Document 1

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Page 1 of 13 Page ID

Case 8:22-cv-00034-DOC-DFM

Plaintiff Vivint, Inc. ("Vivint"), as a Complaint against defendant SB IP Holdings, LLC ("SBIP"), alleges as follows:

#### NATURE OF THE ACTION

1. This is an action for declaratory judgment of non-infringement and unenforceability of the following six United States patents (collectively, the "SBIP Patents"): No. 7,193,644 attached hereto as Exhibit 1 (the "'644 patent"); No. 8,139,098 attached hereto as Exhibit 2 (the "'098 patent"); No. 8,144,183 attached hereto as Exhibit 3 (the "'183 patent"); No. 8,144,184 attached hereto as Exhibit 4 (the "'184 patent"); No. 8,154,581 attached hereto as Exhibit 5 (the "'581 patent"); and No. 8,164,614 attached hereto as Exhibit 6 (the "'614 patent"). Vivint prays for declaratory judgment pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201-02, and the patent laws of the United States, 35 U.S.C. § 100 et seq., as well as such other and further relief as the Court deems just and proper.

#### **PARTIES**

- 2. Vivint is a corporation organized and existing under the laws of the state of Utah, having its principal place of business at 4921 North 300 West, Provo, Utah 84604.
- 3. On information and belief, SBIP is a limited liability company organized under the laws of the state of Delaware, having its principal place of business at 1 Jenner, Suite 100, Irvine, California 92618.
- 4. On information and belief, SBIP is a wholly owned subsidiary of Skybell Technologies, Inc. ("Skybell").
- 5. On information and belief, Skybell is a corporation organized and existing under the laws of the state of Nevada, having its principal place of business at 1 Jenner, Suite 100, Irvine, California 92618.
- 6. Given that (a) Vivint is incorporated and has its principal place of business in Utah and (b) SBIP is organized in Delaware and has its principal place of business in California, the parties are of diverse citizenship within the meaning of 28 U.S.C § 1332;

and the matter in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs.

#### **JURISDICTION AND VENUE**

- 7. This Court has exclusive subject matter jurisdiction for and over this action pursuant to 28 U.S.C. §§ 1331, 1338(a), 1367, 2201, and 2202, and the patent laws of the United States, 35 U.S.C. § 1, *et seq*. This Court also has diversity of citizenship jurisdiction for and over this action pursuant to 28 U.S.C. § 1332.
- 8. Venue for this action is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 and 1400.
- 9. SBIP purports to be the owner of all rights, title, and interest in and to the SBIP Patents. SBIP filed suit in the United States District Court in the Eastern District of Texas on November 17, 2020 against Vivint Smart Home, Inc. ("Smart Home"), Vivint's parent holding company, asserting patent infringement of the SBIP Patents ("SBIP Complaint"). See SB IP Holdings, LLC v. Vivint Smart Home, Inc. et al, Case No. 4:20-cv-00886-ALM ("E.D. Tex. Case No. 1"), Dkt. No. 1. In that suit, SBIP claims to be the owner of the SBIP patents.
- 10. In E.D. Tex. Case No. 1, SBIP accused Smart Home of infringing seven patents that claim priority to the SBIP Patents (the "SBIP Priority Patents") through activity related to video doorbells, video doorbell accessories such as control panels and electronic locks, IP cameras (i.e., digital video cameras that record and send video and audio over the internet), and video recording accessories for use with its video doorbells and IP cameras ("Accused Products").
- 11. Smart Home does not make, use, sell, offer to sell, sell, or import any Accused Products. Instead, Smart Home's subsidiary, Vivint, is the operating entity that conducts commercial business related to the Accused Products.
- 12. In response to SBIP's allegations against Smart Home in E.D. Tex. Case No. 1, Smart Home denied that it sold, made, used, offered to sell, sold, or imported any

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Accused Product. Additionally, Vivint joined the case by asserting patent infringement claims against Skybell.

