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

OBD SENSOR SOLUTIONS LLC,

CIVIL ACTION NO. 2:24-ev-00153

Plaintiff,

v.

VERIZON CONNECT, INC. and CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS,

Defendants.

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff OBD Sensor Solutions LLC ("OBD Sensor Solutions" or "Plaintiff") files this complaint against Defendants Verizon Connect, Inc. and Cellco Partnership d/b/a Verizon Wireless (collectively, "Verizon" or "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:

NATURE OF THE ACTION

1. This is a patent infringement action to stop Defendants' infringement of the following United States Patent (the "Asserted Patent"):

U.S. Patent No.	Title	Available at
7,146,346	Fuzzy-Logic On Board Device	USPTO.gov,
	For Monitoring And	https://patentcenter.uspto.gov/application
	Processing Motor Vehicle	<u>s/10172145</u> , <u>https://image-</u>
	Operating Data	ppubs.uspto.gov/dirsearch-
		public/print/downloadPdf/7146346.

2. OBD Sensor Solutions seeks injunctive relief and monetary damages.

PARTIES

3. OBD Sensor Solutions is a limited liability company organized under the laws of the

State of Texas, with a place of business at 815 Brazos Street, Suite 500, Austin, Texas 78701-2509 (Travis County).

- 4. Defendant Verizon Connect, Inc. is a corporation organized under the laws of Delaware with offices at 2002 Summit Blvd., Suite 1800, Atlanta, GA 30319.
- 5. Defendant Verizon Connect, Inc. may be served through its registered agent for service, CT Corporation System, which is located at 1999 Bryan St., Suite 900, Dallas, Texas 75201.
- 6. Defendant Cellco Partnership d/b/a Verizon Wireless is a general partnership organized and existing under the laws of the State of Delaware, with a principal place of business at 1 Verizon Way, Basking Ridge, NJ 07920.
- 7. Defendant Cellco Partnership d/b/a Verizon Wireless can be served at its registered agent for service, The Corporation Trust Company at Corporation Trust Center 1209 Orange Street, Wilmington, DE 19801.

JURISDICTION AND VENUE

- 8. OBD Sensor Solutions repeats and re-alleges the allegations in the Paragraphs above as though fully set forth in their entirety.
- 9. 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).
- 10. Venue is proper against Defendants in this District pursuant to 28 U.S.C. § 1400(b) because they have maintained an established and regular places of business in this District and have committed acts of patent infringement in this District. *See In re: Cray Inc.*, 871 F.3d 1355, 1362-1363 (Fed. Cir. 2017).
- 11. Defendants are subject to this Court's specific and general personal jurisdiction under due process and/or the Texas Long Arm Statute due at least to Defendants' substantial business in

this judicial district, including: (i) at least a portion of the infringement alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct, or deriving substantial revenue from goods and services provided to individuals in Texas and in this District.

- 12. Specifically, Defendants intend to do and do business in, have committed acts of infringement in, and continue to commit acts of infringement in this District directly, through intermediaries, by contributing to and through their inducement of third parties, and offer their products or services, including those accused of infringement here, to customers and potential customers located in Texas, including in this District.
 - 13. Defendants maintain regular and established places of business in this District.
- 14. Upon information and belief and based upon public information, Defendants own, operate, manage, conduct business, direct and control the operations of, and have employees that work from and out of, facilities at locations in this District, including, but not limited to, facilities at the following address: (1) 500 E Loop 281, Longview, Texas 75605 (Gregg County); (2) 1016 W SW Loop 323, Tyler, Texas 75701 (Smith County); (3) 8988 S Broadway Ave., Suite 110, Tyler, Texas 75703 (Smith County); (4) 2035 N. Central Expy., Suite 620, McKinney, TX 75070 (Collin County); (5) 2818 W University Dr., Denton, Texas 76201 (Denton County); (6) 1805 S Loop 288, Denton, Texas 76205 (Denton County); (7) 3113 N US Hwy. 75, Sherman, Texas 75090 (Grayson County); and (8) 380 Shannon Rd. E, Sulphur Springs, Texas 75482 (Hopkins County).
- 15. Doing business under the "Verizon" brand name, Defendants advertise their Longview, Tyler, McKinney, Denton, Sherman, and Sulphur Springs offices on their website. VERIZON, https://www.verizon.com/stores/state/texas/ (Texas Locations).
- 16. In addition, Verizon's website lists dozens of authorized agents in numerous cities in this District as "Verizon Authorized Retailers." *Id*.

