

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

VIAAS, INC.,

Plaintiff,

v.

VIVINT SMART HOME, INC.,

Defendant.

Civil Action No. 2:24-cv-00713

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

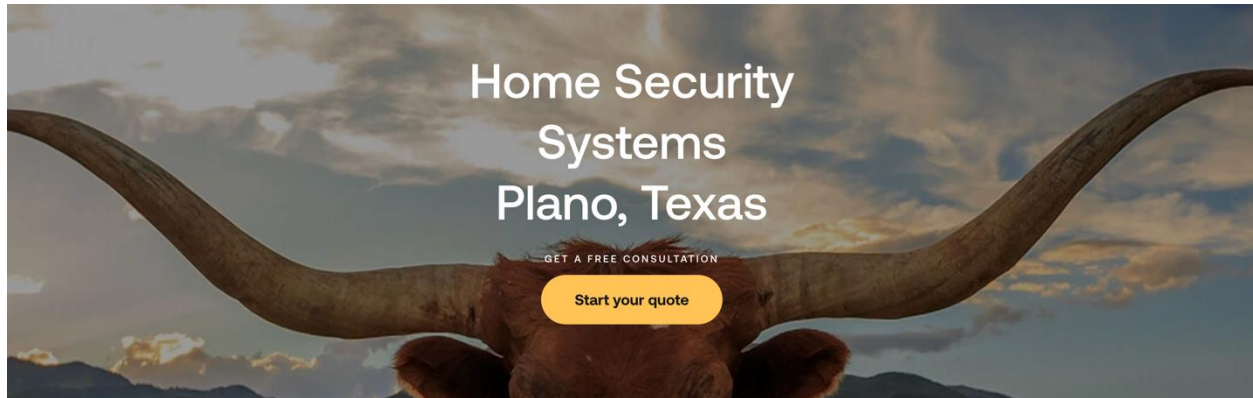
TO THE HONORABLE JUDGE OF SAID COURT:

Plaintiff, VIAAS, Inc., (“VIAAS” or “Plaintiff”), files this Complaint for Patent Infringement against Vivint Smart Home, Inc. (“Vivint” or “Defendant”), and would respectfully show the Court as follows:

PARTIES

1. Plaintiff is a Delaware corporation having an address located at 1475 S. Bascom Avenue, Suite 211, Campbell, California 95008.

2. On information and belief, Defendant is a Delaware corporation with a principal address of 4931 North 300 West, Provo, Utah 84604 and has regular and established places of business throughout this District, including at least at 5212 Tennyson Pkwy Ste 150. Plano, TX 75024. *See* <https://www.vivint.com/locations/texas/plano>. The Vivint website shows, among other things, a bullhorn with the text “Home Security Systems; Plano, Texas.”



3. Defendant is registered to do business in Texas and may be served via its registered agent at The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, at its place of business, or wherever else they may be found.

4. On information and belief, Defendant directly and/or indirectly develops, designs, manufactures, distributes, markets, offers to sell and/or sells infringing products and services in the United States, including in the Eastern District of Texas, and otherwise directs infringing activities to this District in connection with its products and services.

JURISDICTION

5. This civil action arises under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*, including without limitation 35 U.S.C. §§ 271, 281, 283, 284, and 285 based on Defendant's unauthorized commercial manufacture, use, importation, offer for sale, and sale of the Accused Products in the United States. This is a patent infringement lawsuit over which this Court has subject matter jurisdiction under, *inter alia*, 28 U.S.C. §§ 1331, 1332, and 1338(a).

6. This United States District Court for the Eastern District of Texas has general and specific personal jurisdiction over Defendant because, directly or through intermediaries, Defendant has committed acts within the District giving rise to this action and are present in and transact and conduct business in and with residents of this District and the State of Texas.

7. Plaintiff's causes of action arise, at least in part, from Defendant's contacts with and activities in this District and the State of Texas.