- 13. Skybell and SBIP filed a motion to dismiss Vivint and Skybell from E.D. Texas Case No. 1 due to objections to venue in the Eastern District of Texas.
- During briefing on the motion, Vivint explained that: "The real parties in 14. interest to this lawsuit are SkyBell [Technologies, Inc.] and Vivint[, Inc]. SBIP [Holdings, LLC] and Vivint Smart Home[, Inc.] are holding companies while SkyBell [Technologies, Inc.] and Vivint[, Inc.] are companies that conduct commercial activity."
- Following briefing for the motion to dismiss, the parties to E.D. Texas Case No. 1 agreed to a stipulation to transfer Vivint's counterclaims against Skybell to the Southern Division of this Court. On November 17, 2021, United States District Judge Amos L. Mazzant III entered in E.D. Texas Case No. 1 an Order Granting Joint Stipulation to Transfer Parties and Claims. See E.D. Texas Case, Dkt. No. 65 (Nov. 17, 2021). In particular, Judge Mazzant ordered that "Vivint, Inc. and all of its counterclaims against Skybell Technologies, Inc. ... are transferred to the United States District Court for the Central District of California." Id. It further dismissed without prejudice Vivint's counterclaims regarding invalidity and non-infringement of the SBIP Priority Patents. *Id.* Pursuant to Judge Mazzant's Order, on December 17, 2021, Vivint's counterclaims against Skybell were transferred to this Court and assigned to District Judge George H. Wu and given Case No. 2:21-cy-09472 GW-GJS ("C.D. Cal. Case No. 1").
- Upon the transfer of Vivint's counterclaims against SkyBell to this Court in 16. C.D. Cal. Case No. 1, SBIP's infringement claims against Smart Home continue in the Eastern District of Texas. After the transfer, SBIP sought production of sales information related to Vivint despite having expressly agreed to dismissal of Vivint from E.D. Texas Case No. 1. When pressed for relevance of the sales documents of a third-party (i.e., Vivint), SBIP's counsel confirmed that SBIP seeks to hold Smart Home liable for Vivint's alleged infringement of the SBIP Priority Patents. This communication was the first express accusation by SBIP of direct patent infringement attributable to Vivint.

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- 17. On November 18, 2021, SBIP filed a second action against Smart Home in the Eastern District of Texas, accusing Smart Home of infringing the SBIP Patents. *SB IP Holdings, LLC v. Vivint Smart Home, Inc. et al*, Case No. 4:21-cv-00912-ALM, Dkt. No. 1 (Nov. 18, 2021) ("E.D. Tex. Case No. 2").
- 18. In E.D. Tex. Case No. 2, SBIP accuses Smart Home of infringing the SBIP Patents through activity related to the Accused Products.
- 19. But, again, Smart Home does not make, use, sell, offer to sell, or import any Accused Products—instead, Vivint is the operating entity that conducts commercial business related to the Accused Products.
- 20. Accordingly, there is a real and substantial controversy regarding whether Vivint's products infringe any valid claim of the SBIP Patents.
- 21. Vivint has not infringed and does not infringe, either directly or indirectly, any valid and enforceable claim of the SBIP Patents, either literally or under the doctrine of equivalents. A substantial controversy exists between Vivint and SBIP that is of sufficient immediacy and reality to warrant declaratory relief.
- 22. This Court has personal jurisdiction over SBIP. Skybell's headquarters and principal place of business are in Orange County, California. Further, SBIP has conducted, and does conduct, business in California pertaining to the SBIP Patents.

## **COUNT I**

## (Declaratory Judgment of Noninfringement of the '644 Patent)

- 23. Vivint repeats and realleges the allegations in paragraphs 1–22 as though fully set forth herein.
  - 24. SBIP claims to be the owner and assignee of the '644 Patent.
- 25. SBIP has alleged that the Accused Products sold by Vivint infringe one or more of the claims of the '644 patent.
- 26. Absent a declaration that any asserted claim of the '644 patent is not infringed by the Accused Products, SBIP will continue to wrongfully assert the '644 patent against Vivint, thereby causing Vivint irreparable harm and injury.