- 17. Upon information and belief, Verizon also maintains regular and established places of business in this District, including by maintaining and operating communications networks in this District, including on cellular towers and other installation sites owned or leased by Verizon. Also, Verizon is engaged in activities including: transacting business in this District and purposefully directing its business activities, including the installation, maintenance, and use of infringing products and other related technologies in this District, and the sale or offer for sale of services and goods to this District to aid, abet, or contribute to the infringement of third parties in this District.
- 18. Verizon commits acts of infringement in this District, including, but not limited to, selling, offering for sale, and using the Accused Products.
- 19. Verizon commits acts of induced infringement in this District, including, but not limited to inducement of infringement by its parents, subsidiaries, partners, affiliates, and endusers to use the Accused Products.
- 20. Defendants commit acts of contributory infringement in this District, including, but not limited to contributing to infringement by their parents, subsidiaries, partners, affiliates, and endusers through their use of the Accused Products.

THE ACCUSED INSTRUMENTALITIES

- 21. OBD Sensor Solutions repeats and re-alleges the allegations in the Paragraphs above as though fully set forth in their entirety.
- 22. Based upon public information, Verizon makes, uses, sells and/or offers for sale its "Hum" vehicle tracking devices such as the "Hum+" and "Hum*" and associated software and applications, which monitor and process information and/or data related to the use and functioning of motor vehicles through use of an on-board diagnostic computer and associated inner network

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connecting vehicle sensors (the "Accused Products"). See Figures 1–6; see also Terms of Service, HUM, https://www.hum.com/terms-of-service/; VERIZON, https://www.verizon.com/solutionsand-services/add-ons/protection-and-security/hum-by-verizon/; VERIZON, https://www.verizon.com/shop/online/eligible-hum-device/; VERIZON, https://www.verizon.com/support/hum-by-verizon-fags/#compare: VERIZON, https://www.verizon.com/connected-devices/humx-gen-2/; VERIZON, https://www.verizon.com/connected-devices/hum-plus-gen-2/; VERIZON CONNECT, https://install.verizonconnect.com/hc/en-us/articles/4407837346067-Installation-guide-Vehicle-Data-Device-plugged-into-the-OBD-II-port; Internal Photos, FCCID.IO, https://fccid.io/ZOQVT-410/Internal-Photos/Internal-Photos-3865398.pdf.



Figure 1

 $Source: Verizon, \\ \underline{https://www.verizon.com/solutions-and-services/add-ons/protection-and-security/hum-by-verizon/}.$

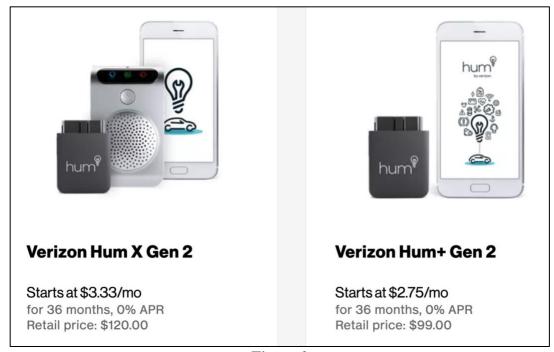


Figure 2

Source: VERIZON, https://www.verizon.com/shop/online/eligible-hum-device/.

What is the difference between Hum⁺ and Hum^x?

The latest version of Hum⁺ includes the OBD II reader and access to the Hum app to monitor your vehicle's performance. Plus 24/7 Roadside Assistance and Crash Response so you can get help when it matters most.

Hum+ includes: ①

Crash Response	Mechanics Hotline	
Vehicle Diagnostics	Navigation	
Pinpoint Roadside Assistance	Stolen Vehicle Assistance	
Vehicle Location	Speed & Boundary Alerts	
Safety Score	Family Experience	
Auto Health	Optional In-Vehicle Wi-Fi (\$10/month)	
Driving History		

Note: Our previous version of Hum⁺ (1st generation) included a Bluetooth[®] speaker which is no longer available. You can find help for both versions of Hum⁺ on our <u>Hum⁺ Support</u> page.

Humx includes all the features above, plus:

- A Bluetooth speaker
- In-Vehicle Wi-Fi (included with Hum^x. Can be added to Hum⁺ for \$10/month)
- Number Share Mobile so you can make hands-free calls with your Verizon mobile number

Visit our Hum by Verizon page to learn more about Hum's features.

Figure 3

Source: VERIZON, https://www.verizon.com/support/hum-by-verizon-faqs/#compare.