8. Defendant has committed acts of infringing the patents-in-suit within this District and the State of Texas by making, using, selling, offering for sale, and/or importing in or into this District and elsewhere in the State of Texas, products claimed by the patents-in-suit, including without limitation products made by practicing the claimed methods of the patents-in-suit. Defendant, directly and through intermediaries, makes, uses, sells, offers for sale, imports, ships, distributes, advertises, promotes, and/or otherwise commercializes such infringing products into this District and the State of Texas. Defendant regularly conducts and solicits business in, engages in other persistent courses of conduct in, and/or derives substantial revenue from goods and services provided to residents of this District and the State of Texas.

9. This Court has personal jurisdiction over Defendant pursuant to TEX. CIV. PRAC. & REM. CODE § 17.041 *et seq.* Personal jurisdiction exists over Defendant because Defendant has minimum contacts with this forum because of business regularly conducted within the State of Texas and within this district, and, on information and belief, specifically as a result of, at least, committing the tort of patent infringement within Texas and this District. This Court has personal jurisdiction over Defendant, in part, because Defendant does continuous and systematic business in this District, including by providing infringing products and services to the residents of the Eastern District of Texas that Defendant knew would be used within this District, and by soliciting business from the residents of the Eastern District of Texas. For example, Defendant is subject to personal jurisdiction in this Court because, *inter alia*, Defendant has regular and established places of business throughout this District, including at least at 5212 Tennyson Pkwy Ste 150. Plano, TX 75024, and directly and through agents regularly does, solicits, and transacts business in the

Eastern District of Texas. Also, Defendant has hired and is hiring within this District for positions that, on information and belief, relate to infringement of the patents-in-suit. Accordingly, this Court’s jurisdiction over the Defendant comports with the constitutional standards of fair play and substantial justice and arises directly from the Defendant’s purposeful minimum contacts with the State of Texas.

10. For example, the Vivint website, at <https://www.vivint.com/locations/texas/plano>, also shows the Plano, TX address under the title “Vivint Plano Service Area,” including various services offered like “24/7 Monitoring,” “Custom System,” and “Professional Installation”:

The screenshot displays the 'Vivint Plano Service Area' page. At the top, the title 'Vivint Plano Service Area' is prominently featured. Below the title, three service offerings are listed with corresponding icons: '24/7 MONITORING' (shield icon), 'CUSTOM SYSTEM' (house icon), and 'PROFESSIONAL INSTALLATION' (person with tool icon). The address is listed as 'Vivint, 5212 Tennyson Pkwy Suite 150, Plano, TX 75024', with the phone number '214.910.2023' in orange. The 'Service Hours' section indicates 'Mon-Fri 8am-8pm CT'. The 'Call us today!' section lists 'Mon-Fri 6am-11pm MT', 'Saturday 9am-9pm MT', and 'Sunday 7am-9pm MT', with the phone number '214.910.2023' in orange.

11. This Court also has personal jurisdiction over Defendant, because in addition to Defendant’s own online website and advertising within this District, Defendant has also made its products available within this judicial district and advertised to residents within the District to hire employees to be located in this District.

12. The amount in controversy exceeds \$75,000 exclusive of interests and costs.

13. Venue is proper in this Court under 28 U.S.C. § 1400(b) based on information set forth herein, which is hereby repeated and incorporated by reference. Further, upon information and belief, Defendant has committed or induced acts of infringement, and/or advertise, market, sell, and/or offer to sell products, including infringing products, in this District. In addition, and without limitation, Defendant has regular and established places of business throughout this District, including at least at the address 5212 Tennyson Pkwy Ste 150. Plano, TX 75024.

THE PATENTS-IN-SUIT

14. On October 15, 2013, United States Patent No. 8,558,888 (“the ’888 Patent”), entitled “Bandwidth shaping client to capture, transform, cache, and upload images from a remote point of recordation to a network service” was duly and legally issued by the United States Patent and Trademark Office (“USPTO”). The ’888 Patent claims patent-eligible subject matter and is valid and enforceable. VIAAS is the exclusive owner by assignment of all rights, title, and interest in the ’888 Patent, including the right to bring this suit for damages, and including the right to sue and recover all past, present, and future damages for infringement of the ’888 Patent. Defendant is not licensed to the ’888 Patent, either expressly or implicitly, nor do they enjoy or benefit from any rights in or to the ’888 patent whatsoever. A true and correct copy of the ’888 patent is attached hereto as **Exhibit A**.