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- 27. Vivint neither has infringed nor does infringe, directly or indirectly, any valid and enforceable claim of the '644 patent.
- 28. For example, without limitation, the Accused Products do not include a component that records audio communication transmitted to the Accused Product as required by claim 1 of the '644 patent.
- 29. An actual, substantial, and justiciable controversy of sufficient immediacy and reality exists between the parties as to whether the claims of the '644 patent are infringed by Vivint. A judicial declaration is necessary and appropriate in view of SBIP's allegations.
- 30. Based on the foregoing, Vivint hereby requests a declaration that the claims of the '644 patent are not infringed by the Accused Products.

#### **COUNT II**

## (Declaratory Judgment of Noninfringement of the '098 Patent)

- 31. Vivint repeats and realleges the allegations in paragraphs 1–22 as though fully set forth herein.
  - 32. SBIP claims to be the owner and assignee of the '098 patent.
- 33. SBIP has alleged that the Accused Products sold by Vivint infringe one or more of the claims of the '098 patent.
- 34. Absent a declaration that any asserted claim of the '098 patent is not infringed by the Accused Products, SBIP will continue to wrongfully assert the '098 patent against Vivint, thereby causing Vivint irreparable harm and injury.
- 35. Vivint neither has infringed nor does infringe, directly or indirectly, any valid and enforceable claim of the '098 patent.
- 36. For example, without limitation, the Accused Products do not include a user interface on a peripheral device that is provided by an application software running on a central controller as required by claim 1 of the '098 patent.
- 37. An actual, substantial, and justiciable controversy of sufficient immediacy and reality exists between the parties as to whether the claims of the '098 patent are

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infringed by Vivint. A judicial declaration is necessary and appropriate in view of SBIP's allegations.

38. Based on the foregoing, Vivint hereby requests a declaration that the claims of the '098 patent are not infringed by the Accused Products.

### **COUNT III**

## (Declaratory Judgment Noninfringement of the '183 Patent)

- Vivint repeats and realleges the allegations in paragraphs 1–22 as though 39. fully set forth herein.
  - 40. SBIP claims to be the owner and assignee of the '183 patent.
- SBIP has alleged that the Accused Products sold by Vivint infringe one or 41. more of the claims of the '183 patent.
- 42. Absent a declaration that any asserted claim of the '183 patent is not infringed by the Accused Products, SBIP will continue to wrongfully assert the '183 patent against Vivint, thereby causing Vivint irreparable harm and injury.
- 43. Vivint neither has infringed nor does infringe, directly or indirectly, any valid and enforceable claim of the '183 patent.
- For example, without limitation, the Accused Products do not transmit video 44. or audio after detection of a person as required by claim 1 of the '183 patent.
- An actual, substantial, and justiciable controversy of sufficient immediacy 45. and reality exists between the parties as to whether the claims of the '183 patent are infringed by Vivint. A judicial declaration is necessary and appropriate in view of SBIP's allegations.
- 46. Based on the foregoing, Vivint hereby requests a declaration that the claims of the '183 patent are not infringed by the Accused Products.

## **COUNT IV**

## (Declaratory Judgment Noninfringement of the '184 Patent)

Vivint repeats and realleges the allegations in paragraphs 1–22 as though 47. fully set forth herein.

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- 48. SBIP claims to be the owner and assignee of the '184 patent.
- 49. SBIP has alleged that the Accused Products sold by Vivint infringe one or more of the claims of the '184 patent.
- 50. Absent a declaration that any asserted claim of the '184 patent is not infringed by the Accused Products, SBIP will continue to wrongfully assert the '184 patent against Vivint, thereby causing Vivint irreparable harm and injury.
- 51. Vivint neither has infringed nor does infringe, directly or indirectly, any valid and enforceable claim of the '184 patent.
- 52. For example, without limitation, the Accused Products do not include a sensor that activates a camera as required by claim 1 of the '184 patent.
- 53. An actual, substantial, and justiciable controversy of sufficient immediacy and reality exists between the parties as to whether the claims of the '184 patent are infringed by Vivint. A judicial declaration is necessary and appropriate in view of SBIP's allegations.
- 54. Based on the foregoing, Vivint hereby requests a declaration that the claims of the '184 patent are not infringed by the Accused Products.