Design	What's in the box
Speaker Dimensions .6" (H) x 1.9" (W)	Hum X OBD II Reader
.0 (H) X 1.9 (W)	Hum X Speaker
	Li-Ion Polymer, 1000 mA-H
Speaker Weight	12 Volt Adaptor Charging Cord
.0 02	Quick Start Guide
Vidth	
.13 in.	
Veight	
Height	
1.19 in	
Network	
Connectivity	
G LTE CAT 4	
Battery	
Standby Time	
0 days	
Jsage Time 6 hrs.	
Performance	
Processor RRM Cortex-A7	
Storage	
56 MB RAM, 512 MB Flash	
SKU#	
SKU#	

Figure 4
Source: VERIZON, https://www.verizon.com/connected-devices/humx-gen-2/.

ps://www.verizon.com/connected-devices/hum-plus-gen-2/	
Design	What's in the box
Depth 1.00 in	OBD II Reader
	1000mAh battery
Width	12 Volt Adaptor Charging CordQuick Start Guide
1.9 in.	
Weight 1.41 oz.	
Height 2.6 in	
Battery	
Standby Time	
42 days	
H	
Usage Time 16 hrs.	
Network	
Connectivity 4G LTE	
Additional Features	
Verizon Apps	
Hum app - Access Hum features right from the Hum app, including maintenance reminders, help finding your parked car, repair estimates and more.	
Line Limit Four Hum lines per account. Does not count towards phone and tablet line cap.	
Performance	
Processor	
MODEM/Baseband processor + AP - VIA Telecom CBP8.2	
SKU#	
SKU# VZ-0410-001-US	

Figure 5

Source: VERIZON, https://www.verizon.com/connected-devices/hum-plus-gen-2/.

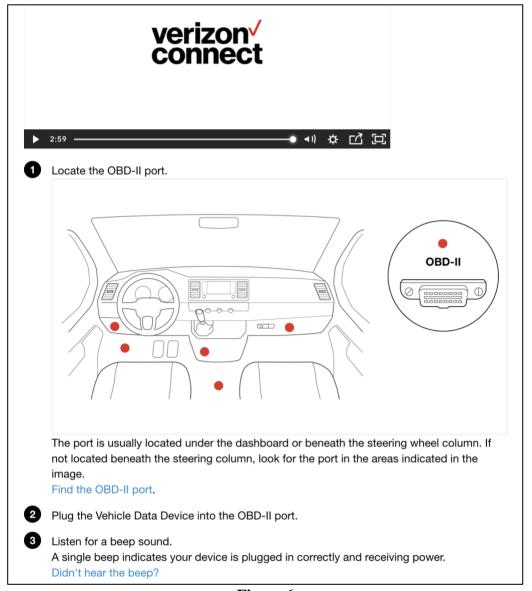


Figure 6

 ${\color{blue} \textbf{Source: Verizon Connect,} \underline{https://install.verizonconnect.com/hc/en-} \underline{us/articles/4407837346067\text{-}Installation-guide-Vehicle-Data-Device-plugged-into-the-OBD-II-} \underline{port.}$

- 23. Verizon owns, operates, advertises, and/or controls at least the websites https://www.verizon.com/ through which it advertises, sells, offers to sell, promotes, provides and/or educates customers about its products, including the Accused Products.
- 24. Based upon public information, Verizon, directly and/or through its agents and intermediaries, also operates, advertises, and/or controls the locations throughout this District,

including at least Longview, Tyler, McKinney, Denton, Sherman, and Sulphur Springs through which it and its agents and employees use, advertise, provide, and/or educate third-parties, including but not limited to customers, about the Accused Products.

COUNT I: INFRINGEMENT OF U.S. PATENT NO. 7,146,346

- 25. OBD Sensor Solutions repeats and re-alleges the allegations in the Paragraphs above as though fully set forth in their entirety.
- 26. The USPTO duly issued U.S. Patent No. 7,146,346 (the "'346 patent") on December 5, 2006, after full and fair examination of Application No. 10/172,145, which was filed on June 14, 2002. *See* '346 patent at 1.
- 27. The '346 patent is entitled "Fuzzy-Logic On Board Device For Monitoring And Processing Motor Vehicle Operating Data." *See id.*
- 28. OBD Sensor Solutions is the exclusive licensee of the '346 patent, with the sole and exclusive right to prosecute this action and enforce the '346 patent against infringers, and to collect damages for all relevant times.
- 29. The claims of the '346 patent are not directed to an abstract idea and are not limited to well-understood, routine, or conventional activity. Rather, the claimed inventions include inventive components that improve upon the function and operation of electronic built-in on-board devices and methods for monitoring and processing motor vehicle operating data.
- 30. The written description of the '346 patent describes in technical detail each limitation of the claims, allowing a skilled artisan to understand the scope of the claims and how the non-conventional and non-generic combination of claim limitations is patently distinct from and improved upon what may have been considered conventional or generic in the art at the priority date. The '346 patent also identifies and circumscribes all information necessary for a skilled artisan to perform each limitation in the claims in light of that which was known in the art at the

priority date.