15. The ’888 patent describes a system that enables efficient video surveillance by capturing, processing, and transmitting data from security cameras installed at various points. The system comprises several interconnected circuits and components. The patent describes a specific, practical application of a surveillance system that involves various physical components (such as digital cameras, processors, storage devices) and processes (such as video compression, event

detection, data encryption). The claims include specific methods for handling the challenges of transmitting large volumes of video data over potentially unreliable and low-bandwidth networks.

16. On October 18, 2016, United States Patent No. 9,472,069 (“the ’069 Patent”), entitled “Detecting, recording, encrypting and uploading representations of events of interest via a single point of recordation terminal (port)” was duly and legally issued by the USPTO. The ’069 Patent claims patent-eligible subject matter and is valid and enforceable. VIAAS is the exclusive owner by assignment of all rights, title, and interest in the ’069 Patent, including the right to bring this suit for damages, and including the right to sue and recover all past, present, and future damages for infringement of the ’069 Patent. Defendant is not licensed to the ’069 Patent, either expressly or implicitly, nor do they enjoy or benefit from any rights in or to the ’069 patent whatsoever. A true and correct copy of the ’069 patent is attached hereto as **Exhibit B**.

17. The ’069 patent describes a method and apparatus for detecting, recording, encrypting, and transmitting video or still images of events of interest using a Point of Recordation Terminal (PORT). The system is designed to work efficiently over networks, including low-bandwidth and unreliable connections, and ensures the secure transmission and storage of data.

18. The ’888 Patent and the ’069 Patent are referred to herein as the “Patents-in-Suit.”

19. The Patents-in-Suit involve the tangible transformation of video data from a raw captured state to a processed, compressed, and securely stored form. Additionally, the inventions address specific technical problems related to the management of video data transmission and storage, offering a concrete solution that goes beyond a mere idea or concept.

20. The functionality of the Patents-in-Suit is achieved through a combination of hardware (e.g., cameras, processors, storage devices) and software (e.g., motion detection algorithms, data compression techniques) that work together in a novel way to provide a reliable,

secure, and efficient video surveillance system. Therefore, the patents are tied to a specific, real-world technological implementation.

21. Plaintiff VIAAS is the owner of the entire right, title, and interest in and to the patents-in-suit. The patents-in-suit are presumed valid under 35 U.S.C. § 282.

ACCUSED INSTRUMENTALITIES

22. The term “Accused Instrumentalities” or “Accused Products” refers to, by way of example and without limitation, Vivint’s Home Security System (*e.g.* <https://www.vivint.com/packages/home-security>).

COUNT I **PATENT INFRINGEMENT OF THE ’888 PATENT**

23. Plaintiff restates and realleges the preceding paragraphs of this Complaint as if fully set forth herein.

24. Defendant has, under 35 U.S.C. §271(a), directly infringed, and continues to directly infringe, literally and/or under the doctrine of equivalents, one or more claims, including without limitation at least claim 1 of the ’888 Patent, by making, using, testing, selling, offering for sale and/or importing into the United States Defendant’s Accused Products.

25. On information and belief, Defendant has made no attempt to design around the claims of the ’888 Patent.

26. On information and belief, Defendant did not have a reasonable basis for believing that the claims of the ’888 Patent were invalid.

27. On information and belief, Defendant’s Accused Products are available to businesses and individuals throughout the United States and in the State of Texas, including in this District.

28. The claim chart attached hereto as **Exhibit C** describes how the elements of an exemplary claim 1 from the '888 Patent are infringed by the Accused Products. This provides details regarding only one example of Defendant's infringement, and only as to a single patent claim. Plaintiff reserves its right to amend and fully provide its infringement arguments and evidence thereof until its Preliminary and Final Infringement Contentions are later produced according to the court's scheduling order in this case.

