, https://customerdocumentation.s3-us-west-2.amazonaws.com/kug/kindle_all_new_paperwhite/v1/en-US/html/kug.html (last visited May 2, 2022).

- 114. Amazon was aware of the '304 patent because Amazon acknowledged DataQuill's 2009 Letter in a reply sent on December 22, 2009. Ex. B at 4.
- 115. Amazon was aware of the '304 patent because DataQuill sent a letter to Amazon on August 2, 2010, stating:

Please find enclosed a copy for your file of the following: A re-examination certificate, issued April 13, 2010, for U.S. 6,058,304 C1, e.g., claims 62, 80, 81, 95, 98, 104, 107, 115, etc. . . . Amazon should have its patent counsel include the above patents and the pending U.S. application in its study relative to the KindleTM product line. . . . We believe that a license would benefit Amazon by providing it the ability to practice claims of DataQuill's patents without violating rights under the patents . . .

- 116. Amazon was aware of the '304 patent because over 100 U.S. patents that issued after April 2010 have cited the '304 patent as prior art.
- 117. Amazon was aware of the '304 patent because DataQuill has asserted claims of the reexamined patent's claims in litigation against major manufacturers of smartphones and tablets including ZTE in the Eastern District of Texas jury trial that resulted in a \$31.5 million verdict and Palm, HTC, Research in Motion, Apple, Huawei, and TCL.
- 118. At least by 2009, Amazon was aware (or willfully blind) that mobile devices including the Accused Amazon Smartphones and/or Accused Amazon Tablets infringed the '304 patent because, among other things, DataQuill's 2009 and 2010 letters notified Amazon that such systems infringed the '304 patent. Among other things, the letter directed Amazon to review the '304 patent including, for example, its original dependent claim 21 as depending from claim 1 and including reexamined claims 62, 80, 81, 95, 98, 104, 107, 115 with respect to Amazon's Kindle product line.
- 119. Claim 100 of the reexamined '304 patent (*see supra* paragraphs 39-52) is the '304 patent's original dependent claim 21 rewritten in independent form as depending from claim 1.

'304 patent (original)

1. A data entry device for use in a data entry system, said data entry device comprising:

a reading sensor responsive to commands and/or sensed commands and data to produce input signals;

a controller coupled to said reading sensor to receive and process said input signals;

said controller coupled to a communications interface to selectively control transmission over said communications interface of command and/or data signals as determined by said input signals processed by said controller;

said communications interface being operable directly to connect said data entry device to a wireless telecommunications network; and

a display coupled to said controller to display commands and/or information under control of said input signals processed by said controller;

wherein said reading sensor, controller and display comprise a unitary assembly and said communications interface is a cellular telephone network interface and said wireless telecommunications network is a cellular telephone network, and

wherein said controller is responsive to a said command to cause downloading of information from a remote processing center as required for updating information previously stored in said data entry device.

21. A data entry device according to any of claims 1, 2 or 3,

[and] comprising a carrier or a display for a plurality of data and/or command codes for association with means for displaying a plurality of selectable items,

wherein said carrier carries a plurality of codes, each for a respective one of a plurality of natural language and/or numeric characters and a plurality of commands for controlling operation of said data entry device or a merchandising system, each code being associated with a visual representation of the corresponding natural language or numeric character or command and/or of a graphical representation thereof, wherein said codes are bar and/or dot codes and/or other product identifications.

'304 patent (reexamined)

101. A data entry device for use in a data entry system, said data entry device comprising:

a reading sensor responsive to commands and/or sensed commands and data to produce input signals,

a controller coupled to said reading sensor to receive and process said input signals,

said controller coupled to a communications interface to selectively control transmission over said communications interface of command and/or data signals as determined by said input signals processed by said controller,

said communications interface being operable directly to connect said data entry device to a wireless telecommunications network, and

a display coupled to said controller to display commands and/or information under control of said input signals processed by said controller,

wherein said reading sensor; controller and display comprise a unitary assembly and said communications interface is a cellular telephone network interface and said wireless telecommunications network is a cellular telephone network, and

wherein said controller is responsive to a said command to cause downloading of information from a remote processing center as required for updating information previously stored in said data entry device,

and comprising a carrier or a display for a plurality of data and/or command codes for association with means for displaying a plurality of selectable items,

wherein said carrier carries a plurality of codes, each for a respective one of a plurality of natural language and/or numeric characters and a plurality of commands for controlling operation of said data entry device or a merchandising system, each code being associated with a visual representation of the corresponding natural language or numeric character or command and/or of a graphical representation thereof, wherein said codes are bar and/or dot codes and/or other product identifications.