- 31. Verizon has infringed and continues to infringe the '346 patent by making, using, providing, supplying, selling, offering for sale, or distributing the Accused Products.
- 32. Verizon has directly infringed and continues to directly infringe, either literally or under the doctrine of equivalents, at least claim 1 of the '346 patent.
- 33. For example, the Accused Products, when used by Verizon or a customer, provide an electronic device for monitoring and processing information data related to the use and functioning of motor vehicles through an inner network connecting vehicle sensors, said device comprising, a central processing unit; an integrated data storage connected to the central processing unit; and a network connector operatively connected to the central processing unit and configured to be connected to an inner network of a motor vehicle through a connector used by motor vehicle makers for accessing a vehicle on-board electric system with a diagnostic unit, said device being a stand-alone device cooperating with the vehicle electronic dedicated control units, via said network connector and through said inner network, and processing information data related to use and functioning of the motor vehicle received through said network connector and the inner network from connected vehicle sensors, said data received through said inner network being processed by said central processing unit and performed analysis being stored into said storage; an interface connector providing connection to one of a radio transmitter and a wireless unit; and a front-end device and a bus connecting said network connector to said central processing unit; and a further bus connecting said central processing unit to said storage, wherein said device is coupled, through said on-board network connector, with one of an OBD- and an EOBD connector for interfacing the motor vehicle inner networks with an outside network of said motor vehicle.
 - 34. Since at least the time of receiving this Complaint, Verizon has also indirectly infringed

and continues to indirectly infringe the '346 patent by inducing others to directly infringe the '346 patent. Verizon has induced and continues to induce its parents, subsidiaries, partners, affiliates, and end-users, including Verizon's personnel, customers, potential customers, and other end users, to directly infringe, either literally or under the doctrine of equivalents, one or more claims of the '346 patent to use the Accused Products. Verizon took active steps, directly or through contractual relationships with others, with the specific intent to cause them to use the Accused Products in a manner that infringes one or more claims of the '346 patent, including, for example, claim 1 of the '346 patent. Such steps by Verizon included, among other things, advising or directing its parents, subsidiaries, partners, affiliates, and end-users, including Verizon's personnel, customers, potential customers, and other end users, to make or use the Accused Products in an infringing manner; advertising and promoting the use of the Accused Products in an infringing manner; or distributing instructions that guide users to use the Accused Products in an infringing manner. Verizon is performing these steps, which constitutes induced infringement with the knowledge of the '346 patent and with the knowledge that the induced acts constitute infringement. Verizon is aware that the normal and customary use of the Accused Products by others would infringe the '346 patent. Verizon's inducement is ongoing.

35. Since at least the time of receiving this Complaint, Verizon has also indirectly infringed and continues to indirectly infringe by contributing to the infringement of the '346 patent. Verizon has contributed and continues to contribute to the direct infringement of the '346 patent by its parents, subsidiaries, partners, affiliates, and end-users, including Verizon's personnel, customers, potential customers, and other end users to directly infringe by encouraging them to use the Accused Products to perform the steps of the patented process as described in one or more claims of the '346 patent, which constitutes either literal infringement or infringement under the doctrine

of equivalents, The Accused Products have special features that are specially designed to be used in an infringing way and that have no substantial uses other than ones that infringe one or more claims of the '346 patent, including, for example, claim 1 of the '346 patent. The special features include, for example, the method recited in claim 1, including all the intermediary steps, that allows the claimed method of monitoring user usage patterns of a system. The special features constitute a material part of the invention of one or more of the claims of the '346 patent and are not staple articles of commerce suitable for substantial non-infringing use. Verizon's contributory infringement is ongoing.

- 36. Verizon has had knowledge of the '346 patent at least as of the date when it was notified of the filing of this action.
- 37. Furthermore, on information and belief, Verizon has a policy or practice of not reviewing the patents of others (including instructing its employees to not review the patents of others), and thus has been willfully blind of Plaintiff's patent rights.
- 38. Verizon's actions are at least objectively reckless as to the risk of infringing a valid patent and this objective risk was either known or should have been known by Verizon.
- 39. Since at least the time of receiving this Complaint, Verizon's direct and indirect infringement of the '346 patent is, has been, and continues to be willful, intentional, deliberate, or in conscious disregard of Plaintiff's rights under the patent.
- 40. OBD Sensor Solutions or its predecessors-in-interest have satisfied all statutory obligations required to collect pre-filing damages for the full period allowed by law for infringement of the '346 patent.
- 41. Plaintiff has been damaged and continues to be damaged as a result of the infringing conduct by Verizon alleged above. Thus, Verizon is liable to OBD Sensor Solutions in an amount

that compensates it for such infringement, 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.