29. Defendant has and continues to induce infringement. Defendant has actively encouraged or instructed others ((e.g., its customers and/or the customers of its related companies), and continues to do so, on how to use its products and services (e.g., systems and methods related to security systems) such as to cause infringement of one or more of claims of the '888 patent, literally or under the doctrine of equivalents. Moreover, Defendant has known of the '888 patent and the technology underlying it at least the issuance date of the '888 patent, on information and belief.¹ For clarity, direct infringement is previously alleged in this complaint.

30. Defendant has and continues to contributorily infringe. Defendant has actively encouraged or instructed others (e.g., its customers and/or the customers of its related companies), and continues to do so, on how to use its products and services (e.g., systems and methods related to security systems) such as to cause infringement of one or more of claims '888 patent, literally or under the doctrine of equivalents. Moreover, Defendant has known of the '888 patent and the technology underlying it at least the issuance date of the '888 patent, on information and belief.² For clarity, direct infringement is previously alleged in this complaint.

¹ Plaintiff reserves the right to amend if discovery reveals an earlier date of knowledge.

² Plaintiff reserves the right to amend if discovery reveals an earlier date of knowledge.

31. Defendant has caused Plaintiff damage by direct and indirect infringement of (including inducing infringement of) the claims of the '888 patent.

COUNT II
PATENT INFRINGEMENT OF THE '069 PATENT

32. Plaintiff restates and realleges the preceding paragraphs of this Complaint as if fully set forth herein.

33. Defendant has, under 35 U.S.C. §271(a), directly infringed, and continues to directly infringe, literally and/or under the doctrine of equivalents, one or more claims, including without limitation at least claim 1 of the '069 Patent, by making, using, testing, selling, offering for sale and/or importing into the United States Defendant's Accused Products.

34. On information and belief, Defendant has made no attempt to design around the claims of the '069 Patent.

35. On information and belief, Defendant did not have a reasonable basis for believing that the claims of the '069 Patent were invalid.

36. On information and belief, Defendant's Accused Products are available to businesses and individuals throughout the United States and in the State of Texas, including in this District.

37. The claim chart attached hereto as **Exhibit D** describes how the elements of an exemplary claim 1 from the '069 Patent are infringed by the Accused Products. This provides details regarding only one example of Defendant's infringement, and only as to a single patent claim. Plaintiff reserves its right to amend and fully provide its infringement arguments and evidence thereof until its Preliminary and Final Infringement Contentions are later produced according to the court's scheduling order in this case.

38. Defendant has and continues to induce infringement. Defendant has actively encouraged or instructed others (e.g., its customers and/or the customers of its related companies), and continues to do so, on how to use its products and services (e.g., systems and methods related to security systems) such as to cause infringement of one or more of claims of the '069 patent, literally or under the doctrine of equivalents. Moreover, Defendant has known of the '069 patent and the technology underlying it at least the issuance date of the '069 patent, on information and belief.³ For clarity, direct infringement is previously alleged in this complaint.

39. Defendant has and continues to contributorily infringe. Defendant has actively encouraged or instructed others (e.g., its customers and/or the customers of its related companies), and continues to do so, on how to use its products and services (e.g., systems and methods related to security systems) such as to cause infringement of one or more of claims '069 patent, literally or under the doctrine of equivalents. Moreover, Defendant has known of the '069 patent and the technology underlying it at least the issuance date of the '069 patent, on information an belief.⁴ For clarity, direct infringement is previously alleged in this complaint.

40. Defendant has caused Plaintiff damage by direct and indirect infringement of (including inducing infringement of) the claims of the '069 patent.

CONDITIONS PRECEDENT

41. Plaintiff is a practicing entity and has complied with Section 287. Plaintiff has pled all statutory requirements to obtain pre-suit damages. Further, all conditions precedent to recovery are met. Under the rule of reason analysis, Plaintiff has taken reasonable steps to ensure marking by any licensee producing a patented article.

