

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

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TLI COMMUNICATIONS LLC,	:	
	:	C.A. No. _____
Plaintiff,	:	
	:	
v.	:	
	:	JURY TRIAL DEMANDED
APPLE INC.	:	
	:	
Defendant.	:	
	:	
	:	
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Complaint for Patent Infringement

Plaintiff TLI Communications LLC (“TLI”) files this Complaint for Patent Infringement (“Complaint”) against Apple Inc. (“Apple”), wherein, pursuant to 35 U.S.C. §§ 271 and 281, Plaintiff seeks a judgment of infringement by Defendant of U.S. Patent No. 6,038,295 (the “’295 Patent”) and damages resulting therefrom pursuant to 35 U.S.C. § 284, as well as preliminary and permanent injunction of the infringing activity pursuant to 35 U.S.C. § 283, and such other relief as the Court deems just and proper, and in support thereof alleges as follows:

The Parties

1. Plaintiff TLI is a Delaware limited liability company with its principal place of business at 3422 Old Capitol Trail, Suite 72, Wilmington, Delaware 19808.

2. On information and belief, Defendant Apple is a corporation organized and existing under the laws of California, with a place of business at 1 Infinite Loop, Cupertino, California 95014. Apple can be served via its registered agent for service of process at The

Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.

Jurisdiction and Venue

3. This is an action for patent infringement arising under the Patent Laws of the United States, Title 35 of the United States Code.

4. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because the action concerns infringement of a United States patent.

5. Upon information and belief, Apple conducts substantial business in Delaware, directly or through intermediaries, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct and/or deriving substantial revenue from goods and services provided to individuals in Delaware. Upon information and belief, Apple sells and offers to sell products and services throughout the United States, including in this judicial district, and introduces products and services that perform infringing processes into the stream of commerce knowing that they would be sold and used in this judicial district and elsewhere in the United States.

6. Venue is proper under 28 U.S.C. §§ 1391 and 1400.

The Patent-in-Suit

7. TLI is the owner of the '295 Patent entitled "Apparatus and Method for Recording, Communicating and Administering Digital Images," which the United States Patent & Trademark Office lawfully and duly issued on March 14, 2000. A true and correct copy of the '295 Patent is attached hereto as Exhibit A.

Factual Background

8. Dr. Heinz Mattes is the named inventor of the '295 patent.

9. The '295 patent claims priority to an application filed on June 17, 1996. The '295 patent was originally assigned to Siemens Aktiengesellschaft of Munich, Germany. TLI is the current owner of the '295 patent via assignment.

10. In the mid 1990's, Dr. Mattes, while working as a scientist for Siemens, recognized that mobile telephony and digital photography, each then in their infancy, would likely become more and more popular. Dr. Mattes recognized that mobile telephones could be integrated with digital cameras, resulting in a proliferation of the quantity of digital images that could and would be taken.

11. Dr. Mattes invented a revolutionary way of communicating and recording such digital images, which allowed numerous images to be simply and quickly recorded, tracked, accessed and transmitted.

12. In 1996, Dr. Mattes' invention was among the winners of a Siemens idea competition, leading to Siemens initiating a project to develop a cellular telephone with an integrated camera.

13. The '295's patented inventions are applicable to the uploading and organization of digital images from a telephone. Over the past few years, smart cellular telephones that incorporate sophisticated digital cameras have exploded in popularity, as has social media. Today, hundreds of millions of digital images are uploaded onto computer servers and social media websites every day, including via Apple's iCloud, iPhoto, iMovie and Photo Stream products. Apple's products use the '295's patented technology, without license or authority, to classify those images so that they can be easily uploaded, stored, organized, retrieved and shared.

Apple's Infringing Products

14. Apple provides computer, cellular phone and web based products and services, including its iCloud, iPhoto, iMovie and Photo Stream products.

15. Apple purports that “Photo automatically organizes your photos and videos by year, by collection and by moment.” In addition, Apple purports that “iCloud lets you share what you want [w]ith the people you choose” and that users can create “a shared photo stream for your island vacation and you can see snapshots and videos from everyone in your group.”

16. Apple uploads, stores and organizes the millions of digital images that it receives from mobile telephones. To do so, Apple had to develop products and processes that, on information and belief, employ TLI’s patented technology. The infringing products include, but are not limited to, the products and processes that Apple uses to upload, store and organize the digital images it receives from mobile telephones, including iCloud, iPhoto, iMovie and Photo Stream (“Apple Infringing Products”). Discovery is expected to uncover the full extent of Apple’s unlawful use of TLI’s patented technology beyond these accused Infringing Products already identified through public information.