42. OBD Sensor Solutions has suffered and continues to suffer irreparable harm, through its loss of market share and goodwill, for which there is no adequate remedy at law. OBD Sensor Solutions has and will continue to suffer this harm by virtue of Verizon's infringement of the '346 patent. Verizon's actions have interfered with and will interfere with OBD Sensor Solutions' ability to license technology. The balance of hardships favors OBD Sensor Solutions' ability to commercialize its own ideas and technology. The public interest in allowing OBD Sensor Solutions to enforce its right to exclude outweighs other public interests, which supports injunctive relief in this case.

JURY DEMAND

43. Plaintiff hereby requests a trial by jury on all issues so triable by right.

PRAYER FOR RELIEF

- 44. WHEREFORE, OBD Sensor Solutions requests that the Court find in its favor and against Verizon, and that the Court grant OBD Sensor Solutions the following relief:
 - a. Judgment that one or more claims of the Asserted Patent has been infringed, either literally or under the doctrine of equivalents, by Verizon or all others acting in concert therewith:
 - b. Judgment that Verizon has induced infringement of one or more claims of the Asserted Patent, either literally or under the doctrine of equivalents, by its parents, subsidiaries, partners, affiliates, and end-users, including Verizon's personnel, customers, potential customers, and/or other end users;
 - c. Judgment that Verizon has contributed to the infringement of one or more claims of

- the Asserted Patent, either literally or under the doctrine of equivalents, by its parents, subsidiaries, partners, affiliates, and end-users, including Verizon's personnel, customers, potential customers, and/or other end users;
- d. A permanent injunction enjoining Verizon and its officers, directors, agents, servants, affiliates, employees, divisions, branches, subsidiaries, parents, and all others acting in concert therewith from infringement of the '346 patent; or, in the alternative, an award of a reasonable ongoing royalty for future infringement of the '346 patent by such entities;
- e. Judgment that Verizon account for and pay to OBD Sensor Solutions all damages to and costs incurred by OBD Sensor Solutions because of Verizon's infringing activities and other conduct complained of herein;
- f. Judgment that Verizon's infringement of the '346 patent be found willful, and that the Court award treble damages for the period of such willful infringement pursuant to 35 U.S.C. § 284;
- g. Pre-judgment and post-judgment interest on the damages caused by Verizon's infringing activities and other conduct complained of herein;
- h. That this Court declare this an exceptional case and award OBD Sensor Solutions its reasonable attorneys' fees and costs in accordance with 35 U.S.C. § 285; and
- i. All other and further relief as the Court may deem just and proper under the circumstances.

Dated: March 4, 2024 Respectfully submitted,

By: <u>/s/ C. Matthew Rozier</u>

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* Admitted to the Eastern District of Texas

List Of Exhibits

- A. U.S. Patent No. 7,146,346, USPTO.GOV, https://patentcenter.uspto.gov/applications/10172145, https://image-ppubs.uspto.gov/dirsearch-public/print/downloadPdf/7146346.
- B. VERIZON, https://www.verizon.com/stores/state/texas/ (Texas Locations).
- C. Terms of Service, HUM, https://www.hum.com/terms-of-service/.
- D. VERIZON, https://www.verizon.com/solutions-and-services/add-ons/protection-and-security/hum-by-verizon/.
- E. VERIZON, https://www.verizon.com/shop/online/eligible-hum-device/.
- F. VERIZON, https://www.verizon.com/support/hum-by-verizon-fags/#compare.
- G. VERIZON, https://www.verizon.com/connected-devices/humx-gen-2/.
- H. VERIZON, https://www.verizon.com/connected-devices/hum-plus-gen-2/.
- I. VERIZON CONNECT, https://install.verizonconnect.com/hc/en-us/articles/4407837346067-
 https://install.verizonconnect.com/hc/en-us/articles/4407837346067-
 https://install.verizonconnect.com/hc/en-us/articles/4407837346067-
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 <a href="Installation-guide-
- J. *Internal Photos*, FCCID.IO, https://fccid.io/ZOQVT-410/Internal-Photos/Internal-Photos/Internal-Photos-3865398.pdf.