³ Plaintiff reserves the right to amend if discovery reveals an earlier date of knowledge.

⁴ Plaintiff reserves the right to amend if discovery reveals an earlier date of knowledge.

42. Plaintiff and its predecessors-in-interest have entered into settlement licenses with several defendant entities. Duties of confidentiality prevent disclosure of settlement licenses and their terms in this pleading but discovery will show that Plaintiff and its predecessors-in-interest have substantially complied with Section 287(a). Furthermore, each of the defendant entities in the settlement licenses did not agree that they were infringing any of Plaintiff's patents, including the Patents-in-Suit, and thus were not entering into the settlement license to produce a patented article for Plaintiff or under its patents. Further, to the extent necessary, Plaintiff will limit its claims of infringement to method claims and thereby remove any requirement for marking.

43. To the extent Defendant identifies an alleged unmarked product produced for Plaintiff or under Plaintiff's patents, Plaintiff will develop evidence in discovery to either show that the alleged unmarked product does not practice the Patents-in-suit and that Plaintiff has substantially complied with the marking statute.

44. The policy of § 287 serves three related purposes: (1) helping to avoid innocent infringement; (2) encouraging patentees to give public notice that the article is patented; and (3) aiding the public to identify whether an article is patented. These policy considerations are advanced when parties are allowed to freely settle cases without admitting infringement and thus not require marking. All settlement licenses were to end litigation and thus the policies of §287 are not violated. Such a result is further warranted by 35 U.S.C. §286 which allows for the recovery of damages for six years prior to the filing of the complaint.

45. For each previous settlement license, Plaintiff understood that (1) the settlement license was the end of litigation between the defendant entity and Plaintiff and was not a license where the defendant entity was looking to sell a product under any of Plaintiff's patents; (2) the settlement license was entered into to terminate litigation and prevent future litigation between

Plaintiff and defendant entity for patent infringement; (3) defendant entity did not believe it produced any product that could be considered a patentable article under 35 U.S.C. §287; and, (4) Plaintiff believes it has taken reasonable steps to ensure compliance with 35 U.S.C. §287 for each prior settlement license.

46. Each settlement license that was entered into between the defendant entity and Plaintiff was negotiated in the face of continued litigation and while Plaintiff believes there was infringement, no defendant entity agreed that it was infringing. Thus, each prior settlement license reflected a desire to end litigation and as such the policies of §287 are not violated.

JURY DEMAND

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

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief as follows:

- a. enter judgment that Defendant has infringed the claims of the Patent-in-Suit;
- b. award Plaintiff damages in an amount sufficient to compensate it for Defendant's infringement of the Patent-in-suit in an amount no less than a reasonable royalty or lost profits, together with pre-judgment and post-judgment interest and costs under 35 U.S.C. § 284;
- c. award Plaintiff an accounting for acts of infringement not presented at trial and an award by the Court of additional damage for any such acts of infringement;
- d. declare this case to be "exceptional" under 35 U.S.C. § 285 and award Plaintiff its attorneys' fees, expenses, and costs incurred in this action;

- e. declare Defendant's infringement to be willful and treble the damages, including attorneys' fees, expenses, and costs incurred in this action and an increase in the damage award pursuant to 35 U.S.C. § 284;
- f. a decree addressing future infringement that either (i) awards a permanent injunction enjoining Defendant and its agents, servants, employees, affiliates, divisions, and subsidiaries, and those in association with Defendant from infringing the claims of the Patent-in-suit, or (ii) awards damages for future infringement in lieu of an injunction in an amount consistent with the fact that for future infringement the Defendant will be an adjudicated infringer of a valid patent, and trebles that amount in view of the fact that the future infringement will be willful as a matter of law; and
- g. award Plaintiff such other and further relief as this Court deems just and proper.

Dated: August 30, 2024

Respectfully submitted,

/s/ William P. Ramey, III

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