CLAIM FOR RELIEF (Infringement of the ’295 Patent)

17. TLI incorporates by reference paragraphs 1 through 16 of the Complaint as if set forth here in full.

18. Upon information and belief, Apple has been and is currently directly infringing one or more claims of the ’295 Patent by making, using, offering to sell, and/or selling within the United States, and/or importing into the United States, without authority, the Apple Infringing Products. For example, and without limitation, Apple has directly infringed and continues to directly infringe the ’295 Patent in this judicial district and elsewhere in the United States. Apple’s infringement includes, without limitation, (i) making and using the apparatus of claim 1 and claims dependent thereon, and (ii) practicing the method of claim 17 and claims dependent thereon.

19. Specifically, Apple's direct infringement includes, without limitation (i) its uploading of digital images from mobile telephones onto Apple servers via iCloud, iPhoto, iMovie or Photo Stream (or onto servers operated on or for Apple's behalf ("Apple servers")), (ii) its testing of its Apple products by uploading images with mobile telephones onto Apple servers within the United States, and (iii) its maintaining Apple servers that categorize and store images that were uploaded via mobile telephones. Apple also directs and/or controls its employees, executives, agents, customers and agents to use the Apple products to upload images from mobile telephones onto Apple servers within the United States. Apple also directly infringes one or more claims of the '295 Patent by providing Apple applications to mobile telephone users and thus putting the Infringing Products into use.

20. Upon information and belief, upon knowledge of the '295 Patent (at least since the filing date of this Complaint), Apple is contributing to the infringement of the '295 Patent by, among other things, knowingly and with intent, actively encouraging its customers, suppliers, agents and affiliates to make, use, sell and/or offer for sale the Apple Infringing Products in a manner that constitutes infringement of one or more claims of the '295 Patent. There are no substantial uses of the Infringing Products that do not infringe one or more claims of the '295 Patent. Apple's mobile telephone applications that Apple provides to its customers, for example, have no substantial non-infringing use.

21. Upon information and belief, upon knowledge of the '295 Patent (at least since the filing date of this Complaint), Apple is inducing infringement of the '295 Patent by, among other things, knowingly and with intent, actively encouraging its customers, suppliers, agents and affiliates to make, use, sell and/or offer for sale Apple Infringing Products in a manner that constitutes infringement of one or more claims of the '295 Patent.

22. To the extent that Apple's customers can be considered to put the Infringing Products into use, then Apple would also be inducing infringement of the '295 Patent by, among other things, knowingly and with intent (at least since the filing date of this Complaint), actively encouraging its customers to make and use Apple's products in a manner that constitutes infringement of one or more claims of the '295 Patent.

23. As a result of Apple's unlawful infringement of the '295 Patent, TLI has suffered and will continue to suffer damage. TLI is entitled to recover from Apple the damages adequate to compensate for such infringement, which have yet to be determined.

24. Any further manufacturing, sales, offers for sale, uses, or importation by Apple of the Infringing Products will demonstrate a deliberate and conscious decision to infringe the '295 Patent or, at the very least, a reckless disregard of TLI's patent rights. If Apple continues to manufacture, use, offer to sell, sell, and/or import the Apple Infringing Products following its notice of the '295 Patent claims, Apple's infringement will be willful and TLI will be entitled to treble damages and attorneys' fees and costs incurred in this action, along with prejudgment interest under 35 U.S.C. §§ 284, 285.

25. Apple will continue to infringe the '295 Patent unless and until it is enjoined by this Court.

26. Apple's acts of infringement have caused and will continue to cause irreparable harm to TLI unless and until Apple is enjoined by this Court.

PRAYER FOR RELIEF

WHEREFORE, TLI prays for a Judgment in favor of TLI and against Defendant as follows:

- A. That Apple has directly infringed the '295 Patent;
- B. That Apple has indirectly infringed the '295 Patent;

C. That this case is “exceptional” within the meaning of 35 U.S.C. § 285 against Apple;

D. An order preliminarily and permanently enjoining Apple and its affiliates, subsidiaries, officers, directors, employees, agents, representatives, licensees, successors, assigns, and all those acting for them and on their behalf, or acting in concert with them directly or indirectly, from further acts of infringement of the '295 Patent;

E. A full accounting for and an award of damages to TLI for Apple’s infringement of the '295 Patent; including enhanced damages pursuant to 35 U.S.C. § 284, together with pre- and post-judgment interest;

F. An award of TLI’s reasonable attorneys’ fees, expenses, and costs; and

G. A grant of such other and further equitable or legal relief as this Court deems proper.

DEMAND FOR JURY TRIAL

TLI hereby demands trial by jury on all issues so triable.

Dated: November 18, 2013

Respectfully submitted,

FARNAN LLP

/s/ Brian E. Farnan

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