## **COUNT V**

## (Declaratory Judgment of Noninfringement of the '581 Patent)

- 55. Vivint repeats and realleges the allegations in paragraphs 1–22 as though fully set forth herein.
  - 56. SBIP claims to be the owner and assignee of the '581 patent.
- 57. SBIP has alleged that the Accused Products sold by Vivint infringe one or more of the claims of the '581 patent.
- 58. Absent a declaration that any asserted claim of the '581 patent is not infringed by the Accused Products, SBIP will continue to wrongfully assert the '581 patent against Vivint, thereby causing Vivint irreparable harm and injury.
- 59. Vivint neither has infringed nor does infringe, directly or indirectly, any valid and enforceable claim of the '581 patent.

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- 60. For example, without limitation, the Accused Products do not include any device for detecting the proximity of objects as required by claim 1 of the '581 patent.
- 61. An actual, substantial, and justiciable controversy of sufficient immediacy and reality exists between the parties as to whether the claims of the '581 patent are infringed by Vivint. A judicial declaration is necessary and appropriate in view of SBIP's allegations.
- 62. Based on the foregoing, Vivint hereby requests a declaration that the claims of the '581 patent are not infringed by the Accused Products.

#### **COUNT VI**

### (Declaratory Judgment of Noninfringement of the '614 Patent)

- 63. Vivint repeats and realleges the allegations in paragraphs 1–22 as though fully set forth herein.
  - 64. SBIP claims to be the owner and assignee of the '614 patent.
- 65. SBIP has alleged that the Accused Products sold by Vivint infringe one or more of the claims of the '614 patent.
- 66. Absent a declaration that any asserted claim of the '614 patent is not infringed by the Accused Products, SBIP will continue to wrongfully assert the '614 patent against Vivint, thereby causing Vivint irreparable harm and injury.
- 67. Vivint neither has infringed nor does infringe, directly or indirectly, any valid and enforceable claim of the '614 patent.
- 68. For example, without limitation, the Accused Products do not include a user interface on a peripheral device that is provided by an application software running on a central controller as required by claim 1 of the '614 patent.
- 69. An actual, substantial, and justiciable controversy of sufficient immediacy and reality exists between the parties as to whether the claims of the '614 patent are infringed by Vivint. A judicial declaration is necessary and appropriate in view of SBIP's allegations.

70. Based on the foregoing, Vivint hereby requests a declaration that the claims of the '614 patent are not infringed by the Accused Products.

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#### **COUNT VII**

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## (Inequitable Conduct Based on False Designation of Inventor)

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- Vivint repeats and realleges the allegations in paragraphs 1–22 as though 71. fully set forth herein.
- 72. On information and belief, in 2002 Ronald Carter (the only named inventor on the SBIP Patents) approached Emmanuel Ozoeneh. Carter identified problems associated with missing deliveries from UPS and FedEx when he was not at home. According to Ozoeneh, Carter had a general idea of the problem to be solved but had no technical expertise to solve it. Ozoeneh, on the other hand, did have the technical expertise to solve the problem. The two then proceeded to meet on a regular basis to discuss the idea for a voice and video monitoring system and later sought counsel for patent protection.
- On information and belief, Carter and Ozoeneh hired the law firm Dougherty & Clements to prosecute a patent. After several meetings, attorney Jason S. Miller of the law firm Dougherty & Clements filed provisional patent application No. 60/418,384, on October 15, 2002, listing both Carter and Ozoeneh as co-inventors. After the provisional patent application was filed, Carter told Ozoeneh that he, in turn, had been told by the patent prosecutors that the invention was unpatentable, and that Carter no longer wanted to pursue this endeavor. Carter also told Ozoeneh that Dougherty & Clements had disintegrated and that he and Ozoeneh could no longer work with the law firm. Carter then had little or no contact with Ozoeneh, despite Ozoeneh's attempts to contact him. Contrary to Carter's assertion to Ozoeneh, however, Carter did not abandon the claimed invention. Nor did Dougherty & Clements immediately disintegrate. Instead, Carter continued to pursue patent protection. In October 2003, Dougherty & Clements filed a nonprovisional application, Application No. 10/682,185 ("the '185 application"), on behalf of Carter alone and without Ozoeneh's knowledge or approval. This patent