- Amazon that: "DataQuill has entered settlements and licensed rights to its patented technology to the wireless telecommunications industry since 2002. Licensees include Hewlett-Packard, Palm, Pantech, Motorola, Research in Motion, LG Electronics, Nokia, and Samsung Electronics". Ex. B at 7; *see id.* at 2. Amazon thereby was aware (or willfully blind) that third-party smartphone and tablet manufacturers (*e.g.*, HP, Palm, Motorola, and Samsung) who produced substantially similar smartphones and tablets infringed the '304 patent and had licensed the '304 patent.
- 121. While knowing (or being willfully blind) that Accused Amazon Smartphones and/or Accused Amazon Tablets infringed the Patent-in-Suit, Amazon continued to induce retailers and end users to infringe the '304 patent: Amazon sold and/or provided Accused Amazon Smartphones and/or Accused Amazon Tablets and other support materials and services (see supra ¶ 115) to third-party retailers and to end user consumers and Amazon advertised Accused Amazon Smartphones and/or Accused Amazon Tablets (see supra ¶ 115).
- 122. On information and belief, Amazon induced third-party companies to infringe the Patent-in-Suit including without limitation Best Buy Co., Inc., Target Brands, Inc., GameStop Corp., and NewEgg Inc. DataQuill reserves the right to discover and pursue all such additional induced sales by third-party manufacturers.
- 123. Despite Amazon's awareness of the Patent-in-Suit, Amazon has continued these acts of inducement with specific intent to cause and encourage direct infringement of the Patent-in-Suit or with willful blindness that such activities occurred and constitute direct infringement of the Patent-in-Suit. Amazon had a financial interest in third-party retailers advertising and selling the Accused Amazon Smartphones and/or Accused Amazon Tablets because Amazon

derived revenue including without limitation from sales of smartphones and tablets and from purchases through, e.g., Kindle Shop, Shop Amazon, Amazon Appstore, or Firefly app.

- 124. Amazon is thus liable for infringement of the '304 Patent under 35 U.S.C. § 271(b).
- 125. As a result of its infringement of the '304 Patent, Amazon has damaged DataQuill. Amazon is liable to DataQuill in an amount to be determined at trial that adequately compensates DataQuill for the infringement, which by law can be no less than a reasonable royalty.
- 126. Because Amazon knew of the '304 Patent and its infringement thereof (as detailed above), Amazon's infringement of the '304 Patent is therefore willful and deliberate, entitling DataQuill to increased damages under 35 U.S.C. § 284 and to attorneys' fees and costs incurred in prosecuting this action under 35 U.S.C. § 285.

JURY DEMAND

DataQuill demands a trial by jury on all issues that may be so tried.

REQUEST FOR RELIEF

WHEREFORE, Plaintiff DataQuill requests that this Court enter judgment in its favor and against Defendants Amazon.com, Inc., Amazon Digital Services LLC, and Amazon.com Services LLC as follows:

A. Adjudging, finding, and declaring that Amazon has infringed the Patent-in-Suit under 35 U.S.C. § 271;

- B. Awarding the past damages arising out of Amazon's infringement of the Patentin-Suit to DataQuill in an amount no less than a reasonable royalty, together with prejudgment and post-judgment interest, in an amount according to proof;
- C. Adjudging, finding, and declaring that Amazon's infringement is willful and awarding enhanced damages and fees as a result of that willfulness under 35 U.S.C. § 284;
 - D. Adjudging, finding, and declaring that the Patent-in-Suit is valid and enforceable;
- E. Awarding attorneys' fees, costs, or other damages pursuant to 35 U.S.C. §§ 284 or 285 or as otherwise permitted by law; and
- F. Granting DataQuill such other further relief as is just and proper, or as the Court deems appropriate.

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Respectfully submitted,

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