application eventually matured into U.S. Patent No. 7,193,644 and is the basis for all the SBIP Patents, which list Carter as the sole inventor despite Ozoeneh's direct involvement and contribution of inventive concepts.

- 74. On information and belief, Ozoeneh invented at least "having a computer and software to control the unit, making the device communicable with a mobile phone, a motion sensor, a camera, and a device for keeping a record of visitors."
  - 75. Ozoeneh is at least co-inventor of each of the SBIP Patents.
- 76. On information and belief, Ozoeneh was intentionally omitted as a correct inventor on each of the SBIP Patents.
- The Tost application and belief, Carter knowingly and with intent to deceive the PTO signed false declarations claiming to be the sole inventor of the inventions claimed in the applications that issued as the SBIP Patents when he was fully aware that Ozoeneh was at least a joint inventor of the inventions. Submitting an unmistakably false oath or declaration regarding the inventorship of an invention is per se material. On October 9, 2003, Carter's attorney filed the '185 application with the PTO at Carter's direction. The '185 application described and claimed an "Automated Audio Video Messaging and Answering System." The '185 application claimed priority to a provisional application, No. 60/418,384, that named both Carter and Ozoeneh as inventors. The application included a signed declaration from Carter, dated September 23, 2003, falsely stating that he was the sole inventor of the subject matter claimed in the '185 application.
- 78. The intentional omission of Ozoeneh as an inventor on each of the SBIP Patents is material and on information and belief was done to deceive and mislead the PTO, thereby constituting inequitable conduct. Accordingly, each of the SBIP Patents is unenforceable.

#### PRAYER FOR RELIEF

Vivint prays that the Court grant its relief by entering a judgment in its favor on each of its claims for relief, and specifically:

1	A.	a declaration that the Accused Products do not infringe any claim of the '644
2		patent;
3	В.	a declaration that the Accused Products do not infringe any claim of the '098
4		patent;
5	C.	a declaration that the Accused Products do not infringe any claim of the '183
6		patent;
7	D.	a declaration that the Accused Products do not infringe any claim of the '184
8		patent;
9	E.	a declaration that the Accused Products do not infringe any claim of the '581 patent;
	E	
11   12	F.	a declaration that the Accused Products do not infringe any claim of the '614 patent;
13	G.	a declaration that the '644 patent is unenforceable due to inequitable
14	J.	conduct;
15	H.	a declaration that the '098 patent is unenforceable due to inequitable
16		conduct;
17	I.	a declaration that the '183 patent is unenforceable due to inequitable
18		conduct;
19	J.	a declaration that the '184 patent is unenforceable due to inequitable
20		conduct;
21	K.	a declaration that the '581 patent is unenforceable due to inequitable
22		conduct;
23	L.	a declaration that the '614 patent is unenforceable due to inequitable
24		conduct;
25	M.	award Vivint its costs of suit, expenses, and attorney's fees; and
26	N.	award Vivint such other and further relief as the Court may deem just and
27		proper.
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**DEMAND FOR JURY TRIAL** Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Vivint hereby requests a trial by jury of all issues properly triable by jury. Sterling A. Brennan MASCHOFF BRENNAN GILMORE & DATED: January 7, 2022 ISRAELSEN David R. Wright Michael A. Manookin FOLEY & LARDNER LLP By: <u>Sterling A. Brennan</u> Sterling A. Brennan Attorneys for Plaintiff VIVINT